

MEMORANDUM OF UNDERSTANDING

1 This Memorandum of understanding is executed by and between the following parties on thisday of -----**2012**, at

Between

The Watershed Cell cum Data Center (WCDC)
having its office at -----,
District -----
Represented by its authorized representative,
The Project Manager, WCDC (DSAO)
(Hereinafter referred and called WCDC) As the **First Party**,

AND

VoluntaryOrganization[VO]
having its office at -----
District -----
(Represented by its authorized representative,
Mr.-----.

(Hereinafter referred to as the ProjectImplementing Agency [PIA] As the **Second Party**.

2 Whereas the First Party is desirous of entrusting the management and implementation of the watershed development project under the Integrated Watershed Management Programme (Hereinafter calledIWMP) and the Second Party, having experience in the watershed sector, is also desirous of participating in the implementation and the management of the watershed development project under IWMP as a PIA and the two parties to this Memorandum of Understanding (MoU) with the intentions of being legally bound, accept the following terms and conditions.

3. Preamble:

In the year 2008, the Ministry of Rural Development, Gol has brought forth a comprehensive programme named Integrated Watershed Management Programme (IWMP) with an aim to restore the ecological balance by harnessing, conserving and developing degraded natural resources such as soil, vegetative cover, water and building sustainable livelihoods for rural poor. The common Guidelines of the

National Rainfed Area Authority (Here in after called as NRAA) Planning Commission, Gol, envisage that the Voluntary Organizations may be considered as one of the Project Implementing Agencies (PIAs) and responsible for the implementation of watershed projects in different districts without exceeding 1/4th of the total projects at a time in a state. Accordingly, the Vasundhara Watershed Development Agency (**VWDA**) has decided to allocate IWMP projects to the VOs as PIAs in adherence to the common guidelines. VWDA took the initiative to take this agenda forward and formalize the partnership between First and Second parties through this MoU. VWDA also plays important role in ensuring the effective partnerships during the entire period of project.

4. Purpose of the Agreement:

This is an agreement between two parties as mentioned above for the appointment and the devolving upon the 2nd party the role and the responsibilities of the Project Implementing Agency in the implementation of the IWMP projects, as stipulated in the Common Guidelines in the ----- district.

5. Period of Agreement:

This agreement commences from the date of the execution of the MoU and shall ordinarily stand concluded by.....(**Date of Project completion as per 5 years project**).[**For 'B' Category VOs initial period of agreement should be 2 years which may be further extended for project period based on their performance in preparatory phase.**

However, nothing precludes the earlier closure of the project with mutual agreement of both the first and the Second party if all the physical and financial parameters are conclusively considered to be achieved and fulfilled at 100%.

6. Project Area:

G O I sanctioned 370 projects for the year 2010-11 to the State of Maharashtra, out of which project of following description is given for implementation to second party. This MOU is applicable to the following IWMP project as decided by the first party in consultation with the second party.

District	Block	Name of the Project	Treatment Area(Ha.) as per PPR	Cost (Rs.in Lakh) as per PPR	Name of Villages Covered

7. Roles and Responsibilities of First Party (WCDC):

7.1 Technical Expert in the office of Project Manager (District Superintending Agricultural Officer) will act as the Coordinating Officer from WCDC to coordinate with the PIAs.

7.2 Facilitate the preparation of the strategic action plans, annual action plans and capacity building plans for the allotted IWMP projects by the PIAs

7.3 Carry out regular supervision, monitoring and evaluation of all the activities carried out under IWMP.

Monitoring shall include:

- Process and outcome monitoring.
- Internal Monitoring of PIA- on regular basis
- Progress Monitoring-on regular basis
- Web Based On-line Monitoring
- Self monitoring by communities-Quarterly basis
- Social Audits-Half yearly basis

7.4 Ensure timely approvals and smooth flow of funds to the PIAs and watershed development projects as per the operational guidelines. Govt. Guidelines are part and parcel of this MoU and will remain applicable till end of the project along with its all alterations, amendments as and when made applicable/effective.

7.5 Inspect work sites as per the works strategy communicated from time to time. Ensure quality, quantity, suitability and utility of the works taken up by the PIAs under IWMP.

7.6 Facilitate the access of services from other Government institutions viz. Agriculture, Horticulture, Animal Husbandry etc. and other institutions having expertise in watershed and livelihood related interventions.

7.7 Review the maintenance of the records and registers of the IWMP works maintained by the PIAs, Watershed Committees and evaluate the work of the PIA for determining further funding.

7.8 Support the Second Party in conflict resolution processes at village level in the execution of watershed development projects.

7.9 Facilitate coordination between Second Party and ZillaParishad, Panchayat Samiti, and Gram Panchayatmembers in the smooth implementation of watershed development projects.

7.10 Evolve systems and procedures for convergence between IWMP and other schemes of State/Central Government so that duplication of works/ expenditure is avoided.

8. Roles and responsibilities of Second Party (PIA) :

- 8.1 Should position a dedicated Watershed Development Team (Hereinafter called WDT) as envisaged in the Common Guidelines (2008) within one month from signing of this MoU. The Second Party ensures the deployment of full time watershed development team having relevant, academic qualification and professional experience in watershed management/ natural resource development projects.No fund shall be released to PIA until the Team Members fully in place.
- 8.2 Shall designate one senior person from organization having management skills and experience as a liaison officer for the IWMP project.
- 8.3 Undertake social mobilization process to create awareness, facilitate formation of Watershed Committees, User Groups, Self Help Groups, and provide regular facilitation support to strengthen the institutions. Involve SHGs/UGs in watershed planning and implementation.
- 8.4 The PIA shall not get involved in any political or religious activities. He shall involve all members of the community irrespective of cast and religion.
- 8.5 Facilitate formation & registration of Watershed Committees to the appropriate Authority under Law and appointment of Watershed Committee Chairman&Secretary with the approval of Gram Sabha.
- 8.6 Facilitate opening of two bank accounts i.e. Project Fund Account & Watershed Development Fund for each watershed committee, in nationalized bank. (Project Fund Account will be a joint account in the name of Chairman, WC, Secretary WC & one WDT member as co-signatory authority. This account will be operated by Secretary WC & one WDT as signatory members. Watershed Development Fund will be a joint account in the name of Sarpanch of Gram Panchayat, any member from SHG nominated by Gram Sabha.)
- 8.7 Will designate one WDT member as co-signatory authority for opening and operating Project Fund Account of Watershed Committee.
- 8.8 Identify & implement Entry Point Activities (EPA) with the approval of Gram Sabha and WCDC.
- 8.9 Prepare Detailed Project Report (DPR) following the proper procedure and in the formats stipulated by VWDA within six months from the date of signing this MoU.

- 8.10 Prepare Detailed plan and estimates of works for the projects allotted and obtain administrative and technical sanctions from respective competent authority.
- 8.11 Submit DPR for approval of WCDC after securing approval of Gram Sabha .
- 8.12 Based upon the approved Detailed Project Report (DPR) the second party shall furnish to the WCDC not later than 15 days of approval of DPR by VWDA the following documents.
- a) The five year perspective plan
 - b) The annual action plan
 - c) The quarterly action plans for the current year
 - d) The administrative budget requirement of the current year
 - e) Budgets for capacity building purpose

The above plans shall encompass all activities and shall contain both the physical and the financial parameters.

These plans shall become the agreed point of reference between the first and the second party for the monthly/quarterly/yearly progress evaluation.

The Second party shall in the 2nd fortnight of March, every year, review the progress of the Annual Action Plan of the current financial year and if so warranted revise the action plan of the succeeding financial year duly including the component wise spill over of the previous year in consultation with First Party.

- 8.13 Work as a Project Training Organization (PTO) & impart training to different stakeholders as prescribed by YASHADA.
- 8.14 Adoption of process common to all projects in the state advocated by VWDA / Gol like those relating to fund release and utilization, monitoring and evaluation, approvals and sanctions, reporting, social audit, muster roll maintenance, works strategy, sanctioning authority, etc is mandatory for the PIA.
- 8.15 Timely submissions of progress reports as stipulated by the WCDC/ VWDA/ Gol/ and attend all reviews / meetings conducted for Second Party by the WCDC/VWDA/ Gol.
- 8.16 Utilize the funds sanctioned for different components in accordance with the guidelines. For any deviation, permission of WCDC/VWDA will be required.
- 8.17 Maintain all required registers and documents at PIA and WCs as prescribed by WCDC/VWDA and make them available for verification as and when required.

- 8.18 Ensure that the project activities take off immediately and expenditure starts being incurred as per approved plans, immediately after the release of funds.
- 8.19 Execution of NRM works through User Groups / wage seekers as per the plans adopting ridge to valley approach. Ensure that required contribution from the participants is deposited in Watershed Development Fund (Here in after called as WDF) for Natural Resource Management (Here in after called as NRM) works executed on private land.
- 8.20 Periodical conduct of watershed committees and User Group Meetings. Watershed Committee meetings have to be held once in a month and the User Group meeting once in every fortnight as well as need based.
- 8.21 Development of production system and promotion of productivity enhancement interventions.
- 8.22 Ensure quality in the works executed in aspects of location, design, quality of construction and total involvement of concerned farmers/ people/livelihood.
- 8.23 Timely completion of watershed development works as per the project cycle.
- 8.24 Encourage adoption of low cost technologies and build upon indigenous technical knowledge.
- 8.25 Develop convergence with line departments/ local institutions for implementation of the Watershed Projects.
- 8.26 Coordinate with Government functionaries, Village Organization of the allotted cluster for proper management of the funds and creation of sustainable livelihoods to the poorest of poor having no assets.
- 8.27 At the time of project closure all the assets created and funds released shall properly be accounted for and safely handed over to WCDC / Gram Panchayat for post project management.
- 8.28 Abide by the instructions issued by GoI / VWDA for the implementation of this project from time to time and ensure compliance at all levels of project implementation.
- 8.29 Demonstrate innovative approaches and models of watershed development projects.

9. Fund flow mechanism and financial obligations.

- 9.1 Funds for the ongoing projects under IWMP will be released to the VWDA by the GOI on receipt of Annual Action plan based on the approved annual plans from the DPRs of the ongoing projects. Only such projects, which have become eligible for release of funds as per the norms prescribed in the Guidelines and instructions issued by GoI/VWDA from time to time shall be included for release of funds.
- 9.2 A separate Savings Bank account should be opened in nationalized bank by the PIA for receiving project funds towards administration, detailed project report preparation, Entry point activity and capacity building. This bank account could be opened at the head quarters of the district or at the Taluka head quarters, where the IWMP project is being implemented.
- 9.3 Electronic Fund Management System (EFMS) mode of payment shall be developed on lines of NREGS and placed at all levels for financial transparency and timely release of funds.
- 9.4 PIA shall submit component wise annual work and financial plans to the WCDC for receiving funds on quarterly basis. The PIA becomes eligible for receiving next installment only after 80 % of the previous releases are spent and on submission of the Utilisation Certificate (U.C.) and other required documents to WCDC.
- 9.5 PIA shall submit the UCs for the expenditure incurred and audit reports to enable release of further installments by the WCDC.
- 9.6 The project funds should not be utilized for purchase of vehicles/ photocopier/ Video Recorder / Projector, construction of any permanent buildings and such other capital items.
- 9.7 In the event of defalcation of funds Administrative system shall proceed according to rules and laws
- 9.8 The accounts at PIA and respective Watershed Committee levels shall be audited by a Chartered Accountant empanelled by VWDA / WCDC from a panel approved by the C & AG within six months of the closure of the financial year and furnish consolidated Audited Statement of Accounts and Utilization Certificate for release of funds every year, by the end of September of next/ following year. Installments will not be released for the want of audited U.C.

- 9.9. 8.9% of total budget would be released to Second Party for administration purposes towards PIA & WCs level expenditure as per norms prescribed by VWDA, which will be subject to the progress in work and expenditure. During first year, 20% of amount admissible under administrative cost will be released in 2 equal installments.
- 9.10 In addition to Administrative cost amount of DPR preparation and IEC material will also be given to Second Party as per the norms prescribed by VWDA.
- 9.11. 4% of total project cost will be given to Second Party for completion of EPAs after approval of activities and estimates by WCDC
- 9.12 Funds for NRM works and Livelihood Development will be released directly to Watershed Committees (WCs) on recommendation of PIA (Second Party). On the Basis of actual workdone by the WCs and as per procedure laid down by VWDA/WCDC
- 9.13 The PIA shall not divert the funds to any other programme and the expenditure shall be incurred strictly in accordance with the Guidelines and approved plan. Every participant in the project should be paid as per his contribution, services rendered.
- 9.14 The PIA and the WCs will be accountable and responsible for all the affairs of the project assigned to them as well as undertaken by them in the respective position as well as in individual capacity also.

10. Criteria for releasing of Funds:

- Performance of PIA (physical and financial)
- Unspent balances
- Outstanding utilization certificates
- Independent evaluation reports
- Pendency of audits
- Social Audit reports

11. Monitoring and Evaluation System

11.1) Monitoring

11.1.1 Regular monitoring of the project will have to be carried out at each stage.

11.1.2 Monitoring includes process and outcome monitoring. Online MIS and process monitoring is a feature of all projects.

11.1.3 The watershed Committees (WC- Chairman and Secretary) should submit quarterly progress reports to P I A. After scrutiny and consolidation, P I A shall submit the same to WCDC along with countersigned reports of individual Watershed Committee.

11.1.4 The WCDC shall monitor the watershed project by various mechanisms- Internal Monitoring by project teams, Progress Monitoring, GIS / Web Based On- Line Monitoring, Self- Monitoring by communities, Sustainability Monitoring, Social Audits, Independent and External monitoring by independent agencies.

11.2) Evaluation

A prescribed minimum percentage of evaluation and impact studies will be carried out by VWDA panel of evaluator's selected as per guidelines issued by DoLR, Gol.

12. Performance indicators of WCDCs / PIA/ Watershed Committees :

12.1) WCDCs

12.1.1 Approval of the quarterly action plans and the administrative budget requirement for the current financial year within 15 days after submission by the PIA

12.1.2 The Sub Divisional Agricultural Officer of concerned project shall visit watershed allotted to the PIA at least once a month and record progress of execution of works against the action plans.

12.1.3 Conducting reviews on monthly basis along with all other PIAs.

12.1.4 Other indicators as may be defined further as per the requirement of the IWMP.

12.2) PIA

12.2.1 100% Watershed Communities are aware of the IWMP programme through conducting awareness programmes, orientations, trainings and exposures as per the Institution and Capacity Building plans.

12.2.2 Watershed Committees and User Groups shall be formed in the allotted IWMP projects and conduct meeting regularly and record minutes in a register.

- 12.2.3 Establishing WCs and positioning of staff at the PIA and Watershed level within one month after signing the MoU.
- 12.2.4 Preparation of DPR within 180 days from the date of signing MoU.
- 12.2.5 Utilisation of funds as per allocations in consonance with guidelines and Annual Action Plan.
- 12.2.6 All the trainings at Project levels fund are conducted for the primary stakeholders as per approved training calendar by YASHADA
- 12.2.7 Demonstrate best practices under Watershed Development Works, Livelihood activities, Productivity Enhancement and Enterprise promotion components.
- 12.2.8 Timely Submission of prescribed periodical reports, utilization certificates and proposals for next installment release to WCDC.
- 12.2.9 Regular updating of all records and registers maintained by the PIA.
- 12.2.10 Other indicators as may be defined further as per the requirement of IWMP.

13. Watershed Committees:

- 13.1 At least 80% of the WC meetings are held with at least 75% of the members.
- 13.2 Formation of WCs within 2 months from date of signing MOU and submission of its proposal for registration under the Societies Registration Act 1860 within 15 days of the formation.
- 13.3 Ensure conduction of fortnightly User Group meetings.
- 13.4 100% updating of all records and registers maintained at Watershed Committee level by Watershed Secretary.
- 13.5 Higher share of budgets /expenditure is accessed by small and marginal farmers and land less families.
- 13.6 100% contribution towards WDF for NRM works executed on private land.
- 13.7 Other indicators as and when communicated.

14. Expected Outcomes: By end of the Project period, the following outcomes are expected to be ensured by both the parties.

14.1 All the members of the Watershed Committee and staff such as Watershed Team have been given orientation and training to improve their knowledge and upgrade technical / management and community organizational skills to a level that is appropriate for the successful discharge of their duties .

14.2 All the works / activities that are planned for the treatment and development of the drainage lines, arable and non-arable lands in the watershed area are done with the active participation and contribution of the user groups and the community at large.

14.3 The user groups / Panchayat have willingly taken over the operation and maintenance of the assets created and made suitable administrative and financial arrangements for their maintenance and further development.

14.4 The village community would have been organized into several homogeneous Self Help Groups(SHGs) for savings and other income generation activities which would have achieved sufficient commitment from their members and built up financial resources to be self-sustaining.

14.5 The increase in cropping intensity and agricultural productivity reflecting in overall increase in agriculture production.

14.6 Increase in income of farmers / landless labourers in the project area.

14.7. Increase in groundwater table due to enhanced recharge by watershed interventions.

15. Breach of MoU

The First Party shall have right to terminate the MoU duly affording cogent reasons by giving notice to the Second Party, in case the latter fails to provide the services for which it is contracted or alternatively fails to abide by terms and conditions agreed upon and stipulated in the MoU, or exploits the partnership for any other purpose If any PIA avoids to complete the project in given time or deleberatly delays the same he will liable for termination of this MoU with appropriate cost as First Party decides.

16. Amendment to the MoU :

The obligations of the WCDC and the PIA have been stipulated in this MoU. However, during the course of its operation, circumstances may arise which essentially necessitate alterations or modifications of this agreement either due to the changes in the IWMP operational guidelines by the Department of Land Recourses, Gov. of India or in the larger interest of the project. These modifications / alterations will be mutually discussed and on being agreed upon be incorporated as addendum to this MoU. VWDA shall facilitate the process of revising/ amending the MoU, by involving First and Second Parties

17. Conflict Resolution:

Any dispute arising with regard to any aspect of this MoU shall be settled preferably through mutual understanding, consultation, conciliation and agreement by both the parties.

However, if the matters cannot be resolved by the above process, then the matters shall be resolved by the VWDA, by organizing consultations between the concerned parties to evolve at amicable solutions. if not be referred to the Govt. Arbitrator for redressal. If the issues are still not resolved, the matter will be subject to the civil jurisdiction of the courts located at _____(District Headquarter where the WCDC is located.)

Therefore in acceptance of this MoU the parties heretohave set their hands together and have signed this MoU in presence of the following Witnesses on the day of 2012 at

For WCDC
Project Manager, WCDC

For PIA
Name -
Organization Name

Witnesses: 1.

Sign :

Name :

Address:

Witnesses: 2

Sign :

Name :

Address: