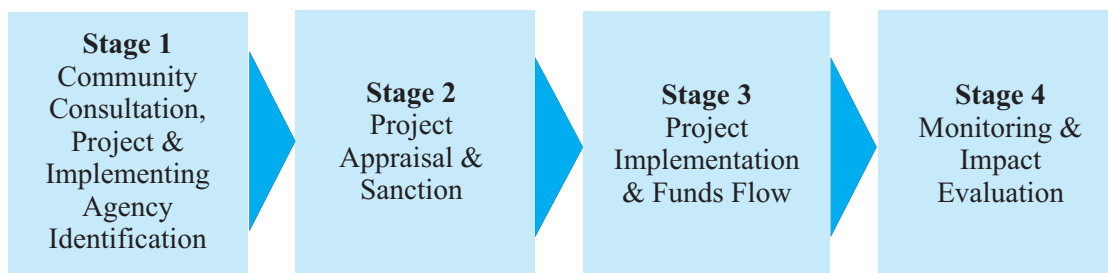


## IMPLEMENTATION ARRANGEMENTS

### Overall process

The overall process for undertaking projects supported by CPF can be broadly described in four stages.

#### **Stage 1 Community Consultation , Project & Implementing Agency Identification .**



The felt needs of the communities should be discussed with involvement of all concerned stakeholders. Citizens those impacted by a project and those benefited from should collectively discuss and evolve the project. The communities may seek support from professionals from within, NGOs and other experts to help formulate the project and prepare necessary documentation.

Documentation of consultative processes adopted in project formulation is critical and should necessarily form part of the project proposal. The proposals should be signed by an Office Bearer of the Implementing Agency. To be eligible for consideration, the project proposal should have endorsements from the citizens as mentioned in the earlier section. In case the project is being implemented by a CBO, a resolution by the community to that effect, nominating the CBO to act as the Implementing Agency should form a part of the proposal.

Subsequent to constitution of Area Sabhas, the entire process of project formulation, stakeholder consultation and collective decision making should be anchored by the Area Sabha through discussions in the general body of the Area Sabha.

Endorsement from the Municipality is also critical to ensure that there is no duplication of works being undertaken by the community under CPF & the ULB.

#### **Stage 2 - Project Appraisal and Sanction**

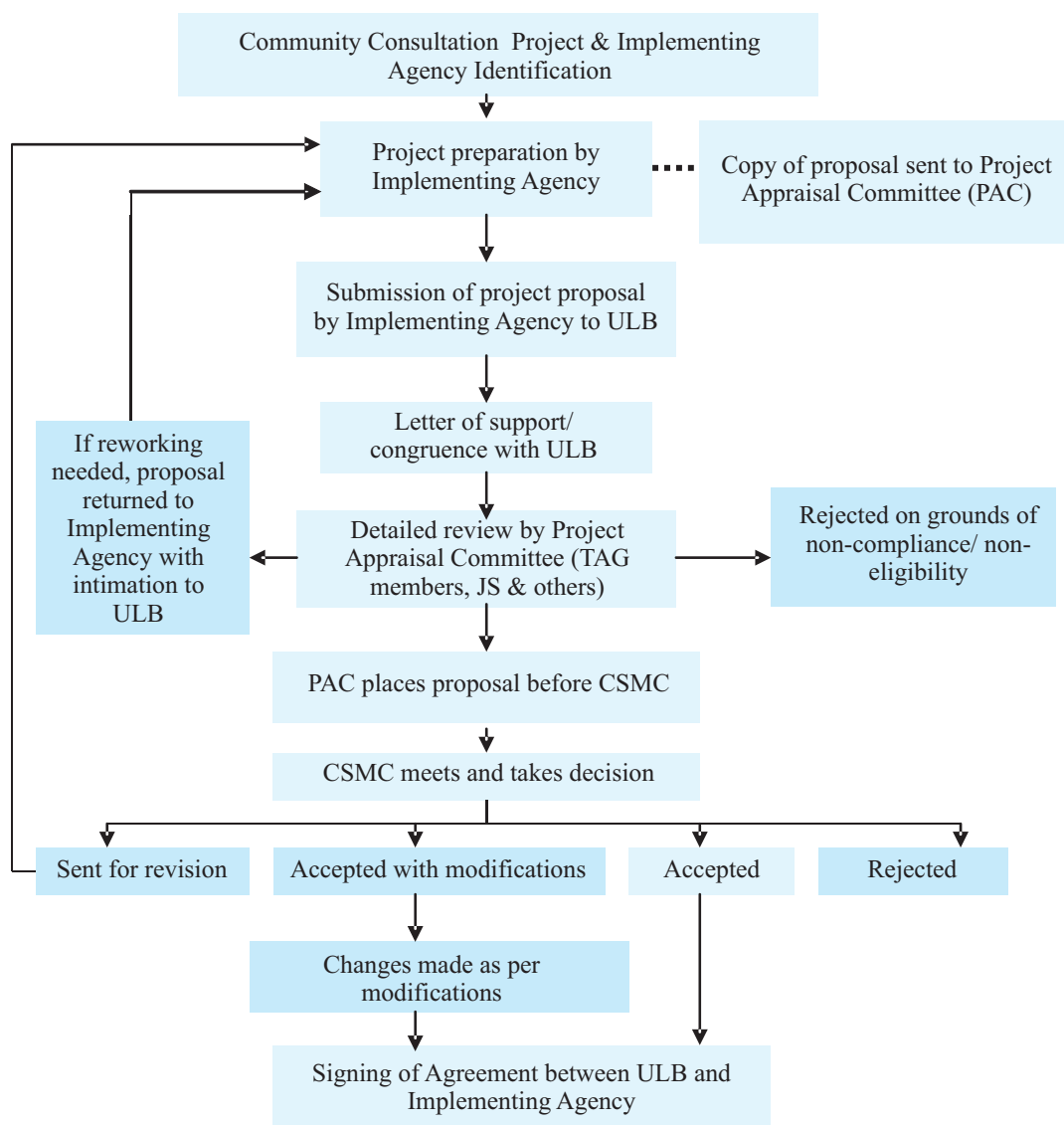
The Implementing Agency should submit its project proposal directly to the concerned Urban Local Body (ULB) /Municipal Corporation, with copies of the same forwarded to the Project Appraisal Committee (PAC) consisting of National Technical Advisory Group members, Joint Secretary and other proposed officials from the Mission. After a preliminary scrutiny of the proposal with respect to eligibility and compliance requirements, the Municipal Corporation is required to send across to the PAC endorsement letters (Annexure- 5) on the project proposals. Such letters from the Municipal Corporations should typically be forwarded within 2 weeks of submission of the proposal by the Implementing Agency.

The Appraisal Committee shall carry out a detailed review, with possible visit(s) to the site and discussions with the communities and the Implementing Agency. It would cover both the project and the institutional assessment of the Implementing Agency. The objectives of CPF and guiding principles for project eligibility shall be important criteria in appraising projects. The representative

character of the Implementing Agency, its past performance and organizational capacity will be important criteria in assessing the Implementing Agency.

Appraised projects will be placed by the PAC before the CSMC for sanction. Once the projects are sanctioned, the Implementing Agency shall enter into a written agreement with the Municipal Corporation. Such agreement is only to formalize the commitments by the Implementing Agency and the ULB for their respective roles in the project.

The typical process flow for submission, appraisal and sanction of projects is illustrated below:



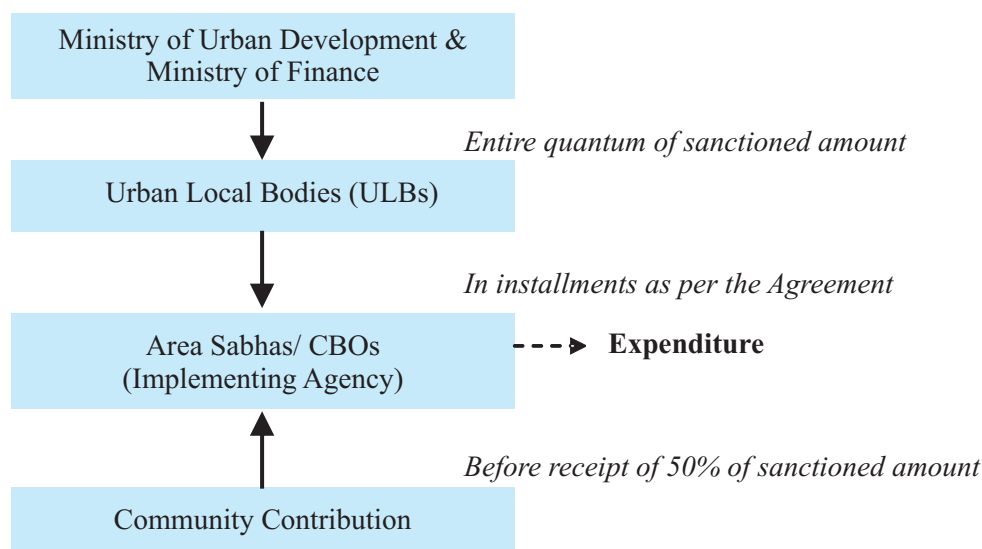
To begin with, the operations of CPF are designed to be fairly centralized, however, it is envisaged that within a year the operations will be rapidly decentralized as State level mechanisms fall in place.

As the scale of the activities under CPF grows, a concept such as a professional Fund Manager to take on some of the roles of the ULB and also undertake detailed appraisal of the projects, can be considered. Such a Professional Fund Manager may be appointed to service the requirements of one or more States and play all coordination roles related to activities supported by CPF.

### Stage 3 - Project Implementation and Funds Flow

The CSMC will examine the projects and accord its sanction. The CSMC may make observations on one or more projects / types of projects prior to according its approval.

The flow of funds during project implementation is illustrated below:



Mission Directorate will coordinate the transfer of the entire quantum of funds sanctioned for a particular project to the corresponding ULB. The ULB will then transfer funds to the Implementing Agency in installments, in line with the schedule as specified in the Agreement. The contribution by the community into the project cost should be collected and deployed into the project through a separate bank account opened for this purpose, prior to release of the 50% of the sanctioned amount (first installment) by the ULB.

The Implementing Agency should implement the project as scheduled and specified in the Agreement. Participation by the community through the stages of implementation is as critical as the participation in the initial stages of project conception and formulation.

### Stage 4 Monitoring and Impact Evaluation

Vigilance by the community during and after project implementation is the most effective and enduring mechanism for monitoring community based projects / activities. At the end of the project, the community would have to endorse the completion of the project to their satisfaction. Decision making processes similar to that adopted for project conception and formulation in Stage 1 may be adopted. Basically through CPF an enabling environment has to be created for the community oversight of all the projects being undertaken by the ULB in its area.

<sup>1</sup> The Central Sanctioning and Monitoring Committee (CSMC) may delegate its powers for projects under CPF to a Sub-Committee constituted for the same.

The next tier of oversight on the project implementation will be played by the concerned municipality. It will have a Committee (existing or new one) which could meet on regular intervals and monitor and evaluate the CPF projects. Apart from making independent assessments of the implementation processes and impact of the projects, the municipality will assist the Implementing Agency in any hurdles faced and seek to resolve them.

In addition to the above, the Implementing Agency would have to submit brief Quarterly Progress Reports and Certificates of Utilisation of funds to the ULB. The ULB will scrutinize and consolidate project-wise reports and submit consolidated progress reports and Utilization Certificates to the Mission Directorate, Ministry of Urban Development on a Quarterly basis.

The concerned State Level Nodal Agency (SLNA) and the National Technical Advisory Group (NTAG) will also undertake periodic assessments of the impact of initiatives supported by the CPF at the city, state and national levels.