

REGISTERED POST/  
BY HAND

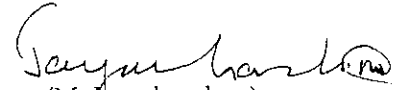
No.N-11026/11/2007/BSUP/JNNURM  
Government of India  
Ministry of Housing and Urban Poverty Alleviation  
JNNURM Directorate

Room No. 201, G Wing  
New Delhi, dated 1<sup>st</sup> October, 2007

**OFFICE MEMORANDUM**

The undersigned is directed to enclose herewith a copy of the minutes of the special meeting of the Central Sanctioning and Monitoring Committee (CSMC) of Sub-Mission on Basic Services to the Urban Poor (BSUP) and Central Sanctioning Committee (CSC) of Integrated Housing and Slum Development Programme (IHSDP) under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) held under the Chairmanship of Secretary, Ministry of Housing and Urban Poverty Alleviation on 13.9.2007.

2. Secretaries in-charge of BSUP and IHSDP in the States/UTs and the appraisal agencies are requested kindly to take necessary follow up action, such as submitting necessary proposals, etc., for successful implementation of BSUP and IHSDP projects.

  
(M. Jayachandran)

Deputy Director (BSUP)  
Telephone 011-23061519

**Encl: Minutes of the meeting**

**To**  
**Members of the CSMC as follows:**

1. The Secretary, Ministry of Urban Development, Nirman Bhavan, New Delhi.
2. The Secretary, Ministry of Finance, Department of Expenditure, New Delhi.
3. The Principal Adviser (HUD), Planning Commission, Yojana Bhavan, New Delhi.
4. The Secretary, Ministry of Environment and Forests, Paryavaran Bhavan, CGO Complex, Lodhi Road, New Delhi.
5. The Secretary, Ministry of Social Justice and Empowerment, Shastri Bhavan, New Delhi.
6. The Secretary, Ministry of Health and Family Welfare, Nirman Bhavan, New Delhi.
7. The Secretary, Department of Education, Shastri Bhavan, New Delhi.
8. The Joint Secretary and FA, Ministry of Urban Development and Ministry of HUPA, New Delhi.
9. The Chief Planner, Town and Country Planning Organisation (TCPO), I.P. Estate, New Delhi.
10. The Adviser, CPHEEO, Ministry of Urban Development, Nirman Bhavan, New Delhi.
11. The CMD, Housing and Urban Development Corporation Ltd., HUDCO Bhavan, India Habitat Centre, Lodhi Road, New Delhi.
12. The Joint Secretary (JNNURM)/Mission Director, Ministry of Housing and Urban Poverty Alleviation, New Delhi – Member-Secretary

Copy to the Secretaries in charge of Basic Services to the Urban Poor (BSUP) and Integrated Housing & Slum Development Programme (IHSDP) in the States/UTs:-

|   |   |
|---|---|
| Shri S.P. Singh,<br>Principal Secretary,<br>Urban Development &<br>Municipal Administration Department<br>Government of Andhra Pradesh,<br>L-Block Secretariat<br>Hyderabad – 500 002 | Shri A.K. Parida,<br>Principal Secretary,<br>Housing Department,<br>Government of Andhra Pradesh,<br>L-Block, A.P. Secretariat,<br>Hyderabad -- 500 002 |
| Smt Pushpa Subramaniam,<br>Secretary,<br>Municipal Administration Department,<br>Government of Andhara Pradesh,<br>L-Block Secretariat,<br>Hyderabad-500 002.                         | Miss Bandana Deori,<br>Principal Secretary,<br>Urban Development & Tourism,<br>Government of Arunchal Pradesh,<br>Civil Secretariat,<br>Itanagar.       |
| Shri Biren Dutta,<br>Commissioner & Secretary,<br>UD Department,<br>Government of Assam,<br>Assam Secretariat,<br>Dispur,<br>Guwahati -781 006.                                       | Smt. S. Jalja<br>Secretary,<br>Urban Development Department,<br>Government of Bihar,<br>Vikash Bhawan,<br>New Secretariat,<br>Patna..                   |
| Dr. Safeena. A .N.,<br>Additional Secretary & Director (BUDA),<br>Urban Development Department,<br>Government of Bihar,<br>Vikash Bhawan,<br>Patna.                                   | Shri Surendra Prasad Sinha,<br>Secretary (Housing),<br>Government of Bihar<br>Sachivalaya<br>Patna - 800 015  |
| Shri C.K. Khaitan,<br>Secretary,<br>School Education & UD/LSG,<br>Government of Chhatishgarh,<br>Room NO 254, DKS Bhawan,<br>Mantralaya,<br>Raipur.                                   | Shri R. P. Pal,<br>Secretary(Housing)<br>Government of Goa,<br>Secretariat Annexe,<br>EDC House,<br>Panaji- 403 001                                     |
| Shri S.R. Rao,<br>Principal Secretary(UD) & Housing,<br>Government of Gujarat,<br>Block No, 14, 9 <sup>th</sup> Floor,<br>New Sachivalaya,<br>Gandhinagar-382 010.                    | The Chief Executive Officer,<br>Gujarat Urban Development Mission,<br>GMFB Building, Sector-10A,<br>Gandhinagar – 382 016.                              |

|   |  |
|---|--|
| Shri P.K. Gupta,<br>Commissioner & Secretary,<br>Department of Urban Development,<br>Government of Haryana,<br>SCO-20 Sec.7C,<br>Chandigarh – 160 001.  | Shri Deepak Sanan,<br>Principal Secretary (UD),<br>Government of Himachal Pradesh,<br>Shimla – 171 002   |
| Ms. Naseem Lankar,<br>Secretary,<br>Housing and UD Department,<br>Government of Jammu & Kashmir,<br>New Secretariat, Srinagar   | Shri P. C. Kapoor,<br>Principal Secretary (Housing),<br>Government of Himachal Pradesh,<br>Shimla – 171 002  |
| Shri G.A. Qureshi,<br>Director,<br>Urban Local Bodies J&K , Jammu,<br>151-A/D, Gandhi Nagar, Jammu.   | Shri R.K. Shrivastava<br>Secretary (UD)<br>Government of Jharkhand,<br>Ranchi -834 004.  |
| Shri N. N. Sinha<br>Secretary (Housing)<br>Government of Jharkhand,<br>Project Building, Dhurwa,<br>Ranchi-834004   | Smt. Shamim Banu,<br>Principal Secretary (Housing)<br>Government of Karnataka,<br>Room No.213,<br>2 <sup>nd</sup> Floor, Vikas Sauda<br>Dr. B.R. Ambedkar Road,<br>Bangalore-560 001 |
| Shri K Jyotiramalingam<br>Principal Secretary to Government<br>UD Department,<br>Government of Karnatka<br>Room No.436,<br>4 <sup>th</sup> Floor, Vikas Sauda<br>Dr. B.R.Ambedkar Road<br>Bangalore 560 001 | Shri L. Radhakrishnan,<br>Secretary (Housing),<br>Government of Kerala,<br>Secretariat,<br>Thiruvananthapuram – 695 001  |
| Shri S.M. Vijayanand,<br>Principal Secretary,<br>Local Self Government Department<br>Government of Kerala<br>Thiruvananthapuram – 695 001   | Shri T.K. Jose,<br>Secretary ,<br>Local Self Government,<br>Government of Kerala,<br>Thiruvananthapuram-695 001  |
| The Executive Director<br>Kudumbashree<br>State Poverty Eradication Mission<br>Government of Kerala<br>State Municipal House<br>Vazhuthacaud<br>Thiruvananthapuram  | Shri Ashok Das,<br>Principal Secretary,<br>Urban Administration and Development<br>Department,<br>Government of Madhya Pradesh,<br>Mantralaya,<br>Bhopal - 462 032                   |

|   |   |
|---|---|
| Dr. Devraj Berdi,<br>Principal Secretary (Housing & Environment),<br>Government of Madhya Pradesh,<br>Mantralaya, Ballabh Bhavan,<br>Bhopal - 462 032     | Shri Malay Shrivastava,<br>Commissioner,<br>Urban Administration & Development,<br>Government of Madhya Pradesh,<br>Nagar Palika Bhavan, Shivaji Nagar<br>Bhopal -462 016 |
| Shri Ramanand Tiwari,<br>Addl. Chief Secretary(UD),<br>Government of Maharashtra,<br>Mantralaya,<br>Mumbai-400 032.                                       | Shri S.S. Kshatriya,<br>Principal Secretary (Housing),<br>Government of Maharashtra,<br>Room No.268,<br>2 <sup>nd</sup> Floor, Mantralaya,<br>Mumbai-400 032              |
| Shri T C Benjamin,<br>Principal Secretary (UD),<br>Government of Maharashtra,<br>Room No.425, 4 <sup>th</sup> floor<br>Mantraalaya, Mumbai-400 032        | Shri P.W. Ingty,<br>Commissioner & Secretary,<br>Urban Affairs & Housing,<br>Government of Meghalaya,<br>Main Secretariat Building<br>Shillong-793 001                    |
| Shri Prashant Kumar Singh,<br>Secretary,<br>Housing, UD & Municipal<br>Administration,<br>Government of Manipur,<br>Chief Secretariat,<br>Imphal -795 001 | Shri Haukhum Hauzel,<br>Commissioner & Secretary (LAD),<br>Government of Mizoram,<br>Civil Secretariat,<br>Aizwal-796 001.  |
| Dr. S.C.Deorani,<br>Principal Secretary,<br>Urban Development Department,<br>Government of Nagaland,<br>Kohima - 797 001                                  | Shri Mhathung Kithan,<br>Commissioner & Secretary, Works & Housing,<br>Government of Nagaland<br>Kohima - 797 001   |
| Shri N.C. Vasudevan,<br>Principal Secretary (Housing & UD),<br>Government of Orissa,<br>Orissa Secretariat,<br>Bhubaneswar - 751 001                      | Shri D. S. Bains,<br>Principal Secretary(LSG)<br>Government of Punjab<br>Mini Secretariat<br>Sector-9,<br>Chandigarh 160 001  |
| Shri Arun Goyal,<br>Secretary (Housing & UD)<br>Government of Punjab,<br>Room No.419, Mini Secretariat, Sector-9<br>Chandigarh 160 001                    | Shri Parvinder Singh Panwar,<br>Principal Secretary,<br>UDII & LSG Department,<br>Government of Rajasthan<br>Room No. 29, Main Building,<br>Secretariat, Jaipur           |

|   |   |
|---|---|
| Dr. Manjit Singh,<br>Secretary,<br>Local Self Government Department,<br>Government of Rajasthan ,<br>Room No.39, SSO Building,<br>Government Secretariat ,<br>Jaipur 302 005. | Shri Tobjor Dorji,<br>Secretary,<br>Department of UD & Housing,<br>Government of Sikkim,<br>NH 31A,<br>Gangtok – 737 101  |
| Shri R. Sellamuthu,<br>Secretary (Housing & UD),<br>Government of Tamil Nadu,<br>Fort St. George, Secretariat,<br>Chennai –600 009  | Shri K. Deenabandu,<br>Secretary,<br>Municipal Administration & Water Supply,<br>Government of Tamil Nadu,<br>6 <sup>th</sup> Floor, Ezhilagam Annexe,<br>Chepauk, Chennai- 600 009 |
| Shri Sudip Roy,<br>Secretary (UD),<br>Government of Tripura<br>Civil Secretariat,<br>Pt. Nehru Complex,<br>Agartala-799 001   | Shri Govindan Nair,<br>Principal Secretary (UD & MA)<br>Government of Uttar Pradesh,<br>Room No.825,<br>8 <sup>th</sup> floor, Babu Bhawan,<br>Lucknow – 226 001                    |
| Shri Mohinder Singh,<br>Principal Secretary (Housing),<br>Government of Uttar Pradesh,<br>325 Babu Bhavan,<br>Lucknow – 226 001   | The Director,<br>SUDA,<br>Government of Uttar Pradesh,<br>Navchetna Kendra,<br>10, Ashok Marg,<br>Lucknow.  |
| Shri Shatrughna Singh,<br>Secretary (UD & Housing),<br>Government of Uttarakhand,<br>Uttarakhand Secretariat,<br>4 B, Subhash Road<br>DEHRADUN                                | Shri P.K. Pradhan,<br>Principal Secretary (UD),<br>Government of West Bengal,<br>Writers Building,<br>Kolkata-700001  |
| Shri S.K. Sandhu,<br>Finance Secretary and<br>Secretary in-charge of UD & Housing,<br>Chandigarh Administration,<br>UT Secretariat, Sector 9,<br>Chandigarh-160 001           | Dr. A. C. Verma,<br>Secretary (Housing),<br>Government of Puducherry,<br>Chief Secretariat,<br>Puducherry-605 001   |
| Shri T.M. Balakrishnan,<br>Secretary,<br>Local Administration Department<br>Government of Puducherry,<br>Chief Secretariat,<br>Puducherry-605 001                             | Shri Rakesh Mehta,<br>Principal Secretary (UD),<br>Government of NCT of Delhi,<br>9 <sup>th</sup> Floor, C Wing,<br>Delhi Secretariat, IP Estate, New Delhi.                        |

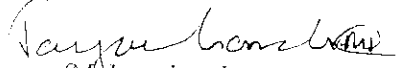
|  |  |
|--|--|
| Shri S.K. Saxena,<br>Additional Secretary (UD),<br>Government of NCT of Delhi,<br>Delhi Secretariat, IP Estate,<br>New Delhi-110 002 | Shri P.K. Gupta,<br>Commissioner & Secretary,<br>(Relief & Rehabilitation),<br>UT of Andaman & Nicobar Islands,<br>Secretariat,<br>Port Blair -744 101 |
| Shri Dharmendra,<br>Secretary (Housing & UD),<br>UT of Daman & Diu,<br>Secretariat,<br>Moti Daman-396 220                            | Shri Dharmendra,<br>Secretary (Housing & UD),<br>UT of Dadra & Nagar Haveli,<br>Secretariat,<br>Silvassa-396 220                                       |

**Copy to the appraisal agencies, including the newly empaneled agencies, for information and necessary follow up action:**

1. The CMD, HUDCO, "HUDCO Bhavan", India Habitat Centre, Lodhi Road, New Delhi 110 003.
2. The CMD, NBCC, "NBCC Bhavan", Lodhi Road, New Delhi-110 003
3. The CMD, HPL, Jangpura, New Delhi-110014
4. The Executive Director, BMTPC, Core 5 A, First Floor, India Habitat Centre, Lodhi Road, New Delhi-110 003
5. The Director, Indian Institute of Technology Delhi, Hauz Khas, New Delhi-110 016
6. The Director, Indian Institute of Technology Roorkee, Roorkee, Uttarkhand -- 247 667

**Copy to**

1. The Joint Secretary to Hon'ble Prime Minister (Kind attention Shri R. Gopalakrishnan), PMO, South Block, New Delhi.
2. PS to Hon'ble Minister (HUPA)
3. Sr. PPS to Secretary (HUPA)
4. JS (PF-I), Ministry of Finance, Department of Expenditure, New Delhi.
5. Deputy Financial Adviser, Ministry of HUPA
6. JS (JNNURM) and Mission Director, Ministry of HUPA
7. JS (Housing), Ministry of HUPA
8. Director (UPA), Ministry of HUPA
9. OSD in JNNURM Directorate, Ministry of HUPA.
10. DS(JNNURM), Ministry of HUPA
11. The Director (Corporate Planning), HUDCO, "HUDCO Bhavan", India Habitat Centre, Lodhi Road, New Delhi 110 003.
12. The Chief (PMT), BMTPC, Core 5 A, First Floor, India Habitat Centre, Lodhi Road, New Delhi-110 003

  
(M. Jayachandran)  
Deputy Director (BSUP)

Copy to:- Guard folder on JNNURM

MINUTES OF THE SPECIAL MEETING OF THE CENTRAL  
SANCTIONING AND MONITORING COMMITTEE (CSMC) OF  
SUB-MISSION ON BASIC SERVICES TO THE URBAN POOR  
(BSUP) AND CENTRAL SANCTIONING COMMITTEE (CSC) ON  
INTEGRATED HOUSING & SLUM DEVELOPMENT  
PROGRAMME (IHSDP) UNDER JAWAHARLAL NEHRU  
NATIONAL URBAN RENEWAL MISSION (JNNURM)

---

*Nirman Bhawan, New Delhi, September 13, 2007*

A Special Meeting of the Central Sanctioning and Monitoring Committee (CSMC) of the Sub-Mission on Basic Services to the Urban Poor (BSUP) and Central Sanctioning Committee of Integrated Housing & Slum Development Programme (IHSDP) under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was held under the Chairmanship of Secretary, Ministry of Housing and Urban Poverty Alleviation in New Delhi on 13<sup>th</sup> September, 2007. List of participants is at **Annexure – I**.

2. Welcoming the members, Chairman of CSMC & CSC and Secretary (HUPA) informed them about the necessity and importance of convening the special meeting of the CSMC and CSC. He drew their attention towards various operational issues related to implementation of BSUP and IHSDP under JNNURM. These operational issues need to be resolved for successful implementation of the projects. Further, States/UTs/ULBs/implementing agencies need to be provided necessary assistance, through finance, professional manpower and guidelines for smooth implementation of projects.

3. JS (JNNURM) and Mission Director put forth the concept note for each of the items mentioned in para 4 for approval of the committee. He informed that these concept notes are formulated after consultation with the States/UTs and feedback received from various stakeholders. The concept notes also incorporate the funding pattern of various activities proposed to be taken up. Further, the approval of Hon'ble Minister has been obtained regarding these.

After the Committee deliberates on the proposals and adopts/approves the decisions the same will be circulated to State Governments for necessary action.

4. The various agenda items discussed and decisions taken thereon are as follows

- |                    |  |
|--------------------|--|
| Agenda Item No. 1: | Community Development Network (CDN)  |
| Agenda Item No. 2: | Fees for DPR preparation   |
| Agenda Item No. 3: | JNNURM – Effective implementation of projects and reforms – Programme Management Unit at State Level Nodal Agency and Project Implementation Agency/Project Implementation Unit at ULB level |
| Agenda Item No. 4: | Third Party Inspection and Monitoring (TPIM)   |
| Agenda Item No. 5: | Empanelment of additional appraisal agency   |
| Special Agenda     |  |
| Item No. 6         | BMTPC as the single point monitoring agency to support the Mission Directorate for monitoring JnNURM   |
| Item No. 7         | Selection of agencies for monitoring the three reforms pertaining to the urban poor under JnNURM   |

|  |
|--|
| <b>Item No. 1: Community Development Network (CDN) for basic services to the poor in urban areas</b> |
|--|

The Committee deliberated on the structure of the proposed Community Development Network and accorded approval to the conceptual approach and proposal. It was informed that the proposed Community Development Network aims at ensuring the involvement of poor through the creation of a network of community development societies, self-help groups and other civil society organizations for poverty reduction and livelihoods development and support for innovative community participation projects. Extract from the guidelines on CDN is at **Annexure II:**

The CDN would act as an association of different networks such as the CDS system created under SJSRY, resident welfare associations, associations of informal sector groups and resource institutions. The network will play the role of building up of the vision of JnNURM and enable innovative community development works through participatory techniques. It will assist various



organisations/associations involved in such work. CDN will also give them a collective voice in the political arena by enhancing their bargaining power and a platform for influencing the policy environment. CDN will encourage peoples' participation by facilitating democratic involvement of people in issues that affect their lives, based on full citizenship, autonomy, shared power, skills, knowledge and experience.

The core programme areas of CDN will be: (a) Community mobilisation and capacity building for poverty reduction; (b) Urban poverty alleviation and livelihood promotion and (c) Slum development/upgradation and delivery of basic services to slum-dwellers.

The CDN would utilise funds from a variety of sources, including, but not restricted to:

- a. Community Participation Fund evolved under JnNURM by the Ministry of Urban Development;
- b. Assistance from IEC components from JnNURM not included in Community Participation Fund (5% /1% A&O Expenses funds);
- c. Other programmes of the Ministry of Housing & Urban Poverty Alleviation;
- d. Assistance from multilateral/ bilateral organizations; and
- e. Own resources: Legacy grants and contribution from members (such as in CDS in Kerala), administrative earmarkings from budgetary and extra-budgetary resources, etc.

The Committee approved a maximum limit of Rs.10,00,000.00 (Rupees Ten Lakh Only) to be provided to any operative partner or resource institution included by Ministry of HUPA as part of CDN for innovative projects involving community participation. All proposals must be routed through the State Level Nodal Agency and be implemented through a resource institution including those identified by Ministry of HUPA as part of the National Network of Resource Centres/Institutions for urban poverty and slums or an Urban Local Body.

The Committee resolved to refer the proposal pertaining to CDN to Hon'ble Minister for Housing & Urban Poverty Alleviation for approval before circulation.

|   |
|---|
| <b>Item No. 2: Fees for preparation of Detailed Project Reports –<br/>Remuneration to Consultants/ Costs admissible to the<br/>project proponents</b> |
|---|

The Committee approved the payment of fees for preparation of detailed project reports as per the terms and conditions below:

- (a) The fee per project in case of projects funded under the sub-Mission of Basic Services to the Urban Poor will be limited to a maximum of 2% of the cost of all components (irrespective of the size of plot) for which Central Assistance is made available, with the ceiling limit of Rs. 75,00,000 (Rupees Seventy Five Lakh Only) per project.
- (b) The fee per project in case of a project funded under the Integrated Housing and Slum Development Programme will be 1% of the cost of all components (irrespective of the size of plot) for which Central Assistance is made available, with the ceiling limit of Rs. 40,00,000 (Rupees Forty Lakh Only) per project.
- (c) The scope of project preparation works would be obligatory to the party preparing the DPR and would comprise of at least all items covered under the section of 'comprehensive architectural services' of the Code of Practice Handbook of the Council of Architecture.
- (d) The amounts will be paid out of the portion from 4% funds under JnNURM meant for States. The CSMC/CSC will consider the payment based on proposal.

**Item No. 3: JNNURM – Effective Implementation of Projects & Reforms - Programme Management Unit at State Level Nodal Agency and Project Implementation Agency/Unit at ULB Level**

The Committee, after due deliberation, approved the following mechanism and institutional arrangements for the effective implementation of projects and reforms under JNNURM:

**Support to Programme Management Unit**

The Committee approved the placement of 3 experts to be engaged by SLNAs for their PMUs along with the conditions of their engagement as follows:-

- (1) Project Specialist (Housing & Slum Development) – with engineering background to focus on slum development and local infrastructure, including in situ slum upgradation)
- (2) Specialist (Social Development) – with background of social development – education, health, community mobilization, poverty alleviation etc.)
- (3) Specialist (Community Mobilisation & MIS) – with background of social science, NGO activity, survey, monitoring & evaluation related works, MIS etc.

In case of smaller States, positions (2) and (3) could be combined.

The conditions for engagement of the above specialists would be as follows:

- (i) Ministry of HUPA would support only the remuneration of the specialists working on BSUP & IHSDP projects and reforms in PMU and activities undertaken by them as per actuals, with a cap of Rs. 40 lakhs annually (including 5% contingency).
- (ii) The selection and recruitment of candidates for the PMU would be done by the SLNAs through a reputed institution.
- (iii) The Mission Directorate will provide necessary inputs to the States in the form of Term of Reference (TOR) for the experts.
- (iv) Funds for PMU would be met out of 4% of A&OE.
- (v) Since there would be a single SLNA for both the Sub-Missions there would be only one PMU per State.
- (vi) Ministry of HUPA's support to the PMU would be for a period of 3 years, without any increase in remuneration from year to year.

The specialists dealing with BSUP and IHSDP would also look after works related to SJSRY and other poverty alleviation initiatives relating to employment generation, skill development, education, health etc. to ensure convergence between JNNURM and other Government initiatives.

An upper ceiling of Rs.50000 (Rupees fifty thousand only) per month for remuneration would be fixed for each specialist by the SLNA.

The Committee reiterated that a transparent process would need to be followed by SLNA to place the experts in the PMU, on outsourcing/contract/deputation basis.

### **Support to Programme Implementation Agency/Unit at the City/Town Level**

The Committee approved the placement of 3 experts to be engaged by SLNAs for their PIA/PIU along with the conditions of their engagement as follows

- (1) Project Coordinator (Housing & Slum Development) – with Engineering background to focus on slum development including in situ slum upgradation
- (2) Social Development Officer – with background of social development – education, health, community mobilization, poverty alleviation etc.)
- (3) Livelihoods Development Specialist – with background of livelihoods development, banking, NGO activity, industrial promotion, micro-finance etc,

In case of smaller ULBs, positions (2) and (3) could be combined.

The following conditions are stipulated for Ministry of HUPA support:

- i) An upper ceiling for remuneration would be fixed depending on the size of the ULB – Rs, 50,000 per month for cities with more than 1 million population, Rs.40,000 per month for cities with population between 5 lakhs and 10 lakhs and Rs.30,000 per month for cities with population below 5 lakhs.
- ii) Funding to the PIUs would be on a tapering basis, i.e., first year 100%, second year 75% and third year 50%.
- iii) PIA/PIU would comprise professionals; hired from market on contractual basis. No permanent staff would be engaged. Deputation of highly qualified professionals with relevant experience could also be considered.
- (iv) The recruitment process would be carried out by a reputed institution which would empanel potential candidates in subject areas, preferably from the same region. One month gross salary plus advertisement cost would be paid to the institution.
- (v) The Terms of Reference for proposals from the ULBs would be vetted by the Mission Directorate and placed before CSMC for approval.
- (vi) PIA/PIU would be common for both the Ministries, i.e. MoUD and Ministry of HUPA.
- (vii) The funds for PIA/PIU would be met from 4<sup>th</sup> component for A & OE under JNNURM.

The Committee reiterated that a transparent process would need to be followed by SLNA to place the experts in PIA/PIU, on outsourcing/contract/deputation basis.

**Item No. 4: Third Party Implementation Monitoring of the projects under BSUP & IHSDP**

The Committee, after due deliberations, adopted the following set of measures for use regarding empanelment and deployment of Third Party Inspection & Monitoring (TPIM) agencies for monitoring the implementation of the projects assisted under JNNURM, sub-Mission of Basic Services to the Urban Poor and Integrated Housing Slum Development Programme:

- (1) The Mission Directorate in Ministry of HUPA will float a National level Expression of Interest along with technical bids from eligible parties

6/19

with prior experience of performing third party monitoring of integrated housing/other similar projects for the urban poor, with specialization in technical as well as financial areas. Agencies already empanelled by the MoUD may also apply provided they can meet the requirements of the projects by this Ministry.

- (2) Based on the response from the Expression of Interest, a comprehensive list would be prepared and circulated to all State Governments, including the State Level Nodal Agencies to pick an appropriate agency on the basis of Requests for Quotations (RfQ) from agencies listed therein. If required, the SLNA may float a transparent tender at its level to select the agency while considering the list empanelled by Ministry of HUPA.
- (3) The State Level Nodal Agency will appoint a particular agency to perform tasks based on a Terms of Reference (ToR), which describes responsibilities of various parties, including the State Level Nodal Agency & TPIM agency.
- (4) The State Level Nodal Agency, at the time of requesting subsequent installments will raise a bill of expenses showing payments made to the Third Party monitoring agency, which could be reimbursed from the Ministry of Finance under 4% A & O Expenses.
- (5) The following maximum charges\* are prescribed for being paid to the Third Party empanelled by the State Level Nodal Agency on a 'per project' basis:

|   |   |
|---|---|
| Desk review of all project documents  | Rs. 2,00,000/- (Rupees Two Lakh)          |
| On-site visits<br>(Maximum 14 visits during a project life-cycle for a BSUP project)<br>(Maximum 12 visits during a project life-cycle for a IHSDP project) | Rs. 50,000/- (Rupees Fifty Thousand Only) |
| Maximum possible financial implications for BSUP project**  | Rs. 9,00,000/- (Rupees Nine Lakh Only)    |
| Maximum possible financial implications for IHSDP project**   | Rs. 8,00,000/- (Rupees Eight Lakh Only)   |

\* In case lower rates are obtained through RfQs, the same will apply as terms of payment

\*\* Service tax, education cess and higher education cess etc. will be extra, chargeable on actual basis; Income tax will be deducted at source in accordance with applicable rules of IT Act, 1961 and the Finance Bill applicable at the time of payment

- (6) The model ToR for 'Third Party Inspection & Monitoring Agency shall be circulated to all State/UT' Governments soon after this Ministry empanels the TPIM agencies.
- (7) Regarding strengthening of internal quality control systems in SLNA and Project Implementation Agencies the Mission Directorate will develop
  - (a) a Quality Control Handbook and Guidelines for Quality Assurance

and Control Mechanisms; (b) Sector-specific manuals to serve as guides for project formulation, execution and quality assurance containing steps in execution, formats for project proposal, standards for costing, quality tests and use of testing laboratories etc. as follows:

- (i) EWS/LIG house-building models – through BMTPC
- (ii) Water supply & drainage and Sewerage and sanitation through Water & Power Consultancy Services, Gurgaon, a PSU of Ministry of Water Resources/ National Environmental Engineering Research Institute (NERI), Nagpur an organization supported by the Ministry of Environment & Forests and In-situ Slum Development through WAPCOS/a national technical institute.

**Item No. 5: Appraisal of Detailed Project Reports received under Basic Services to the Urban Poor and the Integrated Housing and Slum Development Programme – empanelment of additional agencies**

The Committee approved the empanelment of Indian Institutes of Technology, Delhi and Roorkee in addition to the existing list of Institutions engaged in appraisal of project reports submitted for assistance under Basic Services to the Urban Poor and the Integrated Housing and Slum Development Programme. The list of empanelled agencies now stands as follows:

- (a) Housing and Urban Development Corporation
- (b) Building materials and Technology Promotion Council
- (c) National Building Construction Corporation
- (d) Hindustan Prefab Limited
- (e) Engineers India Limited
- (f) Bridge & Roof Corporation
- (g) Indian Institute of Technology, Delhi
- (h) Indian Institute of Technology, Roorkee

The fees attributable to appraisal of projects and the scope of works remains as previously determined by the Central Sanctioning & Monitoring Committee in its sixth meeting dated 28 November 2006.

**Item No. 6 BMTPC as the single point monitoring agency to support the Mission Directorate for monitoring InNURM**

The Committee endorsed and placed on record the fact that with the approval of the Hon'ble Minister (JIUPA) and with the concurrence of Internal Finance

Division of the Ministry of HUPA, Building Materials Technology Promotion Council (BMTPC) has been identified to be the single point nodal agency for monitoring implementation of BSUP and IHSDP Projects during the Mission period. The Monitoring Agency will put in place 8 personnel having specialization with JNNURM Monitoring Cell and they will provide necessary assistance to the JNNURM Mission Directorate in monitoring projects effectively.

The scales of fees attributable to monitoring of projects will be as previously determined by the Central Sanctioning & Monitoring Committee in its sixth meeting dated 28 November 2006.

**Item No. 7 Selection of agencies for monitoring the three reforms pertaining to the urban poor under JnNURM**

The Committee endorsed and placed on record the fact that with the approval of the Hon'ble Minister (HUPA) and with the concurrence of Internal Finance Division of the Ministry of HUPA, five agencies which were selected by Ministry of HUPA as National Resource Centres under the National Programme on Capacity Building for Urban Poverty Alleviation launched in March 2007 are selected as agencies for monitoring of reforms under JNNURM. The selected agencies, along with their areas of deployment are as follows:

- (i) **Yeshwantrao Chavan Academy of Development Administration (YASHADA), Pune** – West Zone (States of Gujarat, Maharashtra, Goa and Union Territories of Dadra and Nagar Haveli, Daman and Diu);
- (ii) **Centre for Good Governance (CGG), Hyderabad** – South Zone (States of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Union Territories of Puducherry, Andaman and Nicobar Islands and Lakshwadweep);
- (iii) **National Institute of Public Finance and Policy (NIPFP), New Delhi** – North Zone (States Jammu and Kashmir, Himachal Pradesh, Punjab, Haryana, Uttarakhand, Uttar Pradesh, Rajasthan and Union Territories of Delhi and Chandigarh);
- (iv) **National Institute of Urban Affairs, New Delhi** – East Zone and North East (States of Orissa, West Bengal, Bihar, Jharkhand and all seven States in North East and Sikkim)
- (v) **Administrative Staff College of India, Hyderabad** – Central Zone (Madhya Pradesh and Chhattisgarh)

The scales of fees attributable to appraisal of implementation of reforms will be as previously determined by the Central Sanctioning & Monitoring Committee in its sixth meeting dated 28 November 2006.

5. The meeting ended with a vote of thanks to the Chair.



## ANNEXURE-I

### LIST OF PARTICIPANTS IN THE SPECIAL MEETING OF CENTRAL SANCTIONING AND MONITORING COMMITTEE (CSMC) HELD UNDER THE CHAIRMANSHIP OF SECRETARY (HUPA) ON 13.9.2007.

1. Dr. Harjit S. Anand, Secretary, ..... In chair  
Ministry of Housing and Urban Poverty Alleviation
2. Dr. P.K. Mohanty, JS (JNNURM) and Mission Director, Ministry of HUPA
3. Shri D.S. Negi, OSD (JNNURM), Ministry of HUPA
4. Shri V.K. Gupta, Deputy Financial Adviser, Ministry of Urban Development.
5. Shri N. Venugopalan, Deputy Secretary, Ministry of Urban Development.
6. Shri Vivek Nangia, Deputy Secretary (JNNURM), Ministry of HUPA.
7. Shri Yogesh Sharma, Director, Ministry of Environment & Forests, Paryavaran Bhavan, CGO Complex, Lodhi Road, New Delhi-110003.
8. Shri B.B. Barman, Additional Director, Ministry of Environment & Forests, Paryavaran Bhavan, CGO Complex, Lodhi Road, New Delhi-110003.
9. Shri Deena Nath, Deputy Director (PF-I), Ministry of Finance, North Block, New Delhi
10. Shri M. Sankaranarayanan, Deputy Adviser (PHE), CPHEEO, Ministry of Urban Development
11. Shri J.A. Vaidyanathan, Under Secretary (JNNURM), Ministry of HUPA
12. Shri S.K. Tripathi, Director (Corporate Planning), HUDCO, Road, New Delhi.
13. Shri S.K. Chaudhary, Executive Director, HUDCO, India Habitat Centre, Lodhi Road, New Delhi.
14. Dr. D.Subrahmanyam, Executive Director, HUDCO Regional Office, Kolkata-700 087
15. Ms. Radha Roy, Assistant Chief, HUDCO, New Delhi.
16. Shri A.P. Tiwari, Assistant Chief (Project) HUDCO, New Delhi.
17. Ms. Sukanya Ghosh, Assistant Chief (Project), HUDCO Regional Office, Kolkata
18. Shri R.K. Celly, Executive Director, BMTPC, Core 5-A, India Habitat Centre, Lodhi Road, New Delhi.
19. Shri I.J.S. Sidhu, Chief (PM&T), BMTPC, New Delhi.
20. Shri C.N. Jha, Development Officer, BMTPC, Lodhi Road, New Delhi
21. Shri Sudeep Das, AO(P), HUDCO, India Habitat Centre, Lodhi Road, New Delhi.
22. Shri M. Jayachandran, Deputy Director (BSUP), Ministry of HUPA.

Government of India  
Ministry of Housing & Urban Poverty Alleviation

Community Development Network (CDN)  
(An Initiative to Improve Basic Services to the Poor in Urban Areas)

Extract from Guidelines

**Background:**

The Community Development Network (CDN) initiative of the Ministry of Housing & Urban Poverty Alleviation aims at ensuring the involvement of the poor in the provision of basic services to them through the creation of a network of community development societies, self-help groups and other civil society organisations for poverty reduction and livelihoods development. CDN also envisages capacity building support to these organisations through a network of resource institutions dealing with urban poverty, slums and livelihoods issues of the urban poor.

The CDN is an association of non-profit community development organisations. The network will enable the urban poor to form their own organisations and give them a collective voice in the arena of civic governance by enhancing their bargaining power; it will place emphasis on influencing the policy and implementation environment within which civil society organisations are situated. Under the Swarna Jayanti Shahari Rozgar Yojana, community based organizations in the form of Neighbourhood Groups (NHGs); Neighbourhood Committees (NHCs) and Community Development Society (CDS) have been established to create community structures to organise the urban poor. These organisations will participate in the CDN themselves or with support from other civil society organisations and resource institutions working in the areas of urban poverty alleviation, livelihoods development and community mobilisation. Other organisations working with the poor can also participate in the CDN.

**CDN – Mission & Objectives**

**Mission:**

CDN will strive to strengthen non-profit community development organizations working for organising or empowering the urban poor and provide them a collective voice in their effort to overcome poverty.

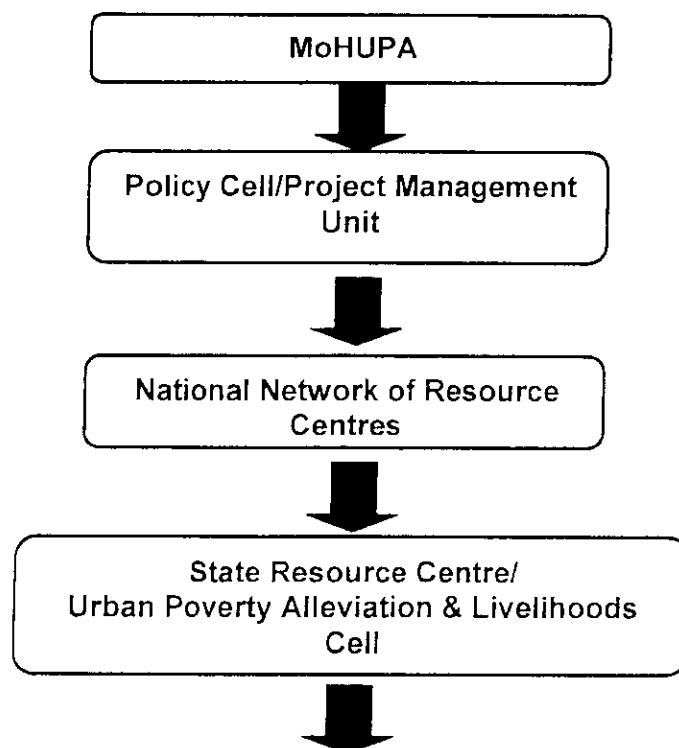
**Objectives**

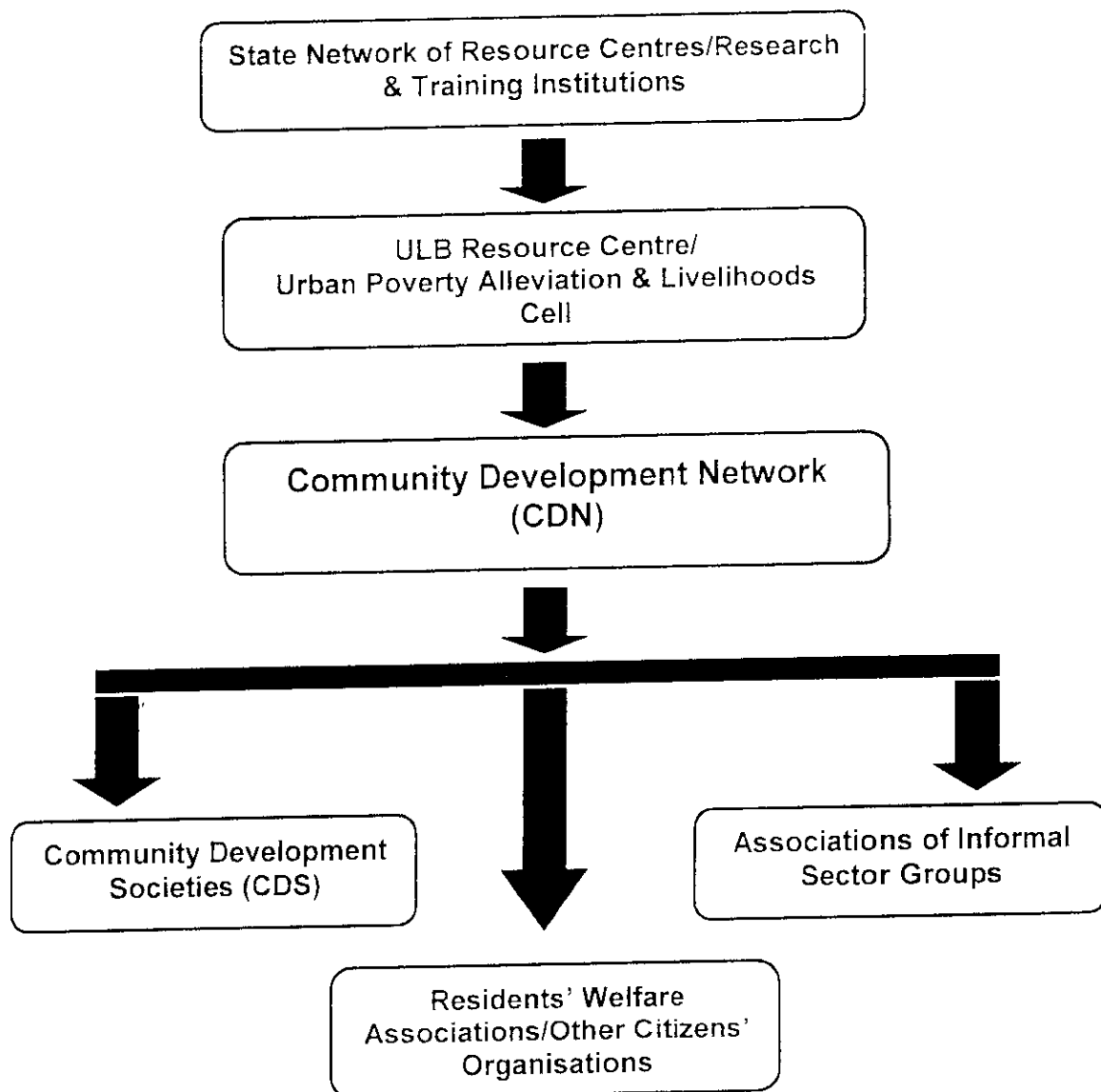
The overall objectives of CDN are:

- To ensure community 'ownership' of JNNURM and other poverty alleviation initiatives like SJSRY, thereby enhance project sustainability;
- To develop innovative individual projects, with the objective of addressing service gaps or capacity constraints within and between local communities and in civil society organisations and resource institutions working for the urban poor;
- To involve the local and wider community in community relations and project implementation works which contribute to breaking down barriers and contribute to inclusive and sustainable development based on spirit of the 7-Point Charter;
- To encourage and enable community groups to participate in JNNURM project activities at various stages, including planning, implementation, monitoring, evaluation and social audit; and
- To enhance opportunities for effective community participation and execution of participatory community development projects in local areas, contributing to the attainment of the City Vision – paradigm of 'think globally and act locally'.

### Structure

The CDN will be rooted at the city/ULB level. It is suggested that it functions as a non-profit organisation registered under the Societies Registration Act. It will comprise of different networks consisting of members of community structures such as CDS, informal sector associations, resident welfare associations, groups of street children, destitutes, etc. and resource organisations. The proposed structure envisaged for CDN is as follows:





The UPA&L Cell at the ULB has the responsibility for the organisation of the three categories of groups at the level of ward(s). The representatives from these groups will form the apex body at the ULB level in the form of CDN facilitated by a representation from the ULB. It will further be federated into the State level, facilitated by the State UPA&L Cell/State Resource Centre.

The CDN will act as an association of different networks such as the CDS system created under SJSRY, resident welfare associations, associations of informal sector groups and resource institutions working on urban poverty and livelihoods issues. The network will play the role of building up of the vision of inclusive city under JNNURM and enable the effective implementation of community development works through participatory techniques. It will assist various organisations/ associations of the poor involved in such work. CDN will also give them a collective voice in the political arena by enhancing their

bargaining power and offering a platform for influencing the policy environment. CDN will encourage peoples' participation by facilitating involvement of the people in democratic structures and through self-help groups to deal with issues that affect their lives, based on empowered citizenship, autonomy, shared power, skills, knowledge and experience.

The core programme areas of CDN will be: (a) Community mobilisation and capacity building for poverty alleviation; (b) Urban poverty alleviation and livelihood promotion and (c) Slum development/upgradation and delivery of basic services, including the 7-Point Charter.

### **CPF - Community Participation Fund**

JNNURM anticipates greater decentralisation, local democracy and citizen participation in civic affairs. But it is realized that capacity of the communities has to be considerably strengthened for an effective and meaningful participation in the JNNURM activities. To address this issue, a Community Participation Fund (CPF) has been established by the Ministry of Urban Development with the support of the Technical Advisory Group of JNNURM. The primary objective of this Fund is to create capacities in the communities to effectively engage and contribute in improving their living environment. It is meant to catalyse the process of community mobilisation and participation by creating a "Participatory Incubator" in some sense – allowing communities to experience the process of collective decision-making for themselves, and taking full accountability for these decisions on themselves. In the context of CDN, the scope of CPF, envisaged in the CPF Toolkit prepared by the Technical Advisory Group of JNNURM, has been extended. Members of CDN, including community level organisations and resource institutions working for the urban poor, can access CPF following the Toolkit guidelines. They can also access the sources of funds available for CDN under various schemes of the Ministry of Housing & Urban Poverty Alleviation including 5% funds meant for IEC under BSUP & IHSDP. The latter categories of projects need not be projects requiring the approval of Area Sabha. The members of CDN can access funds from the Ministry of Housing & Urban Poverty Alleviation based on proposals involving innovative community development initiatives following the procedures prescribed in Annexure II directly rather than through the medium of Area Sabha.

The funding support under CPF in the Ministry of Housing & Urban Poverty Alleviation is meant for projects conceived and designed by the local communities, their organisations and resource institutions, which can be submitted either as Area Sabha or CDN projects. Projects can be submitted by Community Based Organisations (such as RWAs, Neighbourhood Groups, Youth Clubs, Informal Sector Associations and Resource Institutions) as representatives of urban communities or resource institutions involving

community organisations and groups. They can be submitted through urban local bodies or resource institutions identified under the Network of National Resource Centres.

### **CPF – Key Objectives**

The primary objectives of Community Participation Fund that can be accessed by CDN are:

- To engage the community in the process of JNNURM and other programmes of the Ministry of Housing & Urban Poverty Alleviation and to facilitate transparency, accountability and ownership in the implementation of projects;
- To implement community-conceived and community-managed initiatives for community development and address critical gaps in infrastructure and services and capacity constraints in the community;
- To encourage local innovation and demonstrate the importance of community cohesion, solidarity and participation to improve the sustainability of projects and programmes,
- To facilitate close participation of community groups in JNNURM from City Development Plan (CDP) stage to the completion of social audit of the executed projects; and
- To enhance community empowerment, especially the empowerment of women and children, strengthen the disadvantaged and marginalized sections of the society and effectively execute poverty alleviation, slum upgradation and livelihoods development projects in local areas.

### **Projects to be Funded**

The support under CPF will be provided to project activities which may fall in one or more of the following areas:

- Development of small-scale urban water and sanitation projects, including community toilets to be managed by users' groups;
- Small business unit/workplace/workshed in slums which can act as a common facility / micro-business centre/show room for products of people who want to set up their own enterprises and which can be used for other purposes such as training centres and meeting places for slum dwellers;
- Vendors' markets, vending outlets and hawking zones including provision of basic amenities to street vendors;
- Multi-purpose community centres such as health centres, child care centres, community service centres, local markets, night shelters etc.
- Community contracting-based public works taken up by the users' groups with the support from the ULB concerned;

- Information kiosks in slums for access to relevant information on urban basic services and schemes/projects and programmes of the ULB, State and Central Governments, general information on health education, social security, trade and market information, information on products and services etc;
- Designing and implementing innovative partnerships. This area includes support to local level stakeholders engaged in the design and implementation of innovative partnerships to provide basic services to the poor and livelihoods promotion;
- Counselling centres for adolescent boys and girls in improving life skills such as education, vocational, training, financial inclusion, legal education, book-keeping and accounting practices etc.
- Short stay home for house maids, women in distress etc.;
- Other innovative projects including capacity-building initiatives.

### **Project Selection Criteria:**

The general criteria laid down for selection of projects under CPF are as follows:

- The projects should result in enhanced community capacity to effectively engage and take on responsibilities;
- There should be a clear plan for operation, maintenance and sustenance of the project/ activity undertaken;
- Community consultation, comprehensiveness, wide accessibility of the outputs/benefits, and alignment to the CDP of the city must form the basis of the projects;
- Projects with a religious focus would not be eligible, although faith-based organisations can submit proposals benefiting the community at large e.g. HIV Aids prevention;
- Activities which are generally executed by ULBs/parastatal agencies under their regular budgets and normal programmes are not eligible;
- Project proposals shall only be entertained from cities that have signed the Memorandum of Agreement under JNNURM;
- The project cost should be a maximum of Rs.10 lakhs (Rupees Ten Lakhs only);
- Community contribution into the project should be a minimum of 10 % of the project cost. This requirement may be relaxed up to 5% in case of projects involving the urban poor.
- The project implementation duration should typically not stretch beyond 12 to 18 months.

17/19

- The projects will be funded out of 5% meant for IEC activities and sanctioned by the Central Sanctioning & Monitoring Committee. They can also be funded under other schemes like SJSRY.

### **Location of Projects**

The CPF could be taken up by all the cities nationally, but initially the projects would focus on the 63 cities covered under BSUP and those cities/towns covered under IHSDP.

### **Process flow**

Projects may be submitted by any CBO/ CSO/ Community Development Society/ area development society/resource institution, which is a member of CDN to the State Level Nodal Agency through the concerned ULB or a resource centre included in the National Network of Resource Centres. State Level Nodal Agency will appraise the project proposals and will place them to the CPF sanction committee at the State level consisting of Principal Secretary/Secretary (UD/LSG/Housing) as chairman and representatives from Ministry of Housing & Urban Poverty Alleviation and Nodal Officer (SLNA), one civil society representative and a subject expert nominated by the State Government as members. Upon receipt of proposal from SLNA after the approval by the CPF sanction committee, MoHUPA will sanction and release the amount to the SLNA for onward transmission to the executing agency. After the completion of the project, a final output compliance report and a final financial report (balance sheet) will need to be provided by the concerned executing agency (CBO/CSO/CDS/ADS – CDN Member), which will be submitted to the MoHUPA through SLNA

### **Network of Resource Centres**

The CPF projects may be monitored by a designated resource centre based on a monitoring fee of 1% of the project cost. It is perceived that in the face of challenges of managing large projects under BSUP and IHSDP and undertaking reforms, the State Governments and ULBs would need constant support from a network of national, state and municipal resource centres on urban poverty and livelihoods. These centers would specialize and assist in areas such as development, implementation, monitoring and evaluation of CDPs and projects, MIS and GIS, emerging urban poverty and livelihood issues, affordable housing, provision of basic amenities to the poor, urban informal sector, vulnerability of the urban poor, resource mobilization for urban poverty alleviation, professional management of municipal services, use of ICT for efficiency improvement and good urban governance. They will become centers of excellence in action research, banks of best practices and agents for change management for pro-poor policy-making and programme implementation.



The National Programme on Capacity Building for Urban Poverty Alleviation has proposed to support a network of national, regional, state and municipal resource centres, training institutions, urban local bodies, civil society organisations and special advocacy forums with a view to incorporate urban poverty issues in policies, programmes and projects at all levels. The Community Participation Fund projects may be anchored in one of the National Resource Centres or a State Resource Centre working on urban poverty, slums and livelihoods. Capacity building for community development activities, including planning and managing community development projects can be undertaken by the resource centres with support under JNNURM, other programmes and funding received through externally-aided projects. The Ministry of Housing & Urban Poverty Alleviation has already identified and empanelled a national network of resource centres to undertake capacity building activities for urban poverty alleviation.