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Minutes of the the 7th meeting of the State Level Programme Management Committee (SLPMC) of OTELP held on 24.01.2007 at 10 A.M. in the Office Chamber of Commissioner cum Secy, STSCDD and Chairperson, OTELP

List of Members present is at Annexure – I

At the outset the Programme Director, OTELP welcomed the Commissioner cum Secretary, STSCDD and Chairperson, OTELP and all other members of the committee.

1. Confirmation of Proceedings of 6th meeting of SLPMC

Minutes of the 6th meeting of SLPMC held on 27.10.2006 has been circulated to all members vide letter No.953 dtd.28.10.2006 of PSU, OTELP. The committee confirmed the minutes.

2. Action taken on key decisions of 6th meeting of SLPMC

<i>Issue discussed</i>	<i>Decision taken</i>	<i>Action taken</i>	<i>Remark</i>
Revision of Annual Work Plan & Budget, 2006-07	The revised AWPB was approved with an outlay of Rs. 35.88 crores.	The approved AWPB has been sent to P&C deptt and Finance Deptt. Month wise action plan has been prepared at the district level. The total expenditure up to 31 st December, 2006 has been Rs. 19.42 crores. Effort is being made to achieve the physical and financial target as proposed.	The Joint Secy, STSCDD informed the committee about the advice of the Pricipal Secretary, FD for expediting the expenditure so as to meet the financial target. The Chairperson, OTELP advised the PD to take note and act accordingly.
Improving Financial Management	To recruit Finance Officer and Micro Finance officer at each ITDA. To engage the Financial Management Consultant by the PSU. To move Finance deptt for sanction of a post of Data Entry Operator cum Accounts Assistant in place of Accountant.	The recruitment is under process. The interviews are scheduled on 25 th & 27 th Jan, 2007. M/s Chand & Co has been engaged as the F.M. Consultant with effect from 1 st November, 2006. Proposal already sent to FD. The FD has sanctioned for engagement of contractual DEO cum Accounts Assistant.	The Committee approved of the action taken.
Strengthening FNGOs	FNGOs be asked to recruit two more WDT members namely WDT (Micro	Three of the 12 FNGOs have already recruited the additional WDT members. The date line	The Commissioner cum Secy, Revenue & Disaster Management Deptt indicated that

	Finance & Micro Enterprise) and WDT (Forestry)	given is 31 st Jan, 2007.	effort should be taken to recruit women candidates. The PD informed that effort is being made to ensure 50% women representation in the Watershed Development Team.
Enhancement of remuneration of Contractual staff	Proposal on the basis of objective assessment be put up to next SLPMC	Matter included in the Agenda for 7 th meeting.	As under Agenda item no 5.
Incentives to Govt. staff	The Committee constituted for the purpose be pursued for making suitable recommendation.	The recommendation of the Committee has been sent to the FD. The FD hasn't agreed to the same and sanctioned a project allowance to officers of different grades up to a maximum of Rs250 per month.	The Secy, Revenue & Disaster Mgt. suggested to take up the matter again at the level of Programme Steering Committee. The Chairperson also agreed to the suggestion.
Upscaling to Phase II	New micro watersheds and new blocks to be identified during Jan - Feb, 2007.	All the district units have been instructed accordingly. The process will be completed in time.	The Committee approved of the action taken.

3. Revision of Cost norm for Programme activities as per recommendations of MTR

The Programme Director put forth the proposal of revising the Cost Norm for different activities under OTELP. He explained that the programme design of OTELP as agreed by the Govt. of Orissa envisages a watershed plus approach using the watershed as the basic vehicle for natural resource management but with scope to cover broader livelihood issues which need to be addressed. Accordingly the basis of the existing guidelines of MoRD, GoI for the watershed development programmes and the additional provision made for livelihoods support activities under WORLP being implemented by the Orissa Watershed Development Mission have been adopted under OTELP. But the cost norm so adopted does not conform to the percentage of funds earmarked under different sub sector wise interventions and their correlation with that of the eligible categories of expenditure to be reimbursed by the funding agencies as agreed to under the Programme Loan Agreement. The fact was also observed during the Mid Term Review of the programme in September, 2006 and the MTR team recommended for recasting the allocation of funds as per the agreed design.

The P.D. presented the redesigned cost structure as mentioned in the Agenda note and proposed for extending the total period of operation in the micro watershed to 7 years instead of 5 years with a two year consolidation phase for ensuring sustainability of the process of institution building and physical interventions resulting in a gradual withdrawal of the programme from the communities. He further indicated that the difference in regard to the work components as

existing under the guidelines of MoRD, GoI comes to Rs. 1350/- per ha. Besides, the additional components under OTELP such as Community Infrastructure Fund, Participatory Forest Management and Development Initiative Fund account for further Rs. 3320/- per ha.

The Commissioner cum Secretary, Revenue & Disaster Management Deptt suggested that the guidelines of MoRD, GoI are not binding on OTELP. Looking at the spirit of the programme objective of community empowerment, the planning of activities and the costing should be demand driven and based on the actual microplans prepared by the communities. Putting an overall cost structure for different activities will defeat the very purpose of bottom up approach of planning and will restrict the process of empowerment of grass root level institutions. He therefore suggested that the costing should be proposed on the basis of the microplans prepared by the communities.

The commissioner cum Secretary, STSCDD and the Chairperson, OTELP emphasized that significant contribution from the beneficiaries in the programme activities should be ensured for sustainability and gradual withdrawal of the programme from the communities. He called upon the P.D. to work out the component wise difference of cost norm between that as existing under the MoRD guidelines and the proposed structure under OTELP. The P.D. put up the revised statement as follows:

Comparative Cost allocation per hacter at the micro watershed level as under MoRD & Proposed OTELP

Component of Activities	Expenditure Head	Allocation in Rs. As per MoRD	Proposed Allocation in Rs.as per OTELP
Watershed Development & Livelihoods support (Watershed +)	Administrative Overhead (FNGO & VDC)	800	1611.60
	Community Mobilization	600	500
	Capacity Building	600	460
	Works (Land & Water Management, Agriculture & Horticulturte, Livestock & Aquaculture, Rural Financial service)	8000	8779
Total		10000	11350.60
Additional Component in OTELP			
	Community Infrastructure Fund		1200
	Development Initiative Fund		1000
	Participatory Forest Management		1120
	Total		3320
	Grand Total		14670.6

Funds allocation at PSU/ITDA level in Rs. Lakhs

Programme Componenets	Allocation in Rs. Lakhs
Studies, Contractual Services & Technical Assistance including Capacity Building of Programme staff of PSU & ITDAs	817.23

Mobility support to ITDAs for augmenting technical support from external Support Agencies (line departments/resource organisations/research institutes etc)	47.04
Support for Policy Initiatives	949.96
Food Handling	428.55
Programme Management (Admn cost of PSU & ITDAs, M&E, Reviews/Meetings/Workshops, Equipments and infrastructure etc.)	4859.83

The proposal was approved with the condition that while maintaining the overall ceiling on different components, the actual expenditure should be as per the requirements. In other words, no expenditure would be incurred on the approved components if it is not essential while more expenditure could take place (within the overall unit cost) on other approved components which are critical to the success of the programme and decision in this regard will be taken by the field unit.

4. Revision of MoU between ITDAs and FNGOs

The format of MoU and the Terms of Reference between the ITDAs and the FNGOs was approved in the 2nd meeting of SLPMC based on the guidelines of MoRD, GoI. The P.D. will process the proposal for modification/ revision of the same on the basis of the readjustments in the cost norm and the implementation strategy as described under item no. 3 for approval of the Committee in the next meeting.

5. Enhancement of Remuneration of the Contractual Staff

The programme design under OTELP envisages that staffing pattern to be a combination of both Government and contractual engagement of professional staff. Accordingly there are 12 Contractual Subject Matter Specialists and 12 contractual Office Assistants & Steno cum Data Entry Operators. The performance of the contractual staff under OTELP has been assessed by respective controlling officers and examined by an internal committee headed by the Joint Secretary, STSCDD, who have found it to be satisfactory and up to mark during both the previous years. The contribution of the SMSs has been very significant on the progress of implementation of the programme till date. They have been performing with high sense of responsibility and involvement in their respective assignments. Their professional competence and creativity have been reflected in establishing a well structured administrative set up along with an effective monitoring and evaluation system, an exemplary partnership and workmanship between the Govt. and NGOs and very successful field interventions in respect of Land & Water management, Capacity Building of primary stakeholders for taking up collective marketing in association with MART, which have been very well appreciated during the MTR. As observed by the MTR team, the SMSs need to be encouraged to function more efficiently, which is crucial for the successful implementation of programme activities and for meeting the programme objectives.

The MTR Mission's recommendation is:

- Following a very troubled beginning in terms of programme management, OTELP has now successfully put in place a committed and hard working programme management team at PSU and ITDA levels.
- Despite its extremely problematic commencement and early implementation, OTELP was able to gain some achievements. Initially it established itself as a standard watershed

management project:- it was very effective in selecting a Programme area that met the original Programme design objectives; it was very successful in recruiting a good group of NGOs to be the implementing agencies; and it was successful in establishing an effective working relationship between the FNGOs and the Government's ITDAs. While all these activities may not have had the orientation that IFAD wanted, the progress the PSU has made in the past 8 months in understanding IFAD's approach and reorienting the Programme towards meeting its objectives is encouraging.

- Salary structures of the PSU, the ITDAs, and the FNGOs be reviewed with a view to increasing remuneration and/or providing allowance and other facilities in order to hold key personnel. The review should be completed within 6 months any changes should be in time for the commencement of Phase II.

Thus, while acknowledging the competency, sincerity and commitment of the staff of OTELP the MTR Mission has recommended for increasing the consolidated remuneration of the contractual employees to make it at par with the remuneration structure in the similar projects. The consolidated remuneration of the SMSs under OTELP is Rs. 15000/- only, where as that approved for equivalent posts in similar programmes is much higher as mentioned below:

Programme / Project	Post sanctioned	Consolidated remuneration per month
Western Orissa Rural Livelihood Programme (WORLP) under Orissa Watershed Developemt Mission (OWDM)	Livelihood Specialist, NRM Specialist, M&E Specialist etc.	Rs.20,000/- to Rs.30,000/-
TRIPTI under Orissa Poverty Reduction Mission (OPRM)	M&E Specialist, C.B. & Micrifinance Specialist, Livelihood Specialist, Finance Management specialist	Rs. 25,000/-
Community Livelihood Action Programme (CLAP) under Poverty & Human Development Monitoring Agency (PHDMA)	Programme Officer, Capacity Building, M&E etc.	Rs.25,000/- to Rs.30,000/-

The P.D. therefore proposed that the Monthly consolidated remuneration to the Contractual Staff of different categories under OTELP may be enhanced and fixed at three different stages with performance based hike after 3rd year and 6th year.

After thorough deliberation on the issue, it was decided that no hike in the remuneration at the end of 3rd year or 6th year can be proposed. However, basing on the points raised above, proposal will be sent to FD for revision of the remuneration of the Contractual staff under OTELP in the same line as under Western Orissa Rural Livelihood Programme (WORLP), which has been duly approved by the Finance Department.

The meeting ended with vote of thanks to the Chair and the members.

Signature
25.1.7

Chairperson, SLPMC and Secretary
ST & SC Development Department