

The Minutes of the Project Board Meeting - April 2022
Climate Resilient Integrated Water Management Project (CRIWMP)
5th April 2022 at 3.00 p.m. at

Conference Hall, Secretary Office, Ministry of Irrigation, Jawatta Road, Colombo 10

Present:

GoSL

Eng. Ivan De Silva	-	Secretary to the Ministry of Irrigation
Eng. W. B. Palugaswewa	-	Additional Secretary (WRM) /Mol
Mr. Sampath Manthrinayake	-	ADG/ERD, Ministry of Finance – via zoom
Mr. N. Hettiarachchi	-	Director General (Agriculture), Mol
Mr I. M. N. Chandrasiri	-	Director General - Agriculture (State Ministry of Irrigat.)
Mrs Malani Piyadasa	-	Director (Planning), Mol
Ms Dakshini Perera	-	Assistant Director (NDA)/Ministry of Environment
Eng. Chandana Edirisooriya	-	Project Director (CRIWMP), Mol
Maj Gen Renaka Udawatta (Rtd)	-	Procurement Specialist, CRIWMP/Mol
Mr. Anil Rajakaruna	-	Project Accountant, CRIWMP/Mol
Mr Lal Wakkumbura	-	Environmental & SS Specialist, CRIWMP/Mol
Mr Nalin Meemanage	-	Communication Specialist, CRIWMP/Mol
Ms Sumudu Chandrasiri	-	Monitoring & Evaluation Officer, CRIWMP/Mol
Ms Hiranthi Perera	-	Project Secretary, CRIWMP/Mol

UNDP

Ms Malin Herwig	-	Deputy Resident Representative, UNDP CO
Dr Buddika Hapuarachchi	-	Policy Specialist & Team Lead (Env.), UNDP CO - via zoom
Ms Sureka Perera	-	Policy Analyst (Quality Assurance), UNDP CO
Eng. Asoka Ajantha	-	Technical Specialist (Irrigation), CRIWMP/UNDP
Mr Sajjan Jayasiriwardane	-	Consultant (Water Sector), CRIWMP/UNDP - via zoom
Mr A. H. Gunapala	-	National Consultant (Social Development), CRIWMP/UNDP - via zoom
Mr Vajira Hettige	-	Technical Specialist (Component 3), CRIWMP/UNDP - via zoom
Mr Sampath Abeyrathne	-	Technical Specialist (CSA), CRIWMP/UNDP - via zoom
Mr Nimal Jayasinghe	-	National Consultant for Training (CB & DM), CRIWMP/UNDP - via zoom
Ms Dinanji Karunarathne	-	Finance Associate, UNDP, CRIWMP - via zoom

Eng. Ivan De Silva, Secretary/Mol and the Chairman (Executive) to the Project Board presided over the meeting and welcomed all participants and thanked them for attending this important meeting. He further stated that it would be very imperative to hold the regular Project Board Meetings in order to reach the Project goals on time.



Item 1: Opening Remarks and Directives by the Secretary, Ministry of Irrigation

The Secretary/ Mol in his Opening remarks suggested that taking the current economic situation in the country into consideration, if there is a possibility it would be advisable to re-adjust more provisions for the economic development activities such as livestock development etc., without creating an impediment to the scope of the project for physical rehabilitation of VIS. He also mentioned that the Project Board Meetings would be the perfect platform to discuss if such changes are going to be applied for the Project and in future, he trusts that the Project would take some steps to initiate such changes in order to facilitate more benefits to the vulnerable community.

Item 2: Opening Remarks and Directives by the Deputy Resident Representative /UNDP

The Deputy Resident Representative/UNDP, Ms. Marlin Herwig in her remarks on behalf of the UNDP thanked the Secretary, Mol for his commitment and personal involvement to ensure the Project is delivering its intended results and his leadership and technical guidance in this regard. Ms Herwig also extended her gratitude for all the other Project Partners i.e., National Designated Authority of Ministry of Environment, NPD, ERD and the Ministry of Finance including the PMU of the CRIWMP for the support to continue the Project. She stated that CRIWMP is a very important Project for the vulnerable communities in the Project administrative areas. Ms Herwig emphasized that the main priority is to ensure Project continuation and obtain the due tranches from the Green Climate Fund to carry out the balance work of the Project to deliver development benefits to the vulnerable people in the Dry Zone in Sri Lanka.

Item 3: Presentation of Progress of the Project for Year 2021 and Relevant Directives

As per the Agenda, the Project Progress for the Year 2021 was presented to the Board using a video presentation covering, all three Project components and key results achieved during the year. The following financial progress was achieved on the respective Outputs during the Year 2021:

Output 1 (Rehabilitation of Village Irrigation Systems) and	
Sub Output (Climate Smart Agriculture)	: LKR 1,098,177,681.91
Output 2 (Safe Drinking Water)	: LKR 502,179,374.09
Output 3 (Agro-Met Advisories and Disaster Preparedness)	: LKR 71,713,708.00
Project Administration Cost (Output 4)	: LKR 60,629,728.00

The overall financial progress of the Project was recorded as **LKR 1,732,700,492.00** for the Year 2021.

The Secretary, Mol commented that he is very keen on economic development related Project activity – Animal Husbandry under the Component of Climate Smart Agriculture and enquired of the Project observations made prior to initiating the Project and the steps that have been taken to improve this field. In replying to this, the



Technical Specialist (CSA), Mr. Sampath Abeyrathne explained briefly pertaining to the Project activities that had already been taken in this regard and the plans to be implemented to improve this field under the Project's Annual Work Plan for Year 2022. Accordingly, the Secretary, Mol instructed the Project staff to make the Director General (Agriculture) of the Ministry of Irrigation and its State Ministry be informed of these activities and obtain their advice and concurrence on regular basis in this regard. He also mentioned that the intention of the Mol would be to develop a method to make cattle feed available in the market enabling the farmers to easily access quality cattle feed. Secretary also directed the relevant Director General (Agriculture) to visit the Project areas and gather more information & submit their recommendations and Evaluation Reports in this regard. It was also agreed to bear the costs on such performances/site visits by the PMU of the Project.

Item 4: Presentation of CRIWMP Annual Work Plan for the Year 2022 - Annexure (01) and Relevant Directives

The CRIWMP Annual Work Plan for the Year 2022 was presented to the Board by Ms. Sumudu Chandrasiri, Monitoring and Evaluation Officer/CRIWMP. It is stated that approximately 90% of the total activities would be carried out by the Ministry of Irrigation (Executing Entity) and the UNDP will be providing implementation support for approximately under 10% of the overall Budget.

The total financial value of the planned Project activities for the Year 2022 is LKR 2100 Million and the component-wise breakdown of the Budget is as follows:

Output 1 (Rehabilitation of Village Irrigation Systems) and Sub Output (Climate Smart Agriculture)	: LKR 1636.23 Mn
Output 2 (Safe Drinking Water)	: LKR 195.80 Mn
Output 3 (Agro-Met Advisories and Disaster Preparedness)	: LKR 141.84 Mn
Project Administration Cost (UNDP and Mol PMU)	: LKR 126.12 Mn

The Secretary, Mol, in his observations on the AWP – Year 2022 advised that allocating/re-adjusting more provisions for Project activities related to agriculture may be considered within the agreed Budget and requested the CRIWMP to re-adjust accordingly within the approved AWP in order to improve the agriculture sector in meeting the current requirements of the country. Dr Buddika Hapuarachchi, Policy Specialist & Team Lead (Environment & Climate)/UNDP sharing his views, stated that the Secretary, Mol's proposal on prioritizing the critical infrastructure rehabilitation interventions and exploring the possibility to allocate more resources to economic development activities would be possible within the agreed Budget and Project framework. He said UNDP will work with the Project team to explore this further. The Project Director/CRIWMP too affirmed that since this has become a timely concern it could be done and accommodated within the relevant Component.

In view of the above, the approval for CRIWMP Annual Work Plan for Year 2022 was granted & adjustment for more activities to improve the agriculture sector should be submitted within Three months.



Item 5: Other Matters Discussed and Directives Received on Implementation of the Project Activities

1. Implementation Support by UNDP

Additional Secretary (Water Resources Management)/Mol, Eng. Wasantha Palugaswewa brought to the notice of the meeting that the Ministry of Finance has conveyed that, if the implementation support by the UNDP exceeds 10% of the total Project activities as per the Annual Work Plan, the Department of National Planning (NPD) should be made aware and NPD prior approval should be obtained for such instances Mrs Malani Piyadasa, Director (Planning)/Mol too confirmed of this information.

Project Director/CRIWMP, Eng. Chandana Edirisooriya said that the Annual Work Plan for Year 2022 has been prepared adhering to the above rules and, therefore, the proposed implementation support by the UNDP would be 9.86% out of the total Project activities for Year 2022. As the intended implementation support is below 10% of the total Project activities and the approval is within the Project Board mandated limits, there would be no necessity to obtain the approval of Department of National Planning for Year 2022.

Accordingly, Secretary, Mol stated that since there is no necessity to obtain the approval of the NPD, it could be confirmed as the approval has been granted by the Project Board for the UNDP to perform the 9.86% activities stated in the AWP of Year 2022. Further, if any amendments are to be made to the approved Annual Work Plan -Year 2022 in future which exceeds the said 10%, it should be submitted for the approval of NPD prior to executing such activities.

In conclusion, the Ministry of Irrigation, the UNDP and all other stakeholder organizations agreed upon to adopt the CRIWMP Annual Work Plan for Year 2022 as confirmed and approved for implementation.

2. Fund Disbursement Procedure for activities Implemented by the UNDP

UNDP stated the difficulties in transferring the total funds to the Treasury and then obtaining funds back for the implementation of Project activities. Accordingly, UNDP requested to retain the cost of such activities (cost equivalent to the value of the activities implemented by UNDP) and transfer the balance GCF funds to the General Treasury through Mol. **As per UNDP's request in this regard, Secretary, Mol agreed to submit a letter to the Ministry of Finance through Department of External Resources (ERD) for the consideration of the said request in order to obtain approval for the same.**

Consequently, it was agreed to ponder the request of the UNDP and come into terms with the above-mentioned arrangement, considering the improvement of the productivity of the Project and the importance of resolving the issue pertaining to the Project fund disbursement procedure in order to receive the withheld-GCF funds to the Project as early as possible.

Additional Secretary (WRM)/Mol mentioned that since this is a Grant Project it would be very important to obtain the relevant approval from the Ministry of Finance as the directives in this regard have already been issued by the ERD.



Representative from NDA/MoE, Ms Dakshini Perera stated that the question lies in this regard is to obtaining the total GoSL Co-financing due for the Project. She further stated that the GCF is very keen on this subject as receiving the GoSL Co-financing for the Project would be one of their core aspects and, therefore, the GCF regularly monitoring the Project Co-financing status. In view of that, it would be essential for the PMU and UNDP, both parties to come into an agreement where the Project can obtain the implementation support from the UNDP, whilst securing the total GoSL Co-financing and also improving the productivity of the Project.

3. Issuing of Letters of Confirmation Required by the Green Climate Fund (GCF) - NDA

It was brought to the notice of the meeting by the Assistant Director, Ms Dakshini Perera representing the National Designated Authority under the Ministry of Environment, that a letter had been requested by the GCF assuring the Government Co-financing commitment for the Project. The NDA was having difficulties in issuing the same due to the delay from UNDP to submit a response to the ERD Circular dated 31.01.2022 and Ministry of Environment letter No. 04/04/10/350 - CRIWMP II dated 07.02.2022 that has been dragging on for a few months, and the related discussions that have been going on regarding Fund Transfer Procedures. NDA also emphasized the importance of smooth implementation of CRIWMP as more GCF-Funded Projects could be received from GCF in future depending on the successful completion of this first ever Grant Project for Sri Lanka by the GCF.

Accordingly, the Secretary, MoI in consultation with the representative of the ERD, Mr Sampath Manthrinayake, Additional Director General (UN/World Bank) directed to submit a written request addressed to the Director General of ERD in reference to the ERD letter No. ERD/UN/CRIWMP/2022 dated 31.01.2022 explaining the process and requesting for a directive from ERD indicating the procedure to be adhered to secure Co-financing commitment by GoSL.

Upon receiving the above letter from the Secretary, Ministry of Irrigation, the ERD will issue further instructions to the NDA, MoE for issuing the confirmation letter on Government ownership and Co-financing for the Project required by the GCF.

Thus, Secretary, MoI advised the Project to prepare a common letter including all facts on the above decisions/requests with the Minutes of the Project Board Meeting as an Annexure to the said letter.

4. CRIWMP Implementation Recommendations to Enhance Transparency and Accountability – Annexure (02)

The Coordinator of the Expert Committees/CRIWMP, Maj Gen Reneaka Udawatta (Rtd) presented the "Implementation Recommendations to Enhance Transparency and Accountability" to the Board and stated that these recommendations had been discussed on 5th April 2022 with the UNDP delegation, prior to commencing the Project Board Meeting. Certain amendments had been adopted in this regard and the Amended recommendations are attached hereto as **Annexure (02)**. It was agreed to adhere to the Amended "CRIWMP Implementation Recommendations to Enhance Transparency and Accountability" stated in the Annexure (02) by the CRIWMP-PMU. Maj. Gen Udawatta (Rtd) also expressed his appreciations towards the UNDP delegation on behalf of the Project for agreeing to the above Recommendations.



Secretary, Mol & Chairman/Executive of the Project Board directed the Project to adhere to these Implementation Recommendations stated in Annexure 2 in the future and instructed the Additional Secretary (Water Resources Management)/Mol to monitor the CRIWMP regularly on behalf of the Ministry of Irrigation in order to confirm whether these recommendations are properly followed and adhered to.

The Project Board meeting concluded at 5.30 p.m.

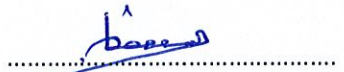
Recommended / Not Recommended



Eng. Chandana Edirisooriya
Project Director
Climate Resilient Integrated Water Management Project

Project Director
Climate Resilient Integrated Water Management Project
Ministry of Irrigation

Approved / ~~Not Approved~~



Eng. K. W. Ivan De Silva
Chairman/Executive of the Project Board - Climate Resilient Integrated Water Management Project
Secretary
Ministry of Irrigation

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