

Orissa Water Sector Improvement Project

(under World Bank Funding)

Introduction

Government of Orissa is faced with critical challenges in water sector. Firstly, recent hot issue i.e. conflict arising regarding use of Hirakud Dam water by industry, thus competition among different sectors and users has increased dramatically, giving rise to disputes and conflicts. Secondly, the water sector is contributing to the fiscal crisis in the state due to less collection of water tax from tail reaches of canal irrigation. Thirdly, poor quality irrigation service delivery is undercutting the performance of irrigated agriculture. Recognizing the urgent need to begin addressing these challenges, the Government of Orissa (GoO) has been undertaking a number of actions, including the Enactment of the 'Pani Panchayat Act 2002 (PP Act)', and Pani Panchayat rule 2003 with a envisages involvement of farmers in irrigation management and ultimately handing over the irrigation systems management to farmers. Elections to some of the farmers' organizations ie Pani Panchayat were conducted in 2003 and targeted to be completed this year. At present O & M activities of outlets and water courses are being carried out by Pani Panchayats. The implementation of this in true spirit ensures improvement in the irrigation/water sector performance in the state and generate benefits for society and the economy as a whole, particularly for many poor agricultural farmers.

Project Objectives

GoO, through the Department of Water Resources (DoWR), is initiating the process of preparing the Orissa Water Sector Improvement Project (OWSIP) in support of the effective implementation of PP Act 2002 and help in bringing reforms in the sector. This will help improve the irrigation systems in the state to improve the water sector performance and efficiency of the system resulting in enhancing the benefits to society, particularly agricultural families, majority of whom are poor. The development objectives of the proposed project are: (i) strengthening the State's capacity for strategic planning, development and sustainable management of surface and ground water resources for diverse uses on a river basin/sub basin basis, and; (ii) increasing the productivity of irrigated agriculture through improved irrigation service delivery and system management by PPs together with improved agriculture support services.

Project Components

The proposed OWSIP will cover the entire Mahanadi command in the state of Orissa. Under the project it is proposed to: (i) undertake Institutional modernisation and capacity building of key water management agencies; (ii) improving sustainable productivity of existing irrigation assets and flood management (iii) preparation of future water investments. Details of each proposed activity are provided below.

a) Institutional Modernisation and Capacity Building: (Proposed cost Rs 120.00Cr.)

- (i) Strengthen the GOO capacity of multi sector planning and development,
- (ii) Modernization of the existing training delivery organizations, particularly the Water and Land Management Institute (WALMI) at Cuttack, and;
- (iii) Development of an information management system to support the improved water resources management, planning and decision-making,
- (iv) Strengthen flood zoning methodologies and practices
- (v) Restructuring of WR Department as per implementation of Externally Aided Projects
- (vi) Training and workshop on modern technology to staffs of WRD
- (vii) Improving Irrigation service deliveries by developing amendments to existing PP Act after debating on different aspects as suggested by WB and strengthening IT systems including GIS and management systems
- (viii) Modernizing flood management plan.

b) Improving sustainable productivity of existing irrigation assets: (Proposed cost Rs 1160.03Cr.)

- (i) Support to modernize the Hirakud System including Hirakud Dam in integrated manner;
- (ii) Participatory rehabilitation and modernization of the selected existing sub projects under Mahanadi Delta Stage-II irrigation system and selected existing medium projects;
- (iii) support to activities in the agriculture, horticulture, livestock, fisheries etc;
- (iv) on farm investments to improve water productivity; and
- (v) Modernizing water measurement,
- (vi) Integrated production system at on farm level at WUA and apex levels.,
- (vii) Implementation of Orissa asset management plan.

c) Preparing for Future Water Investments: (Proposed cost Rs 120.00Cr.)

Preparing detailed investment proposals for future projects like Brutang, Ong, Upper Lanth, and Ib considering modern technical, social, environmental, economic, and institutional needs. This component also includes detail design, survey, social and environmental studies.

**ABSTRACT OF COST
ORISSA WATER SECTOR IMPROVEMENT PROJECT (STAGE-I)**

Rs. in Crore/Area in Ha

Sl. No.	Components	Projects	Estd. Cost	Benefit (CCA in Ha)
1	Institutional Modernisation & Capacity Building		120.00	
2	Improving the sustainable productivity of existing Assets			
	(a) Improving Existing irrigated Agriculture Infrastructure			
	Hirakud System	i)Improvement to Atabira Branch Canal and its system	94.40	31468
		ii) Improvement to Godabhaga Disty and its system.	47.87	15957
		iii) Improvement to Sambalpur & Hirakud Disty and its system.	12.30	4099
		iv)Improvement to Bragarh Main Canal from RD 00 Km to RD 47.353Km including offtaking canals likeTelkani Disty, Jara Disty.,Dang Disty., Ambapali Disty.,Baiman Disty.,& Behera Disty.	37.23	12408
		v)Improvement to Bragarh Main Canal from RD47.353Km to RD 69.647Km including its offtaking canals like Ainthapali Disty, Barapali Disty.,Bisipali Disty.	15.42	5137
		vi)Retamunda Disty	50.28	16760
		vii)Improvement to Bragarh Main Canal from RD69.647Km to RD 84.277Km (Tail) including offtaking canals like Dhanabasa Disty., Sarasmal Disty.,Puturpali Disty.,Telipali Disty.,Sulei Disty.,Pandrapali Disty.,Andharibhanji Disty.& Gania Distry.	20.08	6690
		viii) Improvement to Chipilima Disty. & Senhapali Distribution System	9.92	3304.52
		ix) Hirakud Dam	50.30	
			337.80	95824
	Mahanadi Delta Stage-II	i)Chandanpur Branch Canal	42.16	14052
		ii)Kakatpur Br. Canal	68.67	22890
		iii)Nimapara Br. Canal	57.87	19290
		iv)Kanasa Br. Canal	33.40	11132
			202.09	67364
	Medium Project	i)Talasara	10.74	3580
		ii)Sarafgarh	8.24	2747

		iii)Jharbandh	6.38	2125
		iv)Kuanria	11.34	3780
		v)Upper Suktel	4.05	1350
		vi)Saipal	8.26	2752
		vii)Ong Irrigation	29.49	9831
		viii)Dahuka	6.84	2280
		ix)Sundar	13.36	4452
			98.69	32897
			638.58	196085
	(b) FOT		25.00	
	(c)Flood Mangement	i)Raising & Strengthening of Embankments in Mahanadi System	496.450	
		Total	1160.03	
3	Preparation of future water investments		120.00	
		Grand- Total	1400.03	

During November'07, one preparatory Mission from the World Bank has visited the State. In coordination with DoWR, World Bank had organized a Flood Management Workshop from 25th to 26th March'08. During the Workshop thorough discussion on various aspects of flood management of Mahanadi Basin was made by both International, National and State level Experts. At the end of the workshop World Bank Mission members discussed the pros and cons of both structural and non-structural measures required for effective flood management in Mahanadi Basin. Bank also emphasized for implementation of the Project for Hirakud System in first phase with effective flood and drainage management. Project Steering Committee {PSC} headed by Chief Secretary, Orissa has been constituted for Orissa Water Sector Improvement Project. The first PSC meeting was held on 09-04-2008 in the 2nd floor conference hall of Secretariat and the proposed project list under OWSIP has been approved by the PSC.