

July 11, 2013

Ms. Sheela Balakrishnan
Chief Secretary
Government of Tamil Nadu
Secretariat, Fort St. George
Chennai- 600 009
Tamil Nadu

Dear Ms. Balakrishnan:

***India: Tamil Nadu Irrigated Agriculture Modernization and Water-Bodies Restoration and Management (IAMWARM) Project- Implementation Review and Support Mission:
May 20 -27, 2013***

I would like to thank the Multi-Disciplinary Project Unit and all the project counterparts who contributed to hosting the recent implementation review and support mission for the TN IAMWARM Project and for facilitating the extensive program of field travel. I would also like to thank you for your support of this important Project. Please find enclosed the Aide Memoire of the mission. While the Aide Memoire provides full detail on the work and results of the mission, I would like to raise three key points here.

The development objective of the Project is to increase the productivity of irrigated agriculture for sub-basin stakeholders in a sustainable water resource management framework. The recently agreed extension of the closing date to September 30, 2014 will allow for completing project activities and achieving its development objective. Available evidence indicates that the Project is achieving intended results with respect to increase in yields, diversification of cropping patterns through increased share of area under high value crops, and expansion of water-saving technologies. It will be important, however, for the Project to use the remaining period of implementation to fill in the documentation of outcomes and results. This was an area of focus for the mission and a set of key actions (listed in Annex 2 of the Aide Memoire) was agreed. One of the most critical actions was to extend the contract for the Monitoring and Evaluation Consultant so that it is commensurate with the extension of the Project's closing date and a proper final impact evaluation can be carried out.

Another area of focus for the mission was the issue of 'last mile' water management. That is, water management below the sluice gates at the village level. This is one aspect of the Project that has been under-performing and where additional development benefits could be achieved. A program of strengthening the Participatory Irrigation Management (PIM) capacities of Tamil Nadu has been agreed and is in implementation. To be effective, this will require the ongoing support from the Public Works Department and Government as a whole so that by the end of the Project, Tamil Nadu will have a reliable approach in place for dealing with this important aspect of water management.

The Bank's Task Team is continuing its support to the MDPU on processing the remaining tenders under the Project. It will be important for the Government to give due

attention going forward to the remaining procurement actions, as well as contract management, to ensure that all planned project activities are completed by September 30, 2014.

I am pleased to note that the pace of project disbursements has picked up significantly over the last year. The Project will have to maintain this pace for the remainder of its implementation for the funds to be fully utilized. The rating for Implementation Progress (IP) for the Project remains moderately satisfactory. With a continuation of the more rapid disbursement over the next six months, the Bank will be prepared to raise this rating to satisfactory.

Please do not hesitate to contact Mr. Edward Cook (ecook@worldbank.org) for any further clarifications.

With regards,

Yours sincerely,



Rinku Murgai
Acting Director
New Delhi Office

Attachment: Aide Memoire

cc: Mr. Mukesh Nandan Prasad, Executive Director (India), The World Bank
Mr. Manoj Pant, Senior Advisor to Executive Director (India), The World Bank

Ms. Sheyphali B. Sharan, Director, Department of Economic Affairs, Ministry of Finance, Government of India
Mr. S. G. Dastidar, Controller-AAA, DEA, Ministry of Finance, Government of India

Dr. S. K. Sarkar, Secretary, Ministry of Water Resources, Government of India
Mr. G. Mohan Kumar, Special Secretary, Ministry of Water Resources, Government of India

Dr. J. P. Mishra, Advisor, Planning Commission, Government of India

Dr. M. Saikumar, Secretary to Government, Public Works Department, Government of Tamil Nadu
Mr. K. Shanmugam, Principal Secretary, Finance Department, Government of Tamil Nadu
Mr. Sandeep Saxena, Agriculture Production Commissioner & Principal Secretary Agriculture, Government of Tamil Nadu
Dr. S. Vijay Kumar IAS, Secretary Animal Husbandry and Fisheries, Government of Tamil Nadu
Mr. Vibhu Nayar, Project Director- TNIAMWARM Project, Government of Tamil Nadu
Mr. Bisuvash Selvakumar, Engineer-in-Chief, Water resources Organization, Government of Tamil Nadu