

Operational Guidelines for the Clean Ganga Fund (CGF)

National Mission for Clean Ganga (NMCG)

Approved as on 29/05/2015 and Amended as per the Decision of the

Board of Trustees of CGF on 24/11/2022

Operational Guidelines for the Clean Ganga Fund

1. Purpose of the Operational Guidelines

This document describes the operational guidelines applicable to the Clean Ganga Fund in the implementation of fund activities. This document is designed for the purpose of usage by the Fund Secretariat (FS) who is responsible for the day-to-day management and oversight of fund implementation and by Executing Partners/Associations (EP/EA) who is selected by the Board of Trustees and vested with the powers for implementation of activities under the fund.

The purpose of the operational guidelines is to provide instruction and guidance for the operations of the FS and EP/EA in the key processes that they are expected to undertake during implementation, either directly or through the engagement of subcontractors.

2. Inconsistencies:

In case of inconsistency between the operational guidelines and the Trust Deed for the Fund, the terms of the Trust Deed shall prevail.

In case of inconsistency between the operational guidelines and Executing Partners/Associations Memorandum of Agreement the terms of the Operational guidelines shall prevail.

3. Guiding principles.

Building on good practice from other multi-donor funds/multi-lateral agencies for infrastructure development the CGF will adhere to the following principles:

- **Government leadership** — the governance structure and the process for approving grants will be led by the Government of India through the Finance Minister (FM) as chair of the Board of Trustees (BOT) of CGF
- **Strategic finance** — the CGF resources can increase flexibility by providing development finance that is not being furnished through earmarked funding from other sources
- **Standards** — the CGF and its financed activities will adhere to international standards and good practice in key areas such as financial management, procurement, good governance, environmental sustainability, and gender equity.
- **Build on existing capacity** — the CGF will seek to work closely with NMCG and finance for successfully implementing the projects through community- driven development programs, and enhancing the capacity of line ministries, local governments, private enterprise, and NGOs with a proven track record

- **Good governance** — the CGF and its financed activities will enable the participation of different levels of government, civil society, the private sector, the diaspora, and development partners and promote a transparent, accountable river rejuvenation process
- **Speed and risk management** — the CGF will ensure the speedy and efficient delivery of its activities while managing risks to produce high-quality results.

4. Powers of Board of Trustees:

The BOT shall be responsible for:

- Ensuring that the strategic orientation of the Trust Fund is guided by the principles of River Ganga Rejuvenation and Development needs as defined by the Government of India's (GOI) Namami Gange Program- Integrated River Conservation Mission or a similar program for Ganga Rejuvenation devised by GOI from time to time.
- Conducting discussions on a regular basis on the strategic orientation of the Trust Fund;
- Establishing the criteria and requirements for project and program proposals for consideration for funding from the Trust Fund;
- Approving, rejecting or sending back for revision projects and program proposals for consideration for funding from the Trust Fund;
- Approving all allocations of funds of the trust for projects and programs, the administrative budgets, expenditure budgets of the secretariat and the Trustees, and fees if any, and informing the Secretariat and the Trustee thereof;
- Approving the common format for progress reports submitted by the Partner Entities/Project Appraisal & Monitoring Committee/Executing Agencies;
- Receiving and approving progress and financial reports as well as receiving a mid- term review from Partner Entities & monitoring the financial position of the fund.
- Reviewing and approving all unaudited or audited financial reports and any other relevant financial information reports on the finances of the Trust Fund.
- Deciding to instruct the CEO/Trustee to withhold disbursements to Partner Entities/Executing Agencies/Partners under the Transfer/Memorandum of /Work Agreements for the following reasons including but not limited to: (a) a substantial deviation from work plans and budgets approved by the BOT; (b) failure of the Partner Entity to provide required reports; (c) evidence of financial mismanagement in Projects; or (d) noncompliance of any applicable terms as set forth in the Transfer Agreements;
- Approving this operations manual;
- Establishing any other subcommittee necessary for the BOT to carry out its responsibilities effectively and efficiently; and

- (l) Exercising such other functions, as it deems appropriate to fulfill the purposes of the Fund.
- (m) Delegating all such powers as it deems appropriate to the CEO/Managing Trustee/Member Secretary or any other Trustee for that matter for proper functioning of the fund.
- (n) Amending the operational manual as it deems appropriate.
- (o) Approving the procurement of goods, works, equipment and consultancy services; managing, selling, transferring or otherwise disposing of any property, movable or immovable of CGF.
- (p) Authorizing as deemed appropriate, sale or acquisitions by purchase, lease or otherwise any property, movable or immovable for the purpose of CGF.
- (q) Raising funds through donations, gifts, or otherwise.
- (r) Appointing an auditor for auditing the accounts of CGF and to report there on.
- (s) Approving the appointment of suitable man power/professional staff for smooth functioning of the fund; approving/framing service rules/regulations/HR plan for the staff appointed.

5. Functions of the Chairman of BOT:

The Chairman shall:

1. Preside over the meetings of the Board of Trustees
2. Exercise all such powers that may have devolved upon him by the Government of India/Board of Trustees
3. Delegate those powers as s/he thinks appropriate to the Member Secretary/CEO/ Managing Trustee or any other Trustees for that matter for proper functioning of the fund. The BOT shall be kept informed of all such delegation

6. Functions of the CEO/Member Secretary/Managing Trustee:

Subject to any orders /resolutions/decisions passed/made by the BOT the CEO/Member Secretary/Managing Trustee shall be responsible for:

1. General Administration of the affairs and the funds of the CGF
2. Drawing a detailed Human Resource (HR) Plan for the approval of the BOT
3. Planning, executing and supervising the functions of the fund and coordinating the implementation of the project investments by the fund
4. Monitoring release of the fund for sanctioned projects as per the approval of the BOT
5. Implementing all the recommendations of the BOT

6. Undertaking all such activities and duties to fulfill this role including preparation and submission of Annual progress reports, Quarterly reports, Annual action plans, Sub plans and Investment programs thereof for the approval of BOT.
7. Representing the CGF in all business and legal transactions;
8. Receiving donations/gifts on behalf of the fund
9. Disbursing all funds in accordance with the approval of the BOT.
10. Signing or authorizing to sign all documents and proceedings, Bank cheque/s and negotiable instruments on behalf of the fund
11. Appointing such persons as necessary for the purpose of representing the CGF in any legal or other proceedings to be instituted by or against CGF and pay the fee/remuneration there of as per the powers delegated by the BOT
12. Day to day Financial Management of the fund
13. Capacity building activities necessary for smooth functioning of the fund
14. Establish and operate suitable bank accounts as it deems fit for the operations of the fund with the approval of the BOT
15. Hire employees/consultants/advisors with the approval of the BOT.
16. Oversee the review and analysis of the development projects funded by CGF and prepare suitable recommendations /reports for the consideration of BOT
17. Enter in to agreements for and on behalf of CGF
18. Invest the funds of the CGF in such securities and or sell or transfer such investments in such a manner, as the BOT may consider necessary for the safety and benefit of the CGF.

19. Hire office space, vehicles and charge, manage movable/immovable properties in furtherance of the objectives of the CGF
20. Appointment of suitable contract office maintenance staff, procure telephone/communication services, transport services etc. on case by case basis
21. Initiate disciplinary actions and terminate the services of any staff in the interest of the fund subject to the approval of the BOT.

7. Receiving donations:

Clean Ganga Fund shall receive contributions from Resident Indians, Non Resident Indians (NRIs), Persons of Indian Origin(PIOs), Foreign Nationals, Institutions, Corporates, Foreign Governments and International agencies.

The donor would receive an automated, digitally signed receipt of the contributions for the donations made online. Other donations shall be acknowledged through a printed receipt signed by the CEO of the fund, or officers authorized by her/him.

8. Fund Deployment:

The fund accumulated in the Clean Ganga Fund shall be utilized for financing those broad activities proposed under the 'Namami Gange' programme of the MoWR, RD & GR for cleaning of river Ganga. The indicative list of activities is:

- ✓ Control of non-point pollution from agricultural runoff, human defecation, cattle wallowing etc.;
- ✓ Setting up of waste treatment and disposal plants along the river around the cities;
- ✓ Conservation of the biotic diversity of the river; community based activities to reduce polluting human interface with the river;
- ✓ Development of public amenities including activities such as Ghat redevelopment;
- ✓ R&D and innovative projects; Research and Development projects and innovative projects for new technology and processes for cleaning Ganga;
- ✓ Independent oversight through intensive monitoring and real time reporting;
- ✓ Any other activity as approved by Governing Council. This is an indicative list and can be expanded within the overall objective by the Governing Council.
- ✓ The Fund shall not be utilized for activities such as dredging.

The projects identified and appraised by the PAMC shall be either 100% funded by CGF or partially funded based on the commitment of other concerned central & state level agencies like ministries, state departments urban local bodies etc. The fund shall also explore the possibility of PPP in the projects chosen and in such a case the funding from CGF shall be limited to the viability gap funding. In any case if the PPP projects fetch a positive premium then such payments shall be collected by the concerned Project Employer and deposited in the CGF bank account. Or in the tender documents there shall be a suitable clause ensuring direct payment of the positive premium into the Clean Ganga Fund account through Electronic transfer or Demand Draft.

Any donor intending to use the services of any third party agency/NGO for implementing a selected project shall be allowed to do so subject to the condition that the agency is FCRA complaint and has established expertise, experience and man power for undertaking such an activity.

9. Flow of funds

The main aim of Financial Management is to operationalize an effective and accountable financial management system for budgeting, release, monitoring and utilization of funds for the projects under Namami Gange programme at the central/state/district/block/agency and facility level.

The funds shall flow from CGF to the implementation agency based on the completion of the milestones as agreed in the procurement document and appraised by the PAMC. The stage wise completion shall be certified by the implementation authority/executing agency and shall be verified by the PAMC before releasing the payment.

10. Accounting and Audit:

The accounts of the fund shall be maintained in offline tally software with suitable ledger portfolios create for the purpose. The list of account heads shall be decided as per the requirement and the CEO of the fund shall be the final authority to approve the same. The accounts and financial statements shall be prepared in accordance with the generally accepted accounting principles and procedures in India.

Following primary books of accounts shall be prepared to begin with:

Cash Book

General Ledger/subsidiary ledger,

Journal Register,

Fixed Assets Register,
Register of Cheques & Bank drafts received,
Bank passbook,
Bills register, File register

In order to ensure financial accountability, a Chartered Accountant shall carry out the internal audit, every quarter of the year. In addition, statutory audit shall be carried out annually by an independent auditor from a board of auditors appointed by the CAG. The reports and observations will be brought to the notice of the Board of Trustees.

The internal audit shall be carried out in accordance with the auditing standards issued by the Institute of Chartered Accountants of India.

11. Planning and Budgeting:

Planning is required for formulating achievable targets for various activities for programme implementation and to accordingly allocate appropriate funds to under various projects Allocation of funds is facilitated through preparation detailed budgets. The budget shall be prepared annually with quarterly targets of payments so that better financial management of funds becomes possible.

12. Guidelines for project appraisal.

A sub Committee for Project Appraisal & Monitoring is to be formed under the chairmanship of the CEO of the fund. The Committee shall consist of 4 members who shall be nominated by the board of trustees. The nominated members shall be experts in the field of Environmental Engineering, River Engineering, Environmental planning, project procurement etc. Out of four at least one member shall have the expertise in PPP project investment appraisal. The nomination shall be for a period of three years and extendable as decided by the Board of Trustees. The projects shall be funded either 100% from the Clean Ganga Fund or partially funded based on the commitment from State level agencies/departments/urban local bodies. Wherever possible the fund shall explore the possibility of encouraging PPP for project development.

Role of the Project Appraisal & Monitoring Committee (PAMC):

The PAMC shall be responsible for:

1. Scrutiny of the project proposals received for funding.
2. Technical review of the Detailed Project Reports submitted.
3. Viability analysis for projects under PPP mode.
4. Regular Project progress monitoring.
5. Project risk assessments and plans for mitigation.
6. Support to the Project Employers for successful implementation of the project.
7. Development of necessary standard documents/IT enabled platforms for project implementation.

Qualification requirements of the members of PAMC:

The members shall have a relevant post-graduation in the field of expertise and over 15 years of proven track record of professional experience. The nomination shall be from the employees of CGF or NMCG as it may be found suitable. In case suitable employees are not identified at CGF/NMCG, then the CEO of the fund shall identify suitable external experts for nomination by the BOT. The honorarium for external experts shall be fixed on a competitive basis and approved by BOT. as far as possible efforts shall be made to involve well-known experts who are willing to participate voluntarily.

13. Guidelines for Conducting Research.

The research can be either fully/partially funded by CGF or on a voluntary basis.

Research with full/partial funding:

The Research Advisory Committee (RAC) formed by NMCG for implementing its research projects shall appraise all research proposals for either full or partial funding from CGF. This is to avoid the duplication of the research by various agencies and to ensure cost effectiveness in the approval process. The RAC shall review the relevance and feasibility of the research proposals received and recommend to the BOT for funding.

The RAC shall also be responsible for progress monitoring of the research. The payments for such research projects shall be based on certain milestones as agreed by the agencies/individuals who have

submitted the proposal and appraised by RAC. The format of research proposal and the modalities devised by RAC for research purpose of NMCG shall be followed in this case also.

14. Voluntary research

Institutions/individuals (both national & international) who wish to undertake research on voluntary basis shall submit their research proposals to the CEO for consideration. All voluntary research proposals shall also be reviewed by the RAC only for its relevance and feasibility from the technical point of view. The CEO shall be the final authority for approving the project on the basis of RAC recommendations. If required, the CEO shall nominate one employee/person from CGF/NMCG for coordination with the Central/State departments/agencies /institutions for smooth implementation of the research.

15. Guidelines for Piloting new technologies.

New technologies can be experimented by any national/international agencies/companies/institutions for its efficacy in supporting the river conservation process. All proposals for piloting new technologies shall also be appraised by the RAC for preliminary review of the suitability of the proposed technology. The CEO of the fund shall be the authority for approval of such pilots on the basis of RAC recommendations. No funding shall be provided for piloting such technologies. The applicants interested in piloting the technology may identify the test bed/area in which they would be interested in testing the technology and include the same in the proposal. Once the RAC agrees in principle for piloting the technology proposed, the agencies shall contact the local authority/state level agencies/departments for necessary permissions and no objection certificate. NMCG/CGF shall facilitate the procurement of necessary permissions from the local authority's/state level departments/agencies. RAC shall develop suitable guidelines for receiving the proposals for piloting new technologies. Piloting new technologies does not automatically entitle the adoption/procurement of the technology by NMCG or allied state level agencies/institutions.

16. Creating awareness:

Any individual/institution interested in creating the awareness shall send a proposal for the same to the CEO of the fund. The CEO considering the communication plans of NMCG will scrutinize the request and decide about accepting the proposal. The CEO shall approve the proposals that are

complimentary to the efforts of NMCG. The content for communication shall have to be approved by the CEO before publishing the same.

17.Planting trees:

Individuals/institutions/agencies interested in planting trees shall submit a proposal for the approval of the CEO of the fund. The CEO after receiving the proposal shall consult the state Principal Conservator of Forests in which the plantation is planned for ensuring suitability of the choice of species of plants. Also the CEO shall coordinate with the concerned State government for permission and approval for the location chosen for tree plantation. In case of any donor prefer to engage any third party agency for the tree plantation through the money donated for the purpose, it shall be ensured that the such an agency/NGO chosen is also FCRA complaint and has sufficient expertise, experience and man power for plantation and maintenance of the saplings. Such engagements shall be guided through a separate Memorandum of Agreements.

18.Adopting a Ghat:

Ghat adoption can be for various purposes like redeveloping the entire ghat, cleaning and maintaining the ghat, addressing certain pollution aspects of the ghat, providing design services etc. Individuals/institutions/Corporates interested in adopting a ghat may submit a detailed proposal to the CEO of the fund detailing all the activities they wish to carry out and the period for which the ghat is being adopted. All such proposals shall be scrutinized by the PAMC for the suitability and feasibility of the proposal in consultation with the state government if necessary and forwarded to the concerned state level agencies for facilitating the adoption.