

FINAL

**TAMIL NADU
STRENGTHENING COASTAL RESILIENCE
AND THE ECONOMY PROJECT (TN SHORE)
(P180932)**

PROJECT IMPLEMENTATION PLAN (TN PIP)

APRIL 2026

**TAMIL NADU COASTAL RESTORATION MISSION
TAMIL NADU GREEN CLIMATE COMPANY
DEPARTMENT OF ENVIRONMENT, CLIMATE CHANGE AND FORESTS
GOVERNMENT OF TAMIL NADU**

List of Abbreviations and Acronyms

ALDFG	Abandoned, Lost, or otherwise Discarded Fishing Gear
ASA	Advisory Services and Analytics
CDD	Community Driven Development
CEO	Chief Executive Officer
CERC	Contingent Emergency Response Component
CMDMS	Coastal and Marine Data Management System
CPF	Country Partnership Framework
CQS	Consultants Qualifications-based Selection.
CRZ	Coastal Regulation Zone
CSI	Corporate Score Card Indicator
CSR	Corporate Social Responsibility
CZM	Coastal Zone Management
CZMP	Coastal Zone Management Plan
CoE	Centre of Excellence
DCF	Divisional Conservator of Forests
DECCF	Department of Environment Climate Change and Forest, Government of Tamil Nadu
DFO	District Forest Officer
DPD	Deputy Project Director
DPMU	District Project Management Unit
DRDP	Department of Rural Development and Panchayati Raj
DWCC	Dry Waste Collection Centre
E&S	Environmental and Social
EAP	Emergency Action Plan
ED	Executive Director
EIRR	Economic Internal Rate of Return
EPR	Extended Producer Responsibility
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan

ESRM	Environmental and Social Risk Management
FBS	Fixed Budget Based Selection
FC	Fishermen Committee
FEE	Foundation of Environmental Education
FEED	Forests Ecology and Environment Department (Government of Karnataka)
FFL	Fishing for Litter
FLFP	Female Labor Force Participation
FM	Financial Management
FMS	Financial Management System
FY	Financial Year
GCC	Green Climate Change
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GIS	Geographic Information System
GOMBRT	Gulf of Mannar Biosphere Reserve Trust
GP	Gram Panchayat
GPN	General Procurement Notice
GRS	Grievance Redress Service
GoI	Government of India
ICR	Implementation Completion and Results Report
ICZM	Integrated Coastal Zone Management
ICZMP	Integrated Coastal Zone Management Plan
IEC	Information Education Campaigns
INR	Indian Rupees
IPF	Investment Project Financing
IUCN	International Union for Conservation for Nature
IUFR	Interim Unaudited Financial Report
JFMC	Joint Forest Management Committee
KCA	Knowledge Compact for Action
LA	Loan Agreement
LCS	Least-Cost-based Selection

LFP	Labor Force Participation
M&E	Monitoring and Evaluation
MCF	Material Collection Facility
METT	Management Effectiveness Tracking Tool
MFD	Maximizing Finance for Development
MIS	Management Information System
MISHTI	Mangrove Initiative for Shoreline Habitats and Tangible Income
MPA	Multiphase Programmatic Approach
MRF	Material Recovery Facility
MSP	Marine Spatial Plan
MTR	Mid-term Review
MoA	Memorandum and Articles of Association
MoEFCC	Ministry of Environment, Forest and Climate Change
MoU	Memorandum of Understanding
NAPCC	National Action Plan on Climate Change
NBS	Nature Based Solution
NCCR	National Centre for Coastal Research
NCM	National Coastal Mission
NCSCM	National Centre for Sustainable Coastal Management
NDC	Nationally Determined Contribution
NGO	Non-Government Organization
NPV	Net Present Value
O&M	Operation and Maintenance
OBP	Ocean Bound Plastic
ORT	Olive Ridley Turtle
PA	Project Agreement
PCE	Private Capital Enabling
PDO	Project Development Objective
PEA	Project Executing Agency
PIP	Project Implementation Plan
PMU	Project Management Unit
PP	Procurement Plan

PPP	Public Private Partnership
PPSD	Project Procurement Strategy for Development
PrDO	Program Development Objective
QCBS	Quality and Cost Based Selection
RAP	Resettlement Action Plan
RET	Rare, Endangered, Threatened
REoI	Request for Expression of Interest
RFB	Request for Bid
RFQ	Request for Quotations
RRC	Resource Recovery Centre
RS	Remote Sensing
SEP	Stakeholder Engagement Plan
SHORE	Strengthening Coastal Resilience and the Economy
SLEC	State Level Empowered Committee
SLSC	State Level Steering Committee
SME	Small and Medium Enterprises
SMP	Shoreline Management Plan
SNA	State Nodal Agency
SPC	Shadow Price of Carbon
SPD	Standard Procurement Document
SPMU	State Project Management Unit
SpPMU	Special Project Monitoring Unit
SPV	Special Purpose Vehicle
STEP	Systematic Tracking of Exchanges in Procurement
SUP	Single Use Plastics
SWM	Solid Waste Management
TAMC	Technical Assistance and Management Consultancy
TN TTA	Tamil Nadu Tender Transparency Act
TNGCC	Tamil Nadu Green Climate Company
TNHPSC	Tamil Nadu High Powered Steering Committee
TPA	Tons Per Annum
TTL	Task Team Leader

ToC	Theory of Change
ULB	Urban Local Body
UNEP	United Nations Environment Programme
UNWTO	United Nations World Tourism Organization
USD	US Dollar
VC	Village Committees
VFC	Village Forest Committee
ZP	Zilla Parishad

Table of Contents

1.	About the Project Implementation Plan (PIP)	2
1.1	The SHORE Program	3
1.2	The SHORE Project	3
1.3	TN SHORE Project	4
1.4	TN Project Implementation Plan	4
1.5	Purpose of the PIP	4
1.6	Ownership	4
1.7	Targeted Users	4
1.8	Structure and Contents	5
1.9	Legal Covenants	6
1.10	Amendments to the PIP	7
	Part- I: Overall Project Features	8
2.	SHORE Program: Multiphase Programmatic Approach (MPA)	9
2.1	Introduction	9
2.2	National Policy on Coastal Management	9
2.3	Vision of the SHORE Program	10
2.4	Program Development Objectives (PrDO)	11
2.5	Structure of the SHORE Program	12
2.6	Core Components of the SHORE Program	12
2.7	Results Chain of the SHORE Program	13
2.8	The SHORE Project	14
3.	TN SHORE Project	16
3.1	Coastal Ecosystems	16
3.2	Coastal Communities	17
3.3	Coastal Economy	18
3.4	Key Coastal Challenges and Opportunities	19
3.5	Integrated Coastal Zone Management	20
3.6	Project Vision	22
3.7	TN SHORE: Basic Information	23
3.8	Targeted Area	24
3.9	Project Development Objective	25
3.10	Project Period	26
3.11	Overall Project Components	26

3.12	Project Financing.....	32
3.13	Lessons Learnt and Integrated into the Design.....	32
Part II: Detailed Description of Project Components		34
4	Component 1: Strengthening Institutions for Integrated Coastal Zone Management	35
4.1.	The Context	35
4.2.	Objective	35
4.3.	Component Financing.....	35
4.4.	Scope of activities	35
4.5.	Integrated Coastal Planning	36
4.6.	Organization Development of Centres of Excellence (CoE).....	38
4.7.	Developing Framework and Platform to access `Blue Carbon' Finance ..	38
4.8.	GHG Emission Monitoring	39
4.9.	Building Human Resource Capacity	39
4.10.	Strengthening Local Authorities and Coastal Communities.....	40
4.11.	Success Indicators	40
5.	Component 2: Shoreline Management, Coastal Protection and Conservation...	42
5.1.	The Context	42
5.2.	Objective	42
5.3.	Component Financing.....	42
5.4.	Scope of activities	43
5.5.	Protecting Shoreline, Coastal Assets and Coastal Communities	43
5.6.	Establishing Centres of Excellence (CoE).....	45
5.7.	Biodiversity Conservation Park	47
5.8.	Success Monitoring.....	48
6.	Component 3: Improving Livelihoods for Natural Resource Dependent Communities	49
6.1.	The Context	49
6.2.	Objectives	49
6.3.	Component Financing.....	50
6.4.	Scope of Activities	50
6.5.	Training and Technical assistance	50
6.6.	Community Grants.....	51
6.7.	Blue Flag Beach Certification.....	56
6.8.	Success Monitoring.....	57
7.	Component 4: Enhancing Marine Pollution Management and Plastic Circularity	59
7.1.	Context.....	59

7.2.	Objective	59
7.3.	Component Financing	60
7.4.	Scope of Activities	60
7.5.	Improving the Waste Management System	60
7.6.	ALDFGs Incentive Scheme	62
7.7.	Awareness Campaigns	63
7.8.	Implementation Modalities	63
7.9.	Private Sector Participation.....	65
7.10.	Waste Management System Investments	66
7.11.	Success Monitoring	67
8.	Component-5: Project Management	69
8.1.	Objective	69
8.2.	Component Financing	69
8.3.	Scope of activities	69
8.4.	Project Management.....	70
8.5.	Establishing SPMU	70
8.6.	Functionalizing of Project Management Units (PEAs)	71
8.7.	Implementing Environmental and Social Framework	71
8.8.	Establishing Project Financial Management System	71
8.9.	Establishing Project Procurement System.....	72
8.10.	Hiring Third Party Auditors.....	72
8.11.	Operationalizing Grievance Redress Mechanism.....	72
8.12.	Success Monitoring	73
9.	Component 6: Contingent Emergency Response	74
9.1.	Introduction	74
9.2.	Eligible Emergency Events.....	74
9.3.	Steps to activate CER Component	74
9.4.	Institutional Arrangement	75
9.5.	CERC Manual	75
Part III: Implementation Frameworks and Structures		76
10.	Overall Institutional Arrangements	77
10.1	Institutional Strategies.....	77
10.2	Institutional Principles.....	77
10.3	Overall Institutional Model.....	78
10.4	State Level Institutional Arrangement.....	79
10.5	High-Powered Steering Committee (HPSC)	79
10.5.1	Composition	79
10.5.2	Roles and Responsibilities	80

10.6	Special Project Monitoring Unit (SPMU) - TNSHORE	81
10.6.1	Overview	81
10.6.2	Organogram.....	81
10.6.3	Functional Responsibilities of the SPMU	83
10.7	Project Executing Agencies (PEAs).....	85
10.7.1	Roles of PEAs	86
10.8	Local-Level Institutional Arrangements.....	87
10.8.1	Community Participation Mechanisms	87
10.8.2	Integration with Village Committees and JFMCs.....	88
10.8.3	A Bottom-Up Approach to Coastal Resilience	88
10.9	Stakeholder Engagement and Coordination.....	89
10.9.1	Framework for Stakeholder Collaboration	89
10.9.2	Integration of Community Feedback Mechanisms	89
10.9.3	A Collaborative Future	90
10.10	Strengthening Institutional Capacities for Future Coastal Resilience.....	90
Part IV: Project Management and Operational Arrangements		92
11	Financial Management and Disbursement.....	93
11.1	Introduction	93
11.2	Sources of Funds.....	93
11.3	Budgeting and Fund Flow Mechanism.....	94
11.4	Accounting System	96
11.5	Internal Controls and Compliance Mechanisms.....	99
11.6	FM Capacity Building	101
11.7	Disbursement Arrangements	102
11.8	Disbursement Procedures	103
11.9	Auditing and Internal Controls.....	103
11.10	Institutional Arrangements and Staffing.....	105
11.11	Financial Management (FM) Manual.....	107
12	Procurement Management	108
12.1	Procurement Framework	108
12.2	Reference and Procurement Plan.....	108
12.3	Institutional Responsibilities for Procurement.....	109
12.4	Procurement Planning	109
12.5	Selection Methods and Market Approaches.....	110
12.6	Bidding Document Preparation and Approvals	110
12.7	Bid Evaluation and Contract Award Process.....	111
12.8	Contract Management Oversight.....	111

12.9	Procurement Monitoring, Reporting and Disclosure	112
12.10	Procurement Complaint Handling Mechanism	113
12.11	Community Procurement.....	114
12.12	Procurement Risks and Mitigation Measures	114
12.13	Key Procurement Risks and Mitigation Measures.....	115
12.14	Record Keeping and Compliance	116
13	Environmental and Social Risk Management.....	117
13.1	Introduction	117
13.2	Relevant Policy, Legal, and Institutional Framework.....	117
13.3	Environmental and Social Framework (ESF).....	118
13.4	Environmental and Social Management Plan (ESMP).....	118
13.5	Environmental and Social Risks and Mitigation Measures	120
13.6	Integrated Coastal Zone Management Plan (ICZMP).....	122
13.7	Gender Mainstreaming.....	123
13.8	Stakeholder Engagement and Citizen Participation.....	124
13.9	Grievance Redress Mechanism (GRM)	125
13.10	Environmental and Social Commitment Plan (ESCP)	127
14	Monitoring and Evaluation (M&E) Management	129
14.1	Introduction	129
14.2	Objectives	129
14.3	M&E Framework.....	129
14.1.1	Results Framework.....	130
14.1.2	Monitoring and Evaluation Plan.....	130
14.1.3	Data Flow and Information Reporting	130
14.4	Annual Work Plans	131
14.5	Progress Monitoring and Reporting.....	131
14.6	Baseline and Target Data Collection	133
14.7	Personal Data	133
14.8	Stakeholder Engagement and Participatory Monitoring.....	134
14.9	Governance and Oversight Mechanism.....	134
14.10	Reporting Systems and Data Management	135
14.11	Adaptive Management and Continuous Improvement.....	135
Part V:	Grants Procedures Manual	137
15	Community Grant Manual.....	138
	Guidelines for Formation & Functioning of Village Mangrove Councils (VMC) Under the TNSHORE Project.....	181

Part VI: CERC Manual.....	245
16 Component 5: Contingent Emergency Response.....	246
16.1 Disaster Risk Management.....	246
16.2 Contingency Emergency Response (CER).....	247
16.3 Eligible Emergency Events.....	247
16.4 Key Features of the CER Component	248
16.5 Steps for Activating the CER Component	248
16.6 Rapid Impacts and Needs Assessment (RINA)	249
16.7 Emergency Action Planning	250
16.8 Contents of the EAP	251
16.9 Potential activities/sub projects	251
16.10 Eligible Expenditures	252
16.11 Categories of Eligibility.....	253
16.12 Positive List of Goods.....	254
16.13 Excluded Goods.....	254
16.14 Prohibited activities.....	254
16.15 Funding for EAP Activities	254
16.16 Reviewing and approval by the World Bank	255
16.17 Disbursement Process.....	255
16.18 Disbursement Methods.....	256
16.19 Documentation process to support disbursement.....	256
16.20 Retroactive Financing	256
16.21 Reallocation.....	257
16.22 Cancellation.....	257
16.23 Institutional Arrangement	257
Part VII Annexures.....	263

List of Annexures

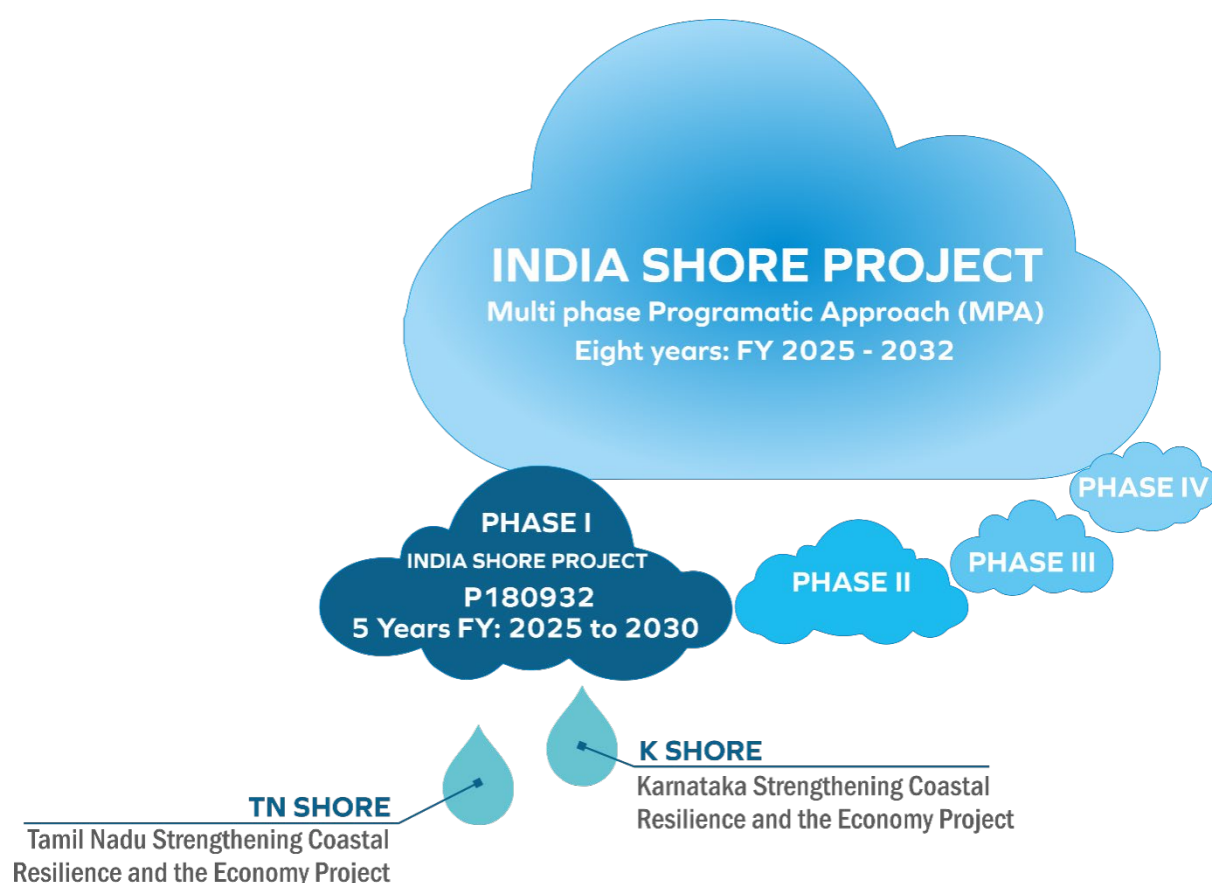
Sl.No.	Annexures	Page No.
1	Results Framework	274
2	Potential Environmental and Social Risks and Impacts	283
3	Environmental and Social Commitment Plan	295
4	Procurement and Contract Management Plan	305
5	Community Procurement Plan	344

1. About the Project Implementation Plan (PIP)

1. India's coastline extends approximately 7,500 km and is home to 250 million people. Spanning over 2 million sq. km, the coastal region forms a vital part of the blue economy, supporting nearly 25% of the nation's population who rely on marine resources and coastal infrastructure for their livelihoods. India's coastal economy, encompassing marine, maritime, and on-shore resources, is driven by key sectors such as fisheries, agriculture, aquaculture, tourism, and other coastal industries. However, this economic zone faces critical challenges, including the impacts of climate change, rising sea levels, coastal erosion, and ecosystem degradation. Additionally, pressures from unchecked urbanization and natural disasters, such as floods and cyclones, continue to pose significant threats to coastal ecosystems and the communities that depend on them.

2. In alignment with India's National Policy Framework for Coastal Area Management and the Country Partnership Framework (CPF) for India, the World Bank is providing support to enhance the resilience of coastal communities and ecosystems.

Figure1.1: India: SHORE Program Schema



The structure of this support is illustrated in Figure 1.1 and is implemented through a phased approach as follows:

- (i) A Multi-Phase Programmatic Approach (MPA), referred to as the INDIA: Strengthening Coastal Resilience and the Economy (SHORE) Program.
- (ii) Phase 1 of the MPA covers Tamil Nadu and Karnataka, implemented as the INDIA: Strengthening Coastal Resilience and Economy the (SHORE) Project (P180932), financed as an Investment Project Financing (IPF) initiative.
- (iii) The Tamil Nadu-specific component of the SHORE Project is referred to as the TN SHORE Project.

1.1 The SHORE Program

3. The Strengthening Coastal Resilience and the Economy (SHORE) Program is a horizontal Multi-Phase Programmatic Approach (MPA) designed to progressively address the complex and multi-sectoral challenges faced by India's coastal communities and ecosystems. The program is structured into three sequential and overlapping phases to ensure a comprehensive and adaptive response. The SHORE Program supports the phased implementation of India's national policy framework for coastal management, as outlined in the Coastal Regulation Zone (CRZ) Notification, 2019. It adopts a coordinated, long-term approach aimed at protecting the coastline and enhancing the resilience of coastal communities through the conservation of fragile ecosystems, pollution management, and the promotion of sustainable economic growth. The program's primary focus is to address key threats, such as habitat loss, coastal erosion, ecological fragility, and pollution, which undermine the resilience of coastal ecosystems and communities. Additionally, the program emphasizes building institutional and human resource capacities among stakeholders to sustain and scale up the achievements of its interventions.

1.2 The SHORE Project

4. The first phase of SHORE Program is conceptualized as an Investment Project Financing (IPF) initiative supported by the World Bank. This initial phase includes a comprehensive set of interventions aimed at addressing resilience challenges common to Karnataka and Tamil Nadu¹. These efforts will serve as a model to be scaled up by other coastal states in subsequent phases (Phase 2 and Phase 3) of the SHORE Program. The project's objectives include strengthening coastal protection and conservation, enhancing livelihood opportunities for vulnerable coastal communities, reducing marine pollution, and building institutional capacity for integrated coastal zone management. Additionally, it focuses on fostering community participation and encouraging private sector investment to support long-term sustainability. The Government of India acts as the borrower for the resources extended by the World Bank, ensuring alignment with national policies and institutional priorities.

¹ The Karnataka project is named as Karnataka Strengthening Coastal Resilience and the Economy Project (KSHORE) Project and the Tamil Nadu project is named as Tamil Nadu Strengthening Coastal Resilience and the Economy Project (TNSHORE) Project.

1.3 TN SHORE Project

5. The Government of Tamil Nadu serves as the implementing agency for the TN SHORE Project. The state has developed a Coastal Zone Management Plan (CZMP) as per the CRZ 2011 Notification, which has been approved by the Ministry of Environment, Forest, and Climate Change (MoEFCC). The TN SHORE Project represents the implementation of the broader SHORE Program within Tamil Nadu, focusing on state-specific coastal challenges and priorities.

1.4 TN Project Implementation Plan

6. The Tamil Nadu Project Implementation Plan (TN PIP) serves as a comprehensive operational manual for the implementation of the TN SHORE Project. It provides a detailed framework and structure for execution, describing the project components, activities, operational processes, and key guidelines. The TN PIP has been prepared in alignment with Section I.B of the schedule to the TN Project Agreement and reflects the commitments made by the Government of Tamil Nadu (GoTN) to ensure streamlined and effective project execution.

1.5 Purpose of the PIP

7. The GoTN will implement the project components outlined in the TN PIP through the Tamil Nadu Project Management Unit (TN PMU) and various Project Execution Agencies (TN PEA). While the Project Appraisal Document (PAD) provides a high-level summary of the project design, policies, and approach, the TN PIP serves as the primary operational guide. It is a reference document designed to ensure clarity and alignment among all stakeholders while facilitating the efficient execution of the TN SHORE Project. Specifically, the TN PIP defines the procedures, processes, and structures required for implementing all components of the project, establishing a shared operational framework.

1.6 Ownership

8. The PIP has been developed by the Tamil Nadu Project Management Unit (TNPMU), which operates within the Tamil Nadu Green Climate Company (TNGCC). The TNGCC, a Special Purpose Vehicle (SPV) established by the Department of Environment, Climate Change, and Forests (DECCF), GoTN, has been entrusted as the primary implementing agency for the TN SHORE project. The GoTN, serving as the overall Implementing Agency (IA), has mandated the TNGCC to oversee the project's execution. The PIP has received formal endorsement from the Tamil Nadu High-Powered Steering Committee (TN HPSC) and, in principle, has been cleared by the Task Team Leader (TTL) for the ISHORE Project under the World Bank.

1.7 Targeted Users

9. The TN PIP serves as the operational guide for implementing the TN SHORE Project and must be adhered to in all processes and activities. The primary users of the TN PIP are the State Project Management Unit (SPMU). Additionally, the document is intended for use by all Project Implementing Agencies (PIAs) and Project Execution Agencies (PEAs), including government departments, agencies, urban and rural local bodies, among others. The PIP also applies to project beneficiaries and their associated community organizations, such as Village Management Committees (VMCs), Eco-Development Committees (EDCs), livelihood entities (e.g., business groups, self-help groups, community enterprise groups, and producer collectives). Furthermore, all contractors, service providers, representatives, and agents involved in project implementation are legally obligated to comply with and follow the provisions outlined in the TN PIP while executing activities related to the TN SHORE Project.

1.8 Structure and Contents

10. The Project Agreement (PA), as outlined in Section 1.B.1 of its schedule, defines the structure and content of the TN PIP. The TN PIP provides comprehensive guidelines and procedures for implementing the six components of the TN SHORE Project, as described in Schedule-1 of the Project Description to the Loan Agreement. To ensure clarity and usability, the TN PIP is organized into the following seven main sections:

Part I: Overall Project Features

- Overview of the SHORE Program (MPA)
- Details of the TN SHORE Project, including targeted coastal communities, ecosystems, and project financing.

Part II: Detailed Description of Project Components

- Comprehensive coverage of the six project components as specified in Schedule-1 of the Project Description to the Loan Agreement.

Part III: Implementation Structures

- Details of implementation arrangements as defined in Section I.A-Schedule II of the Project Execution section in the Loan Agreement.

Part IV: Project Management Aspects

- Guidelines on financial management, including accounting, auditing, and reporting.
- Procedures for procurement management.
- Environmental and social safeguard requirements, including ESCP and grievance redress mechanisms.
- Monitoring, evaluation, and reporting requirements.

Part V: Grant Procedures Manual

- Eligibility criteria for community grant beneficiaries, selection processes, implementation structures, grant distribution procedures, subproject implementation, and community grant agreements.

Part VI: CERC Manual

- Procedures for eligible emergency events, institutional arrangements, emergency expenditures, financial management, procurement, emergency action planning, and environmental and social instruments.

Part VII: Annexures

- Results Framework.
- Monitoring and Evaluation Plan.
- List of targeted coastal communities, selected beaches, and specific project areas.

This structured presentation ensures the TN PIP serves as a clear, actionable, and comprehensive reference document for implementing the TN SHORE Project.

11. In addition to Volume I of the PIP, two supplementary manuals will be made available as standalone references:

- The Financial Management Manual
- The Procurement Manual

These manuals will provide detailed guidance on their respective domains, supporting the effective implementation of the TN SHORE Project.

12. Both the Financial Management Manual and the Procurement Manual are currently in draft form and will be finalized within three months following the conclusion of negotiations. Key highlights and critical provisions from these manuals have already been incorporated into Part IV: Project Management Aspects of the PIP, ensuring alignment and readiness for immediate use.

1.9 Legal Covenants

13. The PIP has been developed to ensure uniformity in implementation practices and adherence to the following:

- (i) The Loan Agreement (LA) between the Government of India and the International Bank for Reconstruction and Development (IBRD), as well as the Project Agreement (PA) between the State of Tamil Nadu and the IBRD.
- (ii) The PAD, which outlines the project framework and objectives.
- (iii) The applicable guidelines and directives issued by the World Bank, specifically those related to procurement, financial management, disbursement, environmental safeguards, social safeguards, and monitoring and evaluation requirements.

14. In the event of any discrepancy or conflict between the provisions of the TN PIP, the TN Financial Management Manual, or the TN Grants Manual, and those of the Loan

Agreement (LA) and/or Project Agreement (PA), the terms and conditions outlined in the Loan Agreement and Project Agreement shall take precedence.

15. The State of Tamil Nadu, including the SPMU and all other project implementing entities, is prohibited from amending, suspending, waiving, or nullifying any part of the TN PIP, TN Financial Management Manual, or TN Grants Manual—either in full or partially—without obtaining prior written concurrence from the World Bank.

1.10 Amendments to the PIP

16. The PIP is designed to be a dynamic and adaptable document, subject to periodic amendments to address the evolving requirements of the TN SHORE Project, informed by field-level experiences and lessons learned. Any proposed amendments will undergo review by the Tamil Nadu High-Powered Steering Committee (TN HPSC) and require concurrence from the World Bank Task Team Leader (TTL). Once approved by the Department of Environment, Climate Change, and Forests (DECCF) of the Government of Tamil Nadu (GoTN), the revised PIP will be formally submitted to the World Bank. The updated version will then be disseminated to all project implementing and partnering agencies. Additionally, all amendments will be thoroughly documented and appended to the PIP for transparency and reference.

Part- I: Overall Project Features

2. SHORE Program: Multiphase Programmatic Approach (MPA)

2.1 Introduction

17. The SHORE Program is an innovative and strategic MPA specifically designed to address the complex and multifaceted challenges faced by India's vast coastal communities and ecosystems. The program is meticulously aligned with India's national coastal zone management policy framework and ensures compliance with the Coastal Regulation Zone (CRZ) Notification of 2019. By adopting a structured and systematic approach, the SHORE Program aims to integrate sustainability, resilience, and ecological balance into coastal zone management practices, thereby fostering long-term environmental and economic stability.

18. The SHORE Program employs a phased, data-driven, and scientifically rigorous approach to strengthen the resilience of coastal systems. This method ensures systematic and adaptive management, addressing the evolving needs of diverse coastal environments. By integrating nature-based solutions (NBS), hybrid infrastructure, and innovative governance models, the program effectively balances ecological sustainability with socio-economic development. With a focus on state-specific strategies, the SHORE Program enhances scalability and adaptability, enabling the consistent and long-term implementation of best practices across India's varied coastal regions.

19. The program emphasizes long-term sustainability and resilience by establishing robust mechanisms to address critical challenges such as sea-level rise, habitat degradation, coastal erosion, and marine pollution. It also aims to enhance the ecological productivity and climate adaptability of marine and coastal ecosystems. By fostering ecological conservation, community participation, and strategic economic growth, the program creates an inclusive framework that positions India as a global leader in integrated coastal resilience and sustainable development.

2.2 National Policy on Coastal Management

20. The management of coastal areas and resources in India is primarily governed by the following key policy notifications:

- (i) Coastal Regulation Zone (CRZ) Notification, 2019: Establishes guidelines for sustainable coastal development while protecting ecologically sensitive areas.
- (ii) Island Coastal Regulation Zone (ICRZ) Notification, 2019: Provides specific measures for the conservation and sustainable use of island ecosystems.
- (iii) National Marine Litter Policy and Plastic Waste Management Rules (2016, amended in 2018): Aim to minimize plastic waste, combat marine pollution, and promote awareness and responsible practices for the protection of marine ecosystems.

2.2.1 Integrated Coastal Zone Management (ICZM) Principles

21. The CRZ Notification, 2019, replaced the 2011 Notification and was introduced to promote the sustainable development of India's coastal regions based on scientific principles. This notification is grounded in the principles of Integrated Coastal Zone Management (ICZM), which provides a comprehensive framework for managing coastal land use and associated risks. ICZM employs a suite of processes and tools designed to safeguard communities, socio-economic activities, ecosystems, and infrastructure from coastal hazards such as floods, storm surges, erosion, and habitat loss. Additionally, ICZM integrates resilience planning to strengthen adaptation and mitigation capacities, ensuring sustainable and climate-resilient coastal development.

22. The CRZ Notification seeks to facilitate sustainable coastal development by defining and demarcating specific zones and outlining permissible activities within them. It also identifies Ecologically Sensitive Areas (ESA), Critical Vulnerable Coastal Areas (CVCA), and various land use categories. Both the National and State Governments are committed to implementing the CRZ Notification and its directives, including the preparation of Shoreline Management Plans (SMPs) by State Governments. States are further mandated to prioritize NBS, incorporating green and hybrid infrastructure to enhance coastal protection. The overall responsibility for overseeing and coordinating the implementation of coastal zone management policies across the country lies with the Ministry of Environment, Forest and Climate Change (MoEFCC).

2.2.2 National Coastal Mission

23. India's G-20 Presidency in 2023 marked its emergence as a global leader in blue growth, showcasing its commitment to advancing the sustainable use of coastal and ocean resources. The Government of India aims to strengthen the resilience of coastal communities to climate shocks while promoting sustainable practices. The National Coastal Mission (NCM) reflects the nation's dedication to conserving, protecting, sustainably utilizing, and restoring ecosystems, harnessing the ocean-based economy, and eliminating plastic pollution. The NCM envisions achieving sustainable blue growth by safeguarding natural coastal assets. The National Budget for 2024–25 allocated specific resources to implement the NCM, reaffirming the Government of India's commitment to developing a robust and sustainable blue economy.

2.3 Vision of the SHORE Program

24. The SHORE Program aspires to establish a globally recognized framework for sustainable and resilient coastal management. By integrating ecological preservation, socio-economic development, and innovative governance, it aims to transform India's coastal regions into thriving, climate-adaptive, and inclusive ecosystems, setting a global benchmark for integrated coastal resilience and blue growth.

The program envisions the development of a resilient and sustainable coastal management framework that incorporates NBS, community empowerment, and economic revitalization. Its core objectives are to:

- (i) Optimize Blue Resource Utilization: Enhance the productivity of coastal and marine ecosystems while promoting carbon sequestration and maintaining ecological balance.
- (ii) Promote Economic Opportunities: Establish sustainable plastic value chains and supporting infrastructure to create employment opportunities, with a particular focus on empowering women in coastal communities.
- (iii) Foster Skill Development: Build human capital by delivering targeted training and capacity-building programs to coastal communities.
- (iv) Strengthen Institutional Capacities: Elevate the capacity of state agencies to effectively mainstream Integrated Coastal Zone Management (ICZM) principles into governance systems.
- (v) Facilitate Knowledge Exchange: Develop a national platform for inter-state knowledge sharing to replicate and scale successful coastal management models

2.4 Program Development Objectives (PrDO)

25. The SHORE Program is aimed at strengthening the resilience of India's coastal communities and ecosystems. Its primary objective is to enhance their adaptive capacity to withstand environmental challenges such as climate change, sea-level rise, and coastal erosion. The program adopts a dual-pronged approach, addressing both human and ecological resilience to ensure a comprehensive and sustainable framework for coastal development.

2.4.1 Measurable PrDO Indicators

26. The Program Development Objectives (PrDO) are defined through measurable indicators to evaluate the program's impact. The national targets and Tamil Nadu's specific contributions are detailed in Table 2.1, highlighting the program's commitment to climate resilience, conservation, employment generation, and institutional sustainability.

Table 2.1: Program-Level Indicators for the SHORE Program

Indicator	National Target	Contribution from Tamil Nadu (Illustrative)
People with enhanced resilience to climate risks (number)	5 million	600,000
Terrestrial and aquatic areas under enhanced conservation (hectares)	0.23 million ha	10,000 ha
New or improved jobs created (number, gender-disaggregated)	0.3 million	40,000
Centre of Excellence established for Integrated Coastal Zone Management	6 institutions	4 institutions

2.4.2 Lessons Learned from Pilot ICZM Projects

27. The SHORE Program incorporates valuable lessons from pilot Integrated Coastal Zone Management (ICZM) initiatives conducted in Odisha, Gujarat, and West Bengal. These projects underscore the following critical elements:

- (i) **Integrated Planning:** Effective coastal management requires robust cross-sectoral coordination to harmonize development objectives with conservation priorities.
- (ii) **Community Involvement:** Successful mangrove restoration and livelihood initiatives in Gujarat highlighted the pivotal role of engaging stakeholders at every stage of project implementation.
- (iii) **Sustainable Financing:** The pilot projects emphasized the importance of diversified funding mechanisms, including private sector participation, to ensure long-term sustainability of interventions.
- (iv) **Monitoring Systems:** Regular monitoring of shoreline dynamics and ecosystem health proved essential for evaluating project outcomes and facilitating adaptive management.

28. These insights have been seamlessly integrated into the design and planning of the TN-SHORE Project, enabling scalable and replicable interventions tailored to Tamil Nadu's diverse coastal landscapes and socio-ecological conditions.

2.5 Structure of the SHORE Program

29. The SHORE Program is strategically structured into three comprehensive phases, implemented as Investment Project Financing (IPF) operations. Spanning from FY2025 to FY2034, the program is tailored to address the unique ecological and socio-economic conditions of India's coastal states. This multiphase approach enables iterative learning, fosters regional collaboration, and supports scalable strategies to strengthen ICZM across participating states. Each phase is designed to tackle specific coastal challenges while ensuring interventions are customized to state-specific needs. The structure of the SHORE Program is summarized in Table 2.2.

Table 2.2: SHORE Program Structure Overview

Phase	Duration	Objectives	Key Activities	Estimated IBRD Amount (US\$M)
Phase 1	FY2025–FY2031	Coastal protection, livelihood enhancement, pollution reduction in Karnataka and Tamil Nadu	Institutional capacity building, NBS for ecosystem restoration, pollution control, livelihood diversification	212.6
Phase 2	FY2026–FY2032	Strengthening coastal management tools and National Coastal Mission (NCM) in Goa	Coastal governance strategies, shoreline management, pollution circularity investments	271.0
Phase 3	FY2027–FY2034	Resilience building and livelihood support in the Sundarbans	Green infrastructure, ecotourism and aquaculture development, biodiversity conservation	350.0

2.6 Core Components of the SHORE Program

30. The SHORE Program is strategically designed to tackle the critical challenges confronting India's coastal regions by implementing targeted interventions that address common threats and enhance institutional capacity for long-term sustainability. These challenges include habitat degradation, coastal erosion, ecological vulnerability, and widespread pollution. The program's interventions are carefully tailored to align with the

unique ecological and socio-economic contexts of each state, ensuring a customized approach to building resilience and achieving sustainable coastal management.

31. The SHORE Program addresses critical coastal vulnerabilities through six interconnected components, each designed to foster resilience and sustainability. These core components are:

- (i) Strengthening Institutions for Integrated Coastal Zone Management (ICZM): Enhancing the capacity of institutions to implement and govern coastal zone management effectively.
- (ii) Shoreline Management, Coastal Protection, and Conservation: Implementing measures to safeguard shorelines, protect coastal ecosystems, and conserve biodiversity.
- (iii) Improving Livelihoods for Natural Resource-Dependent Communities: Promoting sustainable livelihood opportunities and building economic resilience for communities reliant on coastal resources.
- (iv) Enhancing Marine Pollution Management and Plastic Circularity: Reducing marine pollution and promoting circular economy practices to manage plastic waste sustainably.
- (v) Project Management: Ensuring efficient planning, coordination, and execution of project activities, including compliance with financial and environmental safeguards.
- (vi) Contingent Emergency Response Component (CERC): Providing a flexible mechanism to address eligible emergencies and crises promptly.

2.7 Results Chain of the SHORE Program

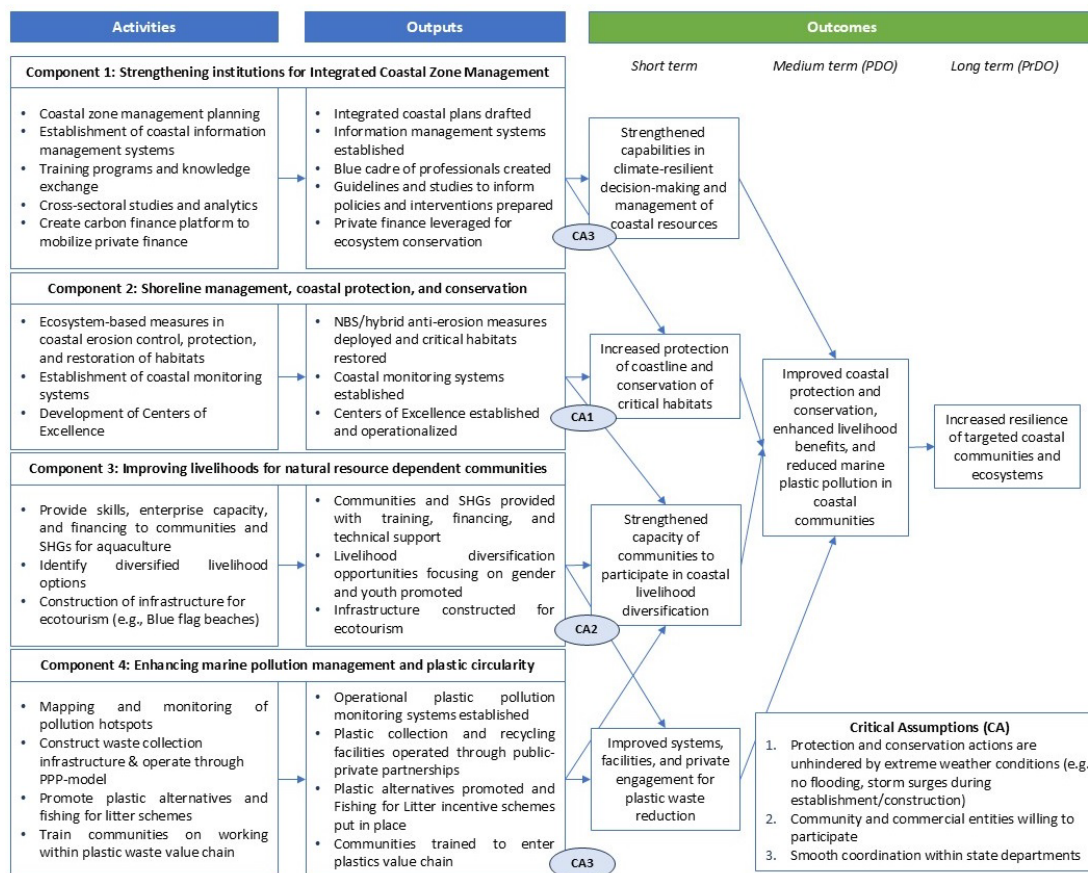
32. The SHORE Program is strategically designed to strengthen the resilience of targeted coastal communities and ecosystems across India. This results-oriented framework addresses critical institutional, technical, and resource gaps that have historically hindered effective coastal zone management at both national and state levels. The structured MPA provides a comprehensive pathway to achieving program objectives through targeted activities, delivering the following key outcomes:

- (i) Enhanced Coastal Protection and Conservation: Leveraging NBS and hybrid engineering approaches to mitigate coastal erosion, restore and rehabilitate critical ecosystems, and conserve biodiversity. These efforts are supported by establishing coastal monitoring systems and sustainable Centres of Excellence, fostering long-term resilience and adaptive management.
- (ii) Improved Livelihoods for Coastal Communities: Promoting diversified and sustainable income opportunities through skill development, financial support for community enterprises and self-help groups, and small-scale infrastructure development. This component empowers communities, particularly those dependent on natural resources, by integrating sustainable practices that enhance economic and social well-being.
- (iii) Reduced Pollution and Enhanced Waste Management: Addressing marine and coastal pollution through upstream and downstream interventions. Upstream initiatives include mapping and monitoring pollution hotspots, encouraging the use

of sustainable and alternative materials, and training entrepreneurs in plastic recycling value chains. Downstream efforts focus on creating waste collection, sorting, and recycling infrastructure to promote a circular economy that benefits both the environment and local industries.

- (iv) **Strengthened Institutional Frameworks and Governance:** Reinforcing institutional and governance capacities at state and national levels. By fostering robust governance mechanisms, promoting cross-sectoral coordination, and embedding sustainability into policy frameworks, the program ensures that investments and activities are impactful, scalable, and sustainable over the long term.

Figure
2.1: SHORE Program Theory of Change



33. These interconnected outcomes (Figure 2.1) establish a replicable and scalable model that advances the overarching goal of sustainable coastal management. The SHORE Program lays the groundwork for a transformative impact on Tamil Nadu's coastal resilience, while aligning with India's broader vision of achieving economic growth, ecological integrity, and sustainable development.

2.8 The SHORE Project

34. Phase 1 of the SHORE Program, referred to as the SHORE Project, encompasses implementation in the states of Karnataka and Tamil Nadu. The Karnataka component is designated as the Karnataka Strengthening Coastal Resilience and the Economy (K-SHORE) Project, while the Tamil Nadu component is titled the Tamil Nadu Strengthening Coastal Resilience and the Economy (TN-SHORE) Project.

- TN-SHORE: This project aligns with Tamil Nadu's strategic objectives as outlined in its State Action Plan on Climate Change (SAPCC) and adheres to national frameworks, including the CRZ Notification of 2019.
- K-SHORE: The Karnataka project focuses on enhancing resilience and sustainable development by leveraging the state's unique environmental, social, and economic characteristics to address coastal challenges effectively.

3. TN SHORE Project

3.1 Coastal Ecosystems

35. Tamil Nadu boasts the second-longest coastline in India, spanning 1,076 km along the Bay of Bengal and extending partially into the Arabian Sea. This extensive coastline is characterized by 46 minor rivers that collectively drain a catchment area of approximately 171,000 sq. km into the Bay of Bengal. The Cauvery Delta, the largest in the state, plays a pivotal role in shaping the coastal landscape and influencing geomorphic processes along the shore.

36. Tamil Nadu's coastline is classified into four distinct geomorphological ecosystems, each with unique characteristics:

- (i) Coromandel Coast: Extending 357.2 km along the eastern shoreline, from Pulicat Lake to Point Calimere.
- (ii) Palk Bay: Spanning 293.9 km, stretching from Point Calimere to Dhanushkodi.
- (iii) Gulf of Mannar: Covering 364.9 km, from Rameswaram Island to Kanyakumari.
- (iv) Kanyakumari Coast: Running 60 km along the western shoreline, from Kanyakumari to Neerodi, bordering the Arabian Sea.

37. Tamil Nadu's coastline is classified into four distinct geomorphological types based on its natural characteristics: alluvial plain coast, deltaic coast, sand dune coast, and barrier beach coast. This extensive coastline stretches from Erayamanthurai in the Kanyakumari District along the western coast to Pulicat in the northernmost part of the eastern coast, covering a diverse array of ecological and economic features. The coastline is dotted with estuaries, deltas, and a network of major and minor ports that serve as critical nodes for trade and industrial activities. Additionally, it hosts vibrant fishing harbours that underpin the livelihoods of coastal communities. Tamil Nadu's coastal zone is also home to internationally recognized heritage monuments, popular tourist destinations, and important pilgrimage centres, making it a hub of cultural and economic activity. This rich mosaic of natural and human-made features underscores the coastline's ecological and socio-economic significance. The coastal landscape, with its intricate balance of ecosystems and economic assets, is a vital resource for the state and is illustrated in Figure 3.1.

38. Tamil Nadu is uniquely positioned as the only state in India with coastlines along both the eastern and western coasts, reflecting its geographic and ecological significance. It is home to 10 out of the 11 ESA identified under the CRZ Notification, 2019, underscoring the state's critical role in coastal biodiversity conservation. These ESAs encompass vital ecosystems, including the mangroves of Pichavaram and Muthupet, the seagrass beds of Palk Bay and the Gulf of Mannar, and the coral reefs in the Gulf of Mannar—each of which provides essential ecological services and supports rich biodiversity. Additionally, Tamil Nadu shares the Pulicat Lagoon, India's second-largest coastal lagoon, with Andhra Pradesh, further highlighting its importance as a key player in the preservation of India's coastal and marine ecosystems.

Figure 3.1: Map Depicting Tamil Nadu's Coastal Landscape, Including Key Features and Geographical Extent



3.2 Coastal Communities

39. Tamil Nadu's coastal ecosystem supports millions of people whose livelihoods primarily depend on sectors such as fisheries, agriculture, tourism, and related industries. The demographic and administrative details of Tamil Nadu's coastal communities are summarized in Table 3.1.

Table 3.1: Key Statistics of Tamil Nadu's Coastal Districts

Sl. District No	Area (sq. km)	No. of Taluks	No. of Villages	Coastal Population (2011)	Coastline Length (km)
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1	Tiruvallur	3,394	9	617	3,728,104	27.9
2	Chennai	175	10	—	4,646,732	19.0
3	Chengalpattu	2,944.96	8	636	2,556,244	87.2
4	Villupuram	3,715.33	9	928	3,458,873	40.7
5	Cuddalore	3,703	7	828	2,605,914	57.5
6	Mayiladuthurai	1,169	4	287	918,356	187.9
7	Nagapatnam	2,569	8	434	1,261,288	187.9
8	Thiruvarur	2,274	6	547	1,264,277	47.2
9	Thanjavur	3,411	8	805	2,405,890	45.1
10	Pudukkottai	4,663	11	763	1,618,345	42.8
11	Ramanathapuram	4,175	7	429	1,353,445	236.8
12	Thoothukudi	4,707	8	480	1,750,176	163.5
13	Tirunelveli	6,693	11	425	3,077,233	48.9
14	Kanyakumari	1,684	4	63	1,870,374	71.5

Note: The coastal population figures are based on the 2011 Census.

3.3 Coastal Economy

40. Tamil Nadu's coastline plays a vital role in the state's economy and livelihoods, with key sectors such as ports and industrialization, fisheries, tourism, agriculture, and salt production driving economic growth.

- (i) **Ports and Industrialization:** Tamil Nadu hosts two major ports—Chennai and Thoothukudi—a corporate port at Ennore, and multiple private ports under the administration of the Tamil Nadu Maritime Board. These ports serve as hubs for extensive coastal industrialization, supporting key industries such as chemical manufacturing, oil refineries, and thermal and nuclear power plants.
- (ii) **Fisheries:** Tamil Nadu ranks second in marine fish production in India, contributing 10-12% of the national output. The coastal region is home to approximately 1.05 million fisherfolk, of whom 200,000 are actively engaged in fishing. However, challenges such as nearshore habitat destruction and declining water quality threaten fish stocks and livelihoods. To mitigate these issues, artificial reefs and sustainable fishing practices are being promoted.
- (iii) **Tourism:** Tamil Nadu's coastline is a significant hub for tourism, offering a variety of attractions. These include eco-tourism sites such as Pichavaram and the Gulf of Mannar, heritage locations like Mamallapuram, and Blue Flag-certified beaches, which collectively bolster the state's tourism economy.
- (iv) **Agriculture and Salt Production:** Coastal Tamil Nadu plays a crucial role in agriculture and salt production, both of which are key contributors to the state's economy. Fertile

deltaic regions, particularly the Cauvery Delta, support the cultivation of rice, pulses, and horticultural crops, ensuring food security and sustaining livelihoods. Tamil Nadu is also a leading producer of salt, with districts such as Nagapattinam and Thoothukudi being major centers of production. However, salt workers face significant challenges, including harsh working conditions and health risks, underscoring the need for targeted interventions to improve their resilience and overall well-being.

3.4 Key Coastal Challenges and Opportunities

41. Tamil Nadu's coastal zones are confronted with a range of challenges that threaten their ecological integrity, economic vitality, and social well-being. These issues, including resource degradation and environmental vulnerabilities, have a profound impact on marine ecosystems and the livelihoods of millions who depend on them. However, addressing these challenges also presents significant opportunities to foster sustainable development and enhance resilience. Table 3.2 outlines the key challenges and corresponding opportunities for coastal Tamil Nadu.

Table 3.2: Key Coastal Challenges and Potential Opportunities for Tamil Nadu

Sl. No.	Key Coastal Challenges	Opportunities
Coastal Vulnerability		
1	Coastal erosion	Green coastal infrastructure for protection through shoreline management plans
2	Coastal flooding	Identification of risk zones for climate adaptation
3	Sea-level rise and climate change	Climate adaptation and mitigation measures
4	Low elevation coastal zones	Opportunities through blue economy activities (e.g., aquaculture, mariculture, saline agriculture)
Conservation		
5	Loss of coastal biodiversity	Restoration through appropriate techniques
6	Invasive alien species	Early detection and management
7	Decline in fisheries	Sustainable resource extraction through fisheries management
Pollution		
8	Coastal pollution	Limiting land-based sources of pollution through effective measures
9	Plastics, microplastics, and marine litter	Circular economy solutions and enhanced beach management
10	Eutrophication and harmful algal blooms	Reducing nutrient pollution through effective policy and governance
Socio-Economics		

11 Loss of livelihoods during fishing bans	Promoting diversified livelihoods, including gender-based opportunities
12 Coastal tourism	Promoting eco-tourism and Blue Flag Beach certification
13 Sea salt production and worker health	Exploring opportunities in the blue economy
14 Reduction in freshwater resources	Desalination using green technologies

Governance

15 Inadequate forestry sector capacity	Strengthening capacity through training and governance frameworks
16 Lack of awareness about CRZ and climate change	Training stakeholders on climate adaptation and coastal regulations

3.5 Integrated Coastal Zone Management

42. To address the challenges faced by its coastal zones, Tamil Nadu proposes the development and implementation of an ICZM Plan. This plan aims to:

- (i) Facilitate informed and efficient decision-making processes.
- (ii) Ensure sustainable development while safeguarding coastal ecosystems.
- (iii) Promote adaptive management practices to enhance resilience and long-term sustainability.

43. The ICZM Plan will focus on the following key areas to ensure holistic and sustainable coastal management:

- (i) **Physical Safety and Disaster Management:** Enhancing coastal resilience to natural disasters and mitigating risks to communities and infrastructure.
- (ii) **Biodiversity Conservation Management:** Preserving and restoring critical coastal and marine ecosystems to maintain ecological balance.
- (iii) **Shoreline Management:** Implementing measures to manage erosion, protect shorelines, and promote sustainable coastal development.
- (iv) **Marine Spatial Planning:** Optimizing the use of marine resources through spatial planning for sustainable development and ecosystem protection.
- (v) **Tourism Management Plan:** Developing sustainable tourism strategies to balance economic growth with environmental conservation.
- (vi) **Livelihood Management Plan:** Supporting coastal communities with diversified and sustainable livelihood options to enhance socio-economic resilience.
- (vii) **Water Conservation and Pollution Management:** Promoting efficient water use and implementing measures to reduce pollution and enhance water quality in coastal zones.

3.5.1 Shoreline Change Assessment

44. Shoreline erosion poses a significant challenge for Tamil Nadu's coastal zones, driven by developmental pressures, rising sea levels, and the lack of adequate scientific planning. The absence of a comprehensive Shoreline Management Plan (SMP) has

further aggravated the issue, endangered vulnerable ecosystems and compromised the livelihoods of coastal communities.

45. Coastal erosion has been reported at multiple locations along Tamil Nadu's coastline, with mitigation efforts primarily relying on rubble mound seawalls and the construction of groyne fields at identified erosion-prone sites. In 2004, approximately 36.15 km increased significantly to 151.81 km, accounting for over one-sixth of the state's total coastline. To date, 75.62 km of the coastline have been protected through intervention measures, while the remaining 76.19 km remain vulnerable and require urgent attention.

46. A longitudinal study conducted by the National Centre for Sustainable Coastal Management (NCSCM) analysed shoreline changes over a 38-year period, with 1972 as the baseline year. The study highlights the critical need for integrated, science-based strategies to effectively manage and mitigate coastal erosion. Figure 3.2 illustrates the findings of the NCSCM study, offering a comprehensive overview of the extent and distribution of shoreline changes across Tamil Nadu.

Figure 3.2: Map Depicting Shoreline Changes along Tamil Nadu's Coastline



47. The assessment underscores the urgent need to implement sustainable shoreline management strategies to mitigate erosion, protect livelihoods, and preserve the ecological integrity of Tamil Nadu's coastal zones. As a significant economic and ecological resource, Tamil Nadu's coastline plays a pivotal role in the state's development, as detailed in Table 3.3.

Table 3.3: Shoreline Changes in Tamil Nadu

Classification of Coast	Extent (km)	Share of Coast (%)	Cumulative Erosion (%)
Length of Coastline	993.39	—	—
High Erosion Zone	13.26	1.3	41.4
Medium Erosion Zone	115.56	11.6	
Low Erosion Zone	282.76	28.5	
Artificial Coast (Seawalls)	31.28	3.1	3.1
Rocky Coast	4.54	0.5	0.5
Stable Coast	186.29	18.8	18.8
High Accretion Zone	30.55	3.1	36.3
Medium Accretion Zone	127.97	12.9	
Low Accretion Zone	201.18	20.3	

Source: NCSCM

3.5.2 Shoreline Management Plan

48. The Government of Tamil Nadu, recognizing the critical need for the sustainable development of coastal ecosystems and the protection of coastal communities, has developed an updated SMP. This initiative aligns with regulatory directives and is based on comprehensive coastal process studies and extensive stakeholder consultations conducted by the National Centre for Coastal Research (NCCR). The SMP identifies sediment cells, ecologically sensitive areas, and risk-prone zones as delineated by the NCSCM. It provides a robust framework for targeted shoreline management. Incorporating scientifically validated conservation measures, the SMP addresses key challenges such as coastal erosion, habitat degradation, and environmental vulnerabilities. This strategic plan ensures a sustainable and adaptive approach to shoreline protection and resilience-building, safeguarding both ecological integrity and the livelihoods of coastal communities.

3.6 Project Vision

49. The TN SHORE Project embodies a comprehensive and integrated approach to coastal management, grounded in the principles of ICZM. The project aims to harmonize ecological preservation, socio-economic development, and infrastructural advancement,

ensuring sustainable coastal development while minimizing risks associated with natural and human-induced hazards. Its strategic vision focuses on achieving two overarching goals:

- (i) Enhancing community resilience to climate and environmental challenges.
- (ii) Promoting sustainable economic growth along Tamil Nadu's extensive coastline.

3.7 TN SHORE: Basic Information

50. A snapshot of the TN SHORE Project's basic details is presented in Table 3.4.

Table 3.4: TN SHORE Project Overview

Category	Details
Country	India
Borrower	Government of India
Implementing Agency	Government of Tamil Nadu
Department	Environment, Climate Change, and Forest Department, Government of Tamil Nadu
Project Name	Tamil Nadu - Strengthening Coastal Resilience and Economy (TN-SHORE)
Project Financing	World Bank (International Bank for Reconstruction and Development - IBRD)
Financing Instrument	Investment Project Financing (IPF)
Total Financing (US \$)	Total: US\$ 303.54 million IBRD share: US\$ 212.64 million (US\$141.66 million to Tamil Nadu US\$70.98 million to Karnataka) Government of Tamil Nadu share: US\$ 60.50 million Government of Karnataka share: US\$ 30.40 million
Project Number	P180932

51. The project is scheduled for approval in April 2025 and is expected to conclude in May 2030, with an implementation duration of six years. The total project cost is estimated at USD 303.54 million, comprising USD 212.64 million in funding from the World Bank and USD 90.90 million in counterpart funding. The lending instrument for this project will be Investment Project Financing (IPF), implemented under the broader framework of a MPA. The project is aligned with the World Bank Group's (WBG) Climate Change Action Plan (2021–25) and supports India's climate commitments outlined in the 2022 Nationally Determined Contribution (NDC). Additionally, it emphasizes the WBG Gender Strategy (2016–23) to ensure gender-inclusive development. The project also incorporates robust private sector participation through Maximizing Finance for Development (MFD) and Private Capital Enabling (PCE) strategies, fostering sustainable and innovative financing mechanisms.

3.8 Targeted Area

52. The TN SHORE Project focuses on enhancing resilience in strategically selected coastal regions of Tamil Nadu, encompassing approximately 10,000 hectares of critical ecosystems. These targeted areas are located within key coastal districts recognized for their ecological significance, socio-economic reliance on marine resources, and susceptibility to climate-related and human-induced risks, such as coastal erosion. The project's geographic scope includes vital ecosystems such as mangroves, seagrass meadows, and wetlands, which deliver essential ecosystem services, including shoreline protection, habitat conservation, and carbon sequestration.

53. The targeted districts have been selected based on their vulnerability to flooding, erosion, storm surges, and other climate-related hazards. The project area adopts a holistic approach by integrating urban, peri-urban, and rural coastal segments to ensure sustainable development and effective risk reduction. The initiative emphasizes strengthening coordination among various administrative bodies, including Urban Local Bodies (ULBs) and Gram Panchayats (GPs), to streamline interventions and enhance local community participation. The geographic scope of the project area is depicted in Figure 3.3.

Figure 3.3: Map of Targeted Coastal Areas and Erosion Hotspots in Tamil Nadu



3.9 Project Development Objective

54. The Project Development Objective (PDO) is to strengthen coastal protection and conservation, improve livelihood opportunities, and mitigate marine plastic pollution in coastal communities, fostering sustainable and resilient development.

3.9.1 Results Indicators

55. The success of the project will be evaluated using the PDO indicators and targets outlined in Table 3.5. The detailed results framework and monitoring plan for these indicators are provided in Annexure 3.1 and Annexure 3.2.

Table 3.5: Key Performance Indicators and Targets for PDO Achievement

Sl. No	PDO Indicators	Project Target	TN SHORE Project Target
1	People benefitting from enhanced resilience of terrestrial and aquatic systems (number of people)	100,000	55,000
1.1	- Female beneficiaries (number of people)	50,000	
1.2	- Youth beneficiaries (number of people)	25,000	

2	Seascapes under enhanced conservation and/or sustainable management (coastal zones and oceans) (hectares)	30,000	10,000
3	Beneficiaries employed (number of people)	100,000	40,000
4	People in targeted coastal areas with less exposure to plastic pollution (number)	120,000	50,000
5	Share of target beneficiaries with rating 'Satisfied' or above on project interventions (percentage)	75%	75%

3.10 Project Period

56. The TN SHORE Project, implemented under the IPF phase of the MPA, is scheduled for a six-year duration from Fiscal Year (FY) 2025 to FY 2031. This timeline facilitates the comprehensive execution of project components, including coastal conservation, livelihood enhancement, and pollution reduction. The planned period ensures alignment with strategic milestones aimed at strengthening resilience and promoting sustainable development along Tamil Nadu's coastline.

3.11 Overall Project Components

57. The Government of Tamil Nadu aims to enhance coastal management and governance by strengthening its capacity for planning and implementation. The project focuses on addressing key challenges affecting the resilience of coastal ecosystems and communities. The initiative is structured into six comprehensive components:

Component 1: Strengthening Institutions for Integrated Coastal Zone Management

Component 2: Shoreline Management, Coastal Protection, and Conservation

Component 3: Enhancing Livelihoods for Natural Resource-Dependent Communities

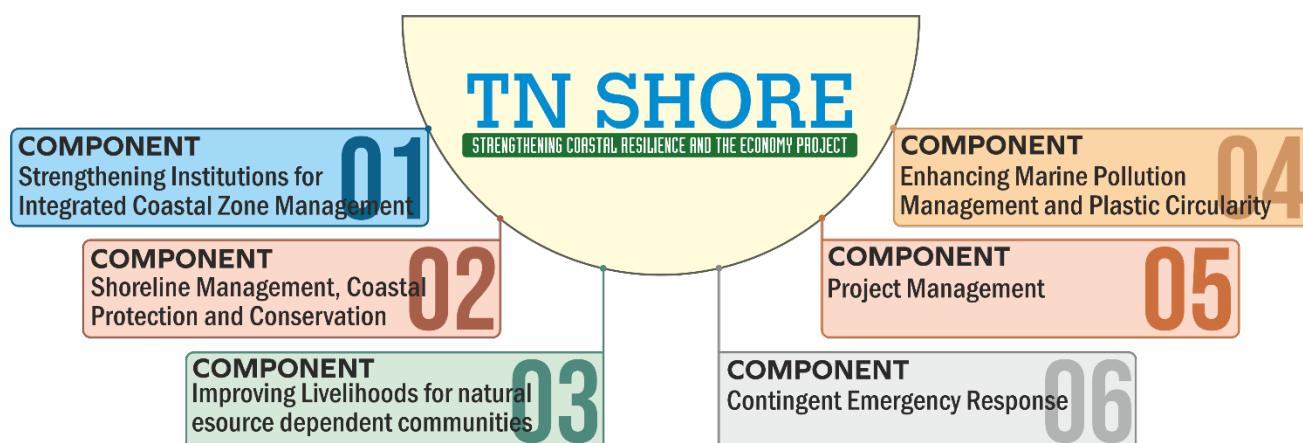
Component 4: Advancing Marine Pollution Management and Plastic Circularity

Component 5: Project Management

Component 6: Contingent Emergency Response

58. The overall components of the project are illustrated in Figure 3.4, which provides a graphical representation of the six key project components. These components encompass integrated measures aimed at strengthening institutional frameworks, managing and conserving the shoreline, enhancing livelihoods, addressing marine pollution, ensuring effective project management, and establishing mechanisms for emergency response. Additionally, Figure 3.4 presents a comprehensive overview of the various activities undertaken along the entire coastline of Tamil Nadu under each project component. These activities include shoreline stabilization efforts, mangrove and seagrass restoration, sustainable livelihood initiatives for coastal communities, marine debris management programs and capacity-building interventions. The figure provides a spatial perspective on how these activities are distributed across different coastal districts, highlighting their interconnected nature and cumulative impact on building climate resilience and economic sustainability in the region.

Figure3.4: Graphical representation of Project Components and their Financial Outlays



3.11.1 Alignment of Project Components with Government Order

59. The Government of Tamil Nadu issued Government Order (GO) No.11, dated 10-01-2024, which outlines the project components and their corresponding activities. The project components described in the PAD provide a detailed elaboration of the activities under each component and their alignment with GO No.11. This alignment is summarized in Table 3.5, which highlights the integration of the government's directives into the project framework.

Figure 3.5: Geographic Distribution of planned activities under each Project Component across Tamil Nadu's Coastline

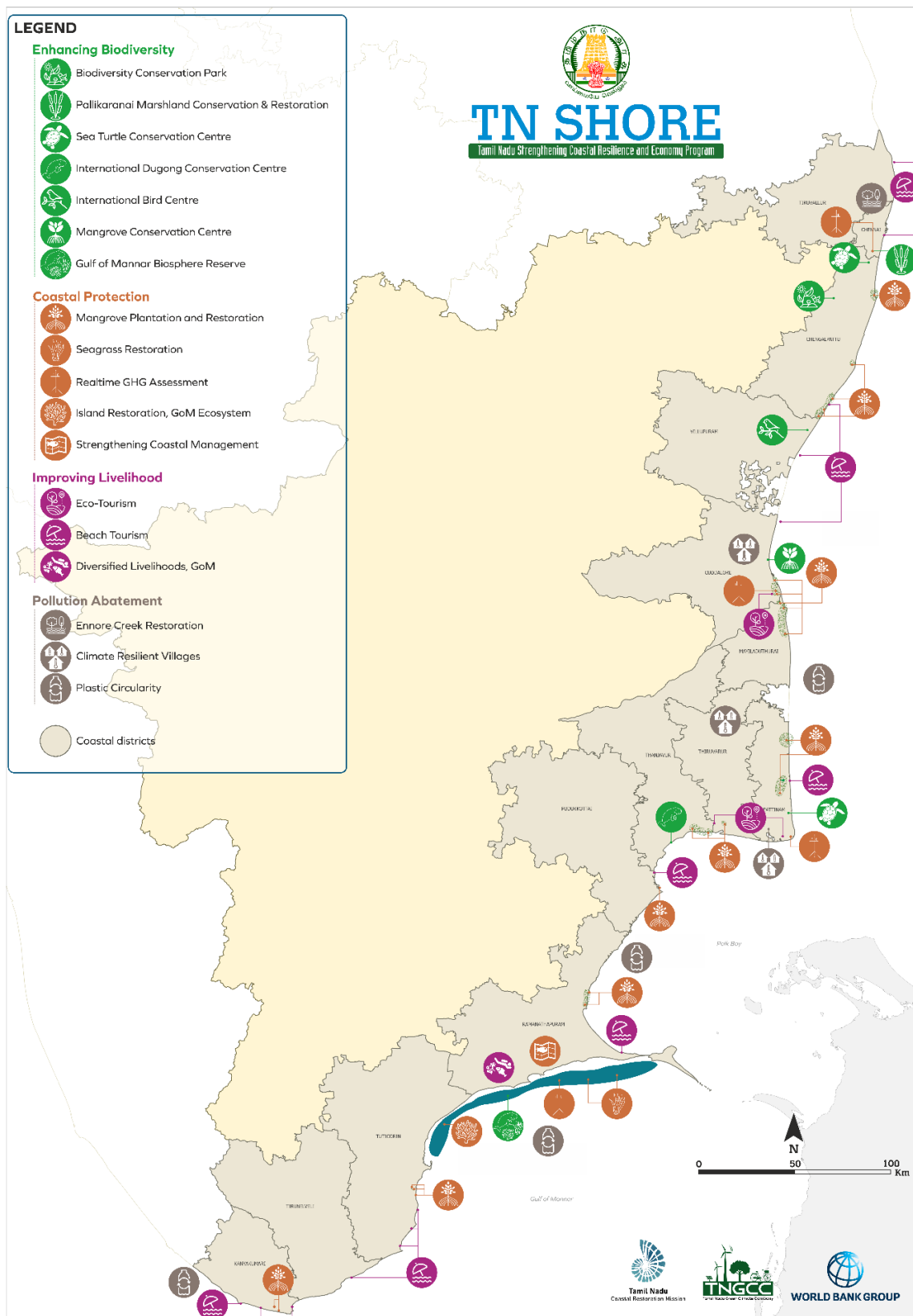


Table 3.6: Alignment of Project Component with GO(Ms)No.11

Sl. No.	Component	Activities	Component as per GO	Activities as per GO
1	Strengthening Institutions for Integrated Coastal Zone Management	(i) Integrated coastal planning (ii) Organization development of Centres of Excellence-CMDMS (iii) Blue Carbon Finance (iv) GHG Emission Monitoring (v) Blue Cadre Development (vi) Institutional Strengthening of local authorities and coastal communities (vii) Outreach programs		
2	Shoreline Management, Coastal Protection and Conservation	(i) Nature-based Solution (ii) Mangrove afforestation (iii) Seagrass restoration (iv) Restoration of coastal wetlands (v) Grey/Hybrid solutions (vi) Centre of Excellences (vii) International Dugong Conservation Centres at Manora, Thanjavur districts (viii) International Bird Centre at Marakkanam, Villupuram districts (ix) Mangrove Conservation Centre at Pichavaram, Cuddalore districts (x) Sea Turtle Conservation centres Chennai and Nagapatnam	1. Enhancing Coastal Biodiversity 2. Coastal Protection	1. Establishment of Biodiversity Conservation Parks (e.g., Kadambur in Chengalpattu District). 2. Sea Turtle Conservation Centres in Chennai and Nagapatnam. 3. International Dugong Conservation Centre in Manora, Thanjavur District. 4. Coastal Wetlands Restoration Projects: 4.1 Wetlands Conservation Centre and restoration of Pallikaranai. 4,2 International Bird Centre at

Sl. No.	Component	Activities	Component as per GO	Activities as per GO
		(xi) Bio-diversity Park Kadambur, Chengalpattu districts		Marakkanam, Villupuram District. 4.3 Restoration of 20 coastal wetlands. 4.4 Mangrove Conservation Centre at Pichavaram. 5. Enhancing Coastal Resilience: Mangroves, Seagrass, and Blue Carbon Solutions. 5.1 Bio-shields & Mangrove Restoration. 5.2 Seagrass Restoration & Blue Carbon Assessment. 5.3 GHG Dynamics in Ramsar Wetlands. 6. Coastal Community Adaptation: Kariyachalli Island Restoration. 7. Strengthening Coastal Management: 7.1 ICZM, MSP, EMPs for ESA, IMPs for CVCAs & Outreach. 7.2 Creation of a coastal management database and MIS. 7.3 Capacity Building and

Sl. No.	Component	Activities	Component as per GO	Activities as per GO
3	Improving livelihoods of natural resource dependent communities	(i) Training and technical assistance (ii) Community grants (iii) Blue flag beach certification	3. Improving Livelihoods	outreach programs 8. Blue Flag Beaches for Sustainable Tourism. 9. Conservation-focused Eco-tourism Initiatives. 10. Diversified livelihood programs, Community Training & Capacity Building.
4	Enhancing Marine Pollution Management and Plastic Circularity	(i) Plastic circularity (ii) Material Recovery Facilities (MRF) (iii) Ennore Creek Restoration (iv) Climate Resilient Coastal Villages (v) ALDFG incentive (vi) Awareness campaigns (vii) Private sector participation	4. Pollution Abatement	11. Advancing Meendum Manjappai for plastic circularity. 11.1 Development of MRFs and plastic recycling infrastructure. 11.2 Collection and Recycling of Abandoned-Lost-Discharged-Fishing Gear (ALDFGs) 11.3. Public awareness and training for pollution control. 12. Climate Smart Coastal Villages. 13. Restoration of Ennore Creek.
5	Project Management	(i) Establishing SPMU (ii) Functionalizing DPMU (iii) ESMF (iv) FM System		

Sl. No.	Component	Activities	Component as per GO	Activities as per GO
6	Contingent Emergency Response	(v) Procurement system (vi) GRM (i) Activation of CERC in response to eligible emergencies	Not Specified	Not explicitly defined in the TN Government version.

3.12 Project Financing

60. The total financing for the TN SHORE Project is estimated at USD 202.16 million, which includes USD 141.65 million provided by the International Bank for Reconstruction and Development (IBRD) and USD 60.51 million contributed by the Government of Tamil Nadu as counterpart funding. The allocation of funds across the primary project components is detailed in Table 3.7.

Table 3.7: Allocation of Funds across Major Project Components

Component	India SHORE IBRD	TN SHORE IBRD Share		State Government Share		Total TN SHORE	
	USD M	USD M	INR Crore	USD M	INR Crore	USD M	INR Crore
Component 1: Strengthening Institution for Integrated Coastal Zone Management	22.35	18.28	152	7.78	65	26.06	217
Component 2: Shoreline Management, Coastal Protection and Conservation	113.49	77.00	639	32.90	273	109.90	912
Component 3: Improving Livelihoods for Natural Resource Dependent Communities	29.07	21.15	176	9.00	75	30.15	251
Component 4: Enhancing Marine Pollution Management and Plastic Circularity	37.09	18.14	151	7.80	65	25.94	216
Component 5: Project Management	10.63	7.08	59	3.03	25	10.11	84
Component 6: Contingent Emergency Response	0						
Total	212.64	141.65	1177	60.51	503	202.16	1680
Rounded to	212.64	142		61		202	
Percentage Share		70%		30%		100%	

3.13 Lessons Learnt and Integrated into the Design

61. The design of the TN SHORE Project draws extensively from the experiences of past initiatives, such as the ICZM Project and other global coastal resilience and management programs. The following key lessons have significantly influenced the project's approach:

- i. **Strengthening State Institutions for Sustainability:** Experience from previous projects highlights the critical role of robust institutional frameworks at the state and

local levels in ensuring cohesive governance and adaptive coastal management. The TN SHORE Project incorporates this by prioritizing capacity-building initiatives, fostering inter-agency collaboration, and supporting policy formulation to ensure the resilience and sustainability of coastal management structures over the long term.

- II. **Community Participation for Greater Ownership and Effectiveness:** Engaging local communities has proven essential for fostering ownership, ensuring relevance, and achieving successful implementation of interventions. The project adopts participatory approaches, involving stakeholders such as fishermen, women's groups, and youth organizations in decision-making processes. This inclusive strategy ensures tailored solutions, promotes sustainable resource management, and strengthens trust, resulting in effective and enduring project outcomes.
- III. **Targeted Interventions for Women's Empowerment and Inclusive Growth:** Past projects have demonstrated that empowering women and ensuring their active participation led to more equitable and resilient coastal communities. The TN SHORE Project emphasizes gender-sensitive strategies by integrating targeted interventions to enhance women's roles in livelihoods, decision-making, and resource management. These efforts not only address gender disparities but also contribute to holistic economic growth and social stability.
- IV. **Integrated Ecosystem-Based Approaches:** Global practices underscore the importance of nature-based solutions and ecosystem management in addressing coastal hazards. The project integrates these approaches through activities such as mangrove restoration, seagrass conservation, and the creation of bio-shields, which protect shorelines, enhance biodiversity, and promote carbon sequestration.
- V. **Adaptive Management and Monitoring for Resilience:** Projects that employ adaptive management and real-time monitoring have demonstrated higher success in maintaining resilience. The TN SHORE Project embeds adaptive management practices by leveraging technology for continuous monitoring, data collection, and evaluation. These systems enable timely course corrections and informed decision-making to effectively respond to evolving climate risks and community needs.

Part II: Detailed Description of Project Components

4 Component 1: Strengthening Institutions for Integrated Coastal Zone Management

4.1. The Context

62. Effective management of coastal resources and the resilience of coastal communities depend on a robust policy framework supported by institutions with the requisite capacity and competence. Beyond the development of regulations and plans, the enforcement, monitoring, and implementation of these measures require well-strengthened state institutions. However, significant challenges persist, particularly in ensuring seamless coordination among the numerous institutions and agencies operating within the coastal management sector. Addressing these issues is critical for fostering cohesive and sustainable coastal governance.

4.2. Objective

63. The primary objective of this component is to strengthen Tamil Nadu's capacity for effective coastal zone management, tailored to the specific needs of state organizations, stakeholders, and community beneficiaries. The component aims to equip the Government of Tamil Nadu with the necessary skills and knowledge to conduct climate-resilient research, planning, and decision-making for sustainable management of coastal and marine resources. This includes enhancing governance mechanisms and ensuring the effective implementation of ICZM Principles. By leveraging emerging global models for ICZM and focusing on capacity development to build technical expertise, the component not only aims to enhance the state's coastal management capabilities but also prepares Tamil Nadu for the implementation of the National Coastal Mission and the forthcoming National Blue Economy Policy. This ensures that global best practices are translated into actionable strategies at the ground level.

4.3. Component Financing

64. The total estimated cost for this component is USD 26.06 million, with funding contributions comprising USD 18.28 million from the IBRD and USD 7.78 million from the Government of Tamil Nadu.

4.4. Scope of activities

65. This component will support the implementation of activities through the provision of consulting services, goods, training, and monitoring equipment, such as drones and cameras, funded by the project. The key activities to be undertaken under this component include:

- (i) Integrated Coastal Planning: Developing comprehensive strategies for sustainable coastal management.
- (ii) Organizational Development of Centres of Excellence (CoEs): Establishing and strengthening CoEs to drive research, innovation, and knowledge sharing.
- (iii) Blue Carbon Finance Regulatory Framework: Creating regulatory frameworks to facilitate blue carbon financing initiatives.

- (iv) GHG Monitoring: Implementing systems for greenhouse gas monitoring to support climate-resilient policies and practices.
- (v) Human Resource Capacity Building ('Blue Cadres') and Outreach Programs: Training and developing a dedicated cadre of professionals to enhance technical expertise and conducting outreach programs to raise awareness and engagement.
- (vi) Strengthening Local Bodies and Coastal Communities: Building the capacity of local institutions and empowering coastal communities for effective governance and sustainable resource management.

4.5. Integrated Coastal Planning

66. In compliance with the National Green Tribunal (NGT) order of 2022, states are mandated to prepare and approve Shoreline Management Plans (SMPs) prior to implementing hard or grey infrastructure for coastal protection. Accordingly, states, including Tamil Nadu, are developing their SMPs in alignment with the requirements outlined in the CRZ Notifications. Under the TN SHORE Project, the Integrated Coastal Zone Management Plan (ICZMP), Shoreline Management Plans (SMPs), and Critically Vulnerable Coastal Area (CVCA) Plans are being updated and scaled up to ensure a comprehensive and adaptive approach to coastal planning. These efforts aim to strengthen the state's capacity for sustainable coastal management while adhering to national regulations and global best practices.

4.5.1 Structure and Process

67. This component will facilitate the updating of Shoreline Management Plans (SMPs) to reflect dynamic coastal conditions, including oceanic parameters, sediment cells, coastal landforms, human-induced land use changes, and institutional frameworks. It will also account for natural disasters, proposed and planned developmental activities, and other influencing factors. By incorporating these evolving conditions, the component aims to strengthen integrated and participatory planning processes, ensuring the sustainable management of coastal ecosystems guided by these updated plans.

68. The coastal plans will enable state-level institutions to identify and prioritize sectoral investments in areas such as tourism, fisheries, pollution management, and ecosystem conservation, ensuring that these investments are complementary and aligned with the broader agenda of coastal conservation and sustainability. These plans will provide strategic direction to state institutions, outlining actions to enhance the resilience of vulnerable coastal communities and safeguard their economic assets. Key areas of focus will include addressing marine plastic hotspots, managing stormwater drainage, mitigating the impacts of sewage and effluent discharge, and protecting highly vulnerable species and habitats. The plans will also facilitate collaboration among state departments and institutions that traditionally operate in silos, integrating technical and scientific aspects, natural capital economics, and socio-cultural dimensions. Developed using participatory approaches, these plans aim to create a unified framework for sustainable coastal management and resilience-building.

4.5.2 Implementation Steps

69. The baseline assessment and technical studies required to update the ICZMP will serve as the initial step to initiate the plan's implementation. The SMPs and other sectoral plans will be updated and integrated under the state-level ICZMP. A systematic approach will be followed for the implementation of this activity:

- i. **Baseline Assessment and Technical Studies:** Conduct detailed technical studies to assess the current status of existing plans, including comprehensive mapping of the coastal profile.
- ii. **Stakeholder Consultations:** Engage stakeholders, including women, during both the preparation and implementation phases to ensure inclusivity, transparency, and support for the plan.
- iii. **Plan Preparation/Updating:** Develop or update the plan based on baseline assessments and stakeholder inputs.
- iv. **Review and Verification:** The State Project Management Unit (SPMU) will review and validate the baseline data, coastal profile, and stakeholder feedback to ensure gender balance, incorporation of lessons learned, and adherence to best practices.
- v. **Government Notification:** Finalize and officially notify the plan, including annexures such as stakeholder engagement reports, baseline studies, and coastal profiles.
- vi. **Integration with Annual Work Planning (AWP):** Align the prioritized investments with the Annual Work Plan to facilitate financing and implementation during the project period.
- vii. **Monitoring and Learning:** Conduct annual reviews of ICZMP activities to evaluate progress and incorporate necessary revisions into subsequent implementation phases.

This structured approach ensures that the ICZMP is comprehensive, inclusive, and adaptable, fostering effective and sustainable coastal management.

4.5.3 Implementation Arrangement

70. Upon notification, the SMP will be housed under the State Coastal Zone Management Authorities (SCZMAs). Any state department or entity proposing activities along the coastline must ensure adherence to the recommendations outlined in the SMP, which will serve as the basis for the SCZMA to grant statutory approvals. Management plans that do not require SCZMA clearance, such as the Coastal Wetlands Plan, Critically Vulnerable Coastal Areas (CVCA) Action Plan, Mangrove Management Plans, and others, will be prepared and implemented by the Forest Department. This arrangement ensures streamlined governance and effective implementation of both statutory and non-statutory coastal management plans.

4.6. Organization Development of Centres of Excellence (CoE)

71. The Centres of Excellence (CoEs) are specialized institutions dedicated to the conservation and monitoring of critical marine ecosystems. While the physical infrastructure and associated investments are funded under Component 2, this component focuses on the organizational development of the CoEs. Key activities include strengthening their operational capacity through the development of comprehensive databases, establishment of ecosystem information services, and implementation of advanced monitoring systems. These initiatives aim to enhance the CoEs' ability to support sustainable marine ecosystem management effectively.

4.6.1. Coastal and Marine Data Management System

72. As part of the organizational development activities, comprehensive baseline assessments of coastal ecosystems will be conducted to evaluate carbon stocks and monitor the condition of mangroves, seagrass, beaches, coastal wetlands, and other critical habitats, including marine plastic pollution. In addition to digitizing historical data, the project will finance the establishment of monitoring stations at key locations along the shoreline to capture, process, and analyse real-time data on coastal environmental conditions. The component will independently develop various database modules while ensuring parallel integration. It will also advance models for project monitoring and evaluation (M&E), marine pollution tracking, and ultimately transition to real-time monitoring of coastal ecosystem health. The monitoring systems will collect data on critical parameters such as water quality, tidal activity, hazard line changes, sedimentation budgets, carbon flux, and the movement of endangered species. These insights will be systematically incorporated into the database to support informed decision-making and sustainable coastal management.

4.6.2. Implementation Arrangement

73. The Coastal and Marine Database and Management Information System (MIS) developed under the project will be integrated with the existing database of the TNGCC within the Department of Environment, Climate Change, and Forests. This integration will enhance the capacity of the State Coastal Zone Management Authorities (SCZMAs) and other line departments, enabling them to effectively fulfil their regulatory and management functions. By providing centralized access to critical data and tools, the system will support evidence-based decision-making and promote sustainable coastal governance.

4.7. Developing Framework and Platform to access 'Blue Carbon' Finance

74. The project recognizes the significant potential of coastal ecosystems in mitigating carbon emissions through blue carbon sequestration. This component will support the state in accessing domestic sources of blue carbon finance by establishing a robust framework and platform for engagement. The project will also conduct comprehensive blue carbon assessments to quantify the carbon capture potential of coastal ecosystems, establish baselines for future carbon credits, and facilitate participation in emerging blue

carbon finance mechanisms. These efforts aim to position Tamil Nadu as a leader in leveraging blue carbon opportunities for climate mitigation and sustainable coastal development.

75. This component will provide technical assistance for conducting baseline assessments of carbon stocks in Tamil Nadu's coastal ecosystems. Additionally, the project will support the development of a regulatory framework to enable access to carbon finance for nature-based investments undertaken as part of Component 2 and Component 4. The primary objective is to enhance the state's ability to secure carbon and sustainable finance for future nature-based initiatives. The component will also finance essential infrastructure, including carbon flux towers, remote sensing technologies, and other tools required for generating verifiable carbon credits. By integrating satellite data with field-based assessments, all activities will align with international environmental standards, thereby positioning Tamil Nadu to effectively utilize blue carbon data for participation in global carbon markets and policy development.

4.8. GHG Emission Monitoring

76. The project will implement greenhouse gas (GHG) monitoring systems in key Ramsar wetlands to ensure these ecosystems contribute positively to Tamil Nadu's climate action plans. By deploying state-of-the-art monitoring technologies, the project will measure carbon fluxes and GHG emissions, providing critical data to support sustainable management and enhance the climate resilience of Ramsar-designated wetlands.

4.9. Building Human Resource Capacity

77. The capacity-building initiative aims to foster cross-learning, knowledge sharing, and stakeholder exposure to international best practices in coastal ecosystem management, monitoring, and conservation. The program will cover a diverse range of thematic focus areas, including ICZM, biodiversity conservation, sustainable livelihoods, nature-based financing, climate change adaptation, and ecosystem monitoring. A key outcome of the capacity-building efforts will be the establishment and operationalization of a specialized "Blue Cadre" workforce. This cadre will be trained, deployed, and subjected to performance monitoring to ensure the effective implementation of coastal management strategies and sustainable practices.

4.9.1. Blue Cadres

78. A key outcome of the capacity-building efforts is the establishment, deployment, and continuous performance enhancement of a specialized "Blue Cadre" within the Forest Department, comprising officials posted in coastal districts. This cadre will be specifically trained in sustainable coastal zone management and will play a pivotal role in institutional strengthening. The primary responsibilities of the Blue Cadre include:

- (i) Sustainable Management of Coastal Resources: Ensuring the effective and responsible use of coastal and marine resources.

- (ii) Facilitating Community Participation: Encouraging active involvement of coastal communities in project activities.
- (iii) Knowledge Dissemination and Advocacy: Promoting awareness, sharing knowledge, and advocating for sustainable practices.

The Blue Cadre will undergo specialized training in ICZM, biodiversity conservation, sustainable livelihoods, blue and green finance, climate change adaptation, and coastal and marine ecosystem monitoring. Equipped with this expertise, the cadre will actively contribute to planning processes and facilitate community engagement in plan preparation. By fostering a shared understanding and promoting participatory stewardship, the Blue Cadre will work with communities to ensure the equitable sharing and conservation of marine resources, building trust and long-term sustainability.

4.10. Strengthening Local Authorities and Coastal Communities

79. This initiative aims to empower local authorities and coastal communities by fostering cross-learning, knowledge sharing, and exposure to international best practices in coastal ecosystem management, monitoring, and conservation. To enhance their capacity, the project will finance the procurement of state-of-the-art equipment, including drones and 360° cameras, for improved monitoring and regulatory activities. As PEAs for various component activities, local bodies and coastal communities will receive targeted Information, Education, and Communication (IEC) inputs, along with specialized training for staff and community leaders through the project's human resource capacity-building activities. Additionally, they will benefit from technical assistance, mentoring, and ongoing capacity support provided by the DPMUs. These efforts will enable local stakeholders to play an active role in sustainable coastal management and ensure their preparedness to address emerging challenges effectively.

4.10.1. Outreach Programs

80. The project will implement tailored outreach programs designed to actively engage community members and local stakeholders, fostering collective stewardship and the sustainable management of coastal resources. These programs aim to enhance collaboration among stakeholders and promote the adoption of sustainable practices, ensuring long-term resilience and ecological balance in coastal areas.

4.11. Success Indicators

81. The key transformation anticipated from the institutionalization component is a shift from the state's traditional regulatory role to a proactive management approach that prioritizes the conservation and sustainable development of coastal and marine resources. The success of this component will be evaluated using an Intermediate Result Indicator (IR), which reflects progress toward achieving this transition.

82. The preparation and approval of sustainable management plans for coastal ecosystems by the competent authority is a critical deliverable of the project. The target

is to develop and secure approval for three comprehensive plans by December 2030, ensuring alignment with long-term conservation and sustainability objectives.

83. In addition to the Intermediate Result Indicator (IR), the component will deliver key output-related indicators that reflect its progress and effectiveness. These include:

- (i) Number of finalized plans for coastal wetlands, Critically Vulnerable Coastal Areas (CVCA), and mangrove ecosystems.
- (ii) Progress in implementing a regulatory framework to facilitate access to carbon finance.
- (iii) Advancement in the establishment of the Coastal and Marine Data Management System (CMDMS).
- (iv) Number of trained and deployed "Blue Cadre" staff, categorized by thematic expertise and gender, with a focus on women's participation.
- (v) Number of Urban Local Bodies (ULBs) and Gram Panchayats (GPs) supported through institutional development initiatives.
- (vi) Number of beneficiary institutions provided with capacity-building support.

5. Component 2: Shoreline Management, Coastal Protection and Conservation

5.1. The Context

85. Tamil Nadu's coastline, spanning over 1,076 km, is home to critical ecosystems such as mangroves, seagrass beds, and wetlands. These ecosystems provide essential services, including storm surge protection, carbon sequestration, and fishery support, benefiting nearly 25% of the state's population that relies on coastal resources for their livelihoods. The Gulf of Mannar, recognized as a Biosphere Reserve, is one of the most biologically diverse regions globally and a focal point for conservation efforts. The effective implementation of this component requires the integration of advanced data collection, geospatial analysis, and local knowledge to guide interventions. This approach ensures the optimization of both ecological and socio-economic benefits, contributing to the sustainable development and resilience of Tamil Nadu's coastal zones.

86. This component takes a comprehensive approach by combining NbS with targeted sustainable infrastructure to enhance the resilience and sustainability of Tamil Nadu's coastal ecosystems. By addressing climate-related risks and coastal erosion, it reduces environmental vulnerabilities, fosters biodiversity conservation, supports community livelihoods, and reinforces Tamil Nadu's leadership in blue carbon initiatives.

5.2. Objective

87. The primary objective of this component is to enhance the ecological sustainability and resilience of Tamil Nadu's physical, natural, and economic coastal assets. The component will finance coastal erosion protection measures, with a focus on NbS, complemented by hybrid and grey solutions, following a consultative, integrative, and holistic approach. Additionally, the project will support sustainable conservation and protection measures for marine ecology and biodiversity. Gender mainstreaming will be a key focus during the planning and implementation of activities such as mangrove restoration and shelterbelt plantations, ensuring inclusive participation. The component's activities aim to:

- a) Reduce coastal erosion rates.
- b) Protect critical coastal assets.
- c) Strengthen local biodiversity.
- d) Enhance carbon sequestration capacity to contribute to climate resilience and mitigation.

5.3. Component Financing

88. The total estimated cost for this component is USD 109.9 million, with USD 77.00 million contributed by the IBRD and USD 32.90 million provided by the Government of Tamil Nadu as counterpart funding.

5.4. Scope of activities

The project will provide consulting services, goods, works, and training to support the implementation of green infrastructure investment projects that enhance the resilience and sustainability of coastal ecosystems. These projects will be scaled up to deliver significant ecological and socio-economic benefits. The component encompasses three core activities aimed at ensuring the resilience of physical and natural coastal assets:

- (i) **Protecting Shorelines, Coastal Assets, and Communities:** Implementing NbS and Grey to mitigate climate vulnerabilities and safeguard coastal ecosystems and infrastructure.
- (ii) **Establishing or Upgrading CoEs:** Strengthening existing CoEs or creating new ones to advance research, innovation, and knowledge-sharing in coastal management.
- (iii) **Assessing, Protecting, and Conserving Biodiversity:** Conducting assessments and implementing conservation measures for coastal biodiversity, with a focus on endangered species and critical habitats.

5.5. Protecting Shoreline, Coastal Assets and Coastal Communities

89. This component will support coastal erosion protection measures by prioritizing NbS, complemented by hybrid and grey infrastructure approaches. These measures will be implemented using a consultative, integrative, and holistic framework to ensure sustainability and effectiveness. Gender mainstreaming will be a key focus in both the planning and implementation phases, particularly in activities such as mangrove restoration and shelterbelt plantations, to ensure inclusive participation and equitable benefits.

5.5.1. NbS/Green infrastructure

90. NbS leverage natural processes to restore and conserve ecosystems while integrating built infrastructure and indigenous knowledge for holistic environmental management. Also referred to as green infrastructure, NbS are designed to absorb and dissipate storm impacts, sequester carbon, and support biodiversity. Key NbS interventions include, but are not limited to:

- Engineered wetlands
- Mangrove plantations
- Shelterbelt plantations
- Restoration of beaches, sand dunes and bio-shields

As part of reforestation efforts to combat coastal erosion, shelterbelt areas will be restored and rejuvenated using species such as *Calophyllum*, *Casuarina*, and *Cashew*, enhancing both ecological stability and coastal resilience.

5.5.2. Mangrove Afforestation

91. This initiative focuses on the development and restoration of bio-shields comprising mangrove forests and other coastal vegetation to act as protective buffers against storm surges, coastal flooding, and soil erosion. The program will emphasize biodiversity conservation and habitat enhancement, including:

- Riparian zone rejuvenation and afforestation to stabilize mangrove ecosystems.
- Species enrichment for degraded mangrove habitats to restore ecological balance and stabilize older mangrove areas.
- Regeneration of bamboo, cane, and other native species to strengthen sandy beaches and sand dunes.

The mangrove afforestation efforts will include the raising of plantations (propagules) and a two-year maintenance period to ensure successful establishment and long-term sustainability.

5.5.3. Seagrass Restoration

92. The project will focus on the restoration of extensive seagrass beds in ecologically significant regions, such as the Gulf of Mannar, to enhance blue carbon stock, support fish nurseries, and strengthen ecosystem resilience. These efforts will contribute to preserving biodiversity, promoting sustainable fisheries, and mitigating climate change impacts by improving carbon sequestration capacity.

93. The implementation will include comprehensive mapping of existing seagrass beds to identify degraded areas, enabling targeted restoration efforts. Restoration activities will involve seagrass transplantation and the application of sediment stabilization techniques to ensure effective recovery and long-term sustainability of these vital ecosystems.

5.5.4. Restoration of Coastal Wetlands

94. The project aims to restore 20 coastal wetlands in Tamil Nadu to enhance ecological health, improve climate adaptation capacity, and foster community involvement. Restoration activities will include:

- (i) Mapping and assessment to identify ecological gaps and prioritize areas for intervention.
- (ii) Implementation of targeted conservation activities to promote long-term sustainability and resilience.

These efforts will contribute to increased wetland sustainability while supporting biodiversity and community-driven stewardship.

5.5.5. Grey/Hybrid solutions

95. While grey infrastructure for coastal protection is generally not prioritized, this component will support such measures, including dykes and groynes, in combination with NbS, to safeguard priority vulnerable locations. The implementation of grey infrastructure will be guided by the approved SMP and will be considered only as a last resort for areas experiencing severe erosion. This approach ensures that grey solutions are employed judiciously and integrated with sustainable and ecologically sensitive practices.

5.5.6. Implementation Arrangement.

96. The Department of Forests shall be implementing activities related to shelterbelts, bio-shields, mangroves, and ecosystem restoration under this component. Biodiversity

conservation in the coastal areas shall be carried out by Forest department, Fisheries Department and Coast guard and conservation of biodiversity beyond the scope and ambit of the departments shall be the responsibility of Biodiversity Board and Biodiversity Management Committees. Active participation of coastal communities in planning, decision-making, implementation, and maintenance of activities and investments will be ensured through the involvement of Village Management Committees (VMCs) and Eco-Development Committees (EDCs). This participatory approach will foster local ownership and contribute to the long-term sustainability of the initiatives.

97. The Forest Department will take ownership of these activities by identifying and allocating government land for their implementation. No land acquisition is anticipated for these measures. The department will design and execute interventions such as gully checks, check dams, trenches, percolation ponds, contour trenches, and slope and sand stabilizers to ensure soil and moisture conservation along vulnerable coastal stretches on selected government land. These measures aim to enhance the ecological resilience and sustainability of coastal ecosystems.

98. The success and replicability of these initiatives will be ensured through strategic partnerships with local communities, non-governmental organizations (NGOs), and research institutions. Combined with adaptive management practices, these efforts will establish a scalable model for sustainable coastal management, serving as a blueprint for similar initiatives in India and globally.

5.5.7. Maintenance

99. The protection measures established under the project will be maintained annually, even beyond the project closure, by the Forest Department under its 'Conservation Works' mandate. A dedicated budget head will be created, and necessary allocations will be provided to ensure the continuity of these efforts. Divisional Forest Officers (DFOs) will be assigned to oversee the ground-level implementation and ongoing maintenance of these measures at the relevant sites, ensuring long-term sustainability and effectiveness.

5.6. Establishing Centres of Excellence (CoE)

100. The project will support sustainable conservation and protection measures for marine ecology and biodiversity through the establishment of CoEs. These CoEs will focus on the conservation of key coastal ecosystems, conducting targeted research on endangered species and critical marine habitats to support habitat protection and the development of eco-tourism.

The CoEs will play a pivotal role in advancing sustainable coastal and ecosystem management through the following initiatives:

- (i) Outreach and Awareness Creation: Promoting public understanding and engagement in conservation efforts.
- (ii) Capacity Development: Enhancing skills and knowledge among stakeholders to support effective ecosystem management.

- (iii) **Research and Knowledge Creation:** Generating advanced insights and strategies for sustainable coastal zone and ecosystem management.
- (iv) **Carrying Capacity-Based Eco-Tourism Development:** Ensuring eco-tourism activities align with the ecological capacity of coastal areas.
- (v) **Rehabilitation of Endangered Species and Habitats:** Supporting the recovery and protection of threatened marine species and ecosystems.

101. The project will establish the following CoEs in Tamil Nadu to promote targeted conservation and biodiversity initiatives:

- (i) **International Dugong Conservation Centre**, located at Manora in Thanjavur District, to focus on the protection and rehabilitation of dugongs and their habitats.
- (ii) **International Bird Centre**, located at Marakkanam in Villupuram District, to support the conservation of avian species and critical bird habitats.
- (iii) **Mangrove Conservation Centre**, based at Pichavaram in Cuddalore District, to advance the restoration and sustainable management of mangrove ecosystems.
- (iv) **Wetlands Conservation Centre** at Pallikaranai, Chennai
- (v) **Sea Turtle Conservation Centres**, located in Chennai and Nagapattinam, to facilitate the conservation and protection of sea turtles and their nesting sites.

5.6.1. Partnerships and sustainability

102. The CoEs will actively establish partnerships with academic institutions, foundations, and specialized organizations dedicated to the protection and conservation of coastal ecosystems and habitats. These collaborations will focus on research, knowledge building, and the development of innovative solutions to support long-term conservation efforts and ensure the sustainability of coastal ecosystems.

103. Each CoE will develop a comprehensive business plan detailing its operational framework, service offerings, and revenue generation model. The plan will outline strategies for raising funds to cover operational expenses, including pricing mechanisms and other financial details. The CoEs will become operational upon approval of the business plan and are expected to achieve financial sustainability through revenue streams aligned with the projected capacity utilization.

5.6.2. Implementation Arrangement

104. The Department of Forest, Ecology, and Environment will oversee the establishment of required civil works and physical facilities for the Centres of Excellence (CoEs). Once operational, each CoE will be formally notified by the Government, specifying the species or ecosystems to be protected and detailing the operational and governance structure, including powers, responsibilities, and accountability mechanisms. The participation of beneficiary communities in the management and maintenance of the CoEs will be facilitated through Village Management Committees (VMCs) or Eco-

Development Committees (EDCs), ensuring local ownership and sustainability of the initiatives.

5.7. Biodiversity Conservation Park

105. To safeguard biodiversity and enhance habitat quality, a Biodiversity Conservation Park will be established at Kadambur in Chengalpattu District, spanning 137.65 hectares. Adjacent to the Gudalur Reserved Forest (1,104.52 hectares), the park will feature a botanical enclave showcasing a diverse array of regional flora, representing the distinctive ecological zones of Tamil Nadu—Kurinji (mountainous region), Mullai (forest region), Marudham (fertile plains), Neidhal (coastal region), and Palai (arid region). These physical divisions of the state are characterized by unique geographical features and climatic conditions, contributing to Tamil Nadu's rich biodiversity. The park is envisioned as a hub for biodiversity conservation, environmental education, ecotourism, and sustainable livelihoods. It will promote public awareness about the importance of preserving Tamil Nadu's botanical heritage and ecological balance. By integrating scientific research, conservation practices, and community engagement, the Biodiversity Conservation Park at Kadambur aims to enhance ecosystem services, preserve rare and endemic species, and serve as a model for sustainable biodiversity management.

5.7.1. Objectives

106. The Biodiversity Conservation Park will focus on coastal biodiversity conservation and habitat enhancement, including riparian zone rejuvenation, to preserve the unique and inherent biodiversity of coastal landscapes. These measures aim to ensure the sustainable management of ecosystems, including those that support endangered species.

In addition to safeguarding native biodiversity, the park will serve as a hub for:

- (i) Raising public awareness about the importance of biodiversity conservation.
- (ii) Promoting sustainable eco-tourism development.
- (iii) Engaging and empowering local communities in the conservation and sustainable management of coastal ecosystems.

5.7.2. Implementation Arrangement

107. While the DECCF will oversee and manage the Biodiversity Conservation Parks, the implementation will actively involve NGOs, fishermen, and local communities, particularly in turtle conservation and rehabilitation efforts. Village Management Committees (VMCs) and Eco-Development Committees (EDCs) will also play a key role in supporting these initiatives. The sites for biodiversity conservation investments have been identified and prioritized through the ongoing ICZM planning process. To raise awareness and engage the local community, including residents and visitors, targeted Information, Education, and Communication (IEC) activities will be designed and delivered to foster a shared understanding of conservation efforts.

5.8. Success Monitoring

108. The activities under this component aim to enhance resilience against coastal erosion, flooding, and other climate risks such as storm surges. The success of the component will be evaluated using the following Project Development Objective (PDO) indicators:

- (i) Seascape under Enhanced Conservation and/or Sustainable Management: This includes the management of terrestrial and aquatic habitats such as coastal wetlands, mangroves, seagrass beds, estuaries, and beaches. The project targets the improved management of 10,000 ha by December 2030.
- (ii) People in Targeted Coastal Areas with Reduced Exposure to Climate Risks: The project aims to directly benefit 400,000 people by mitigating climatic vulnerabilities in coastal regions.

109. The success of the component implementation will also be assessed through the following Intermediate Result (IR) Indicators:

- (i) Centres of Excellence (CoE) Established with Operational Business Plans: The state aims to establish and operationalize four institutions with a robust business plan.
- (ii) Area of Shoreline Protected with Coastal Protection Measures: The project targets the protection of about 10,000 hectares of shoreline through comprehensive coastal protection interventions.

110. The component's success will also be evaluated through the achievement of the following output-related indicators:

- (i) Area of Shoreline Protected with Natural Shields (NbS/Green Infrastructure): Quantifying the extent of protection using NbS and green infrastructure.
- (ii) Hard or Grey Infrastructure: Number, units, length, and classification (based on size) of functional hard or grey infrastructure implemented.
- (iii) Restored Coastal Habitats: Area of coastal habitats restored, categorized by type and number of species protected, including their vulnerability classification (e.g., rare, endangered, and threatened species – RETs).
- (iv) Operational Revenue of CoEs: Percentage of operational expenses recovered through self-generated revenue, along with metrics such as the number of visitors and persons trained.
- (v) Mangrove Development: Area of mangroves developed, classified by mangrove species and replanted areas.
- (vi) Other Plantations: Area of shelterbelt plantations, categorized by species.

6. Component 3: Improving Livelihoods for Natural Resource Dependent Communities

6.1. The Context

111. Tamil Nadu's coastal regions support the livelihoods of approximately 3.2 million people, primarily engaged in fishing, tourism, and other marine-based activities. However, economic diversification and skill enhancement are critical to enabling these communities to adapt to environmental changes and economic fluctuations. Eco-tourism presents significant potential as a sustainable income-generating opportunity, fostering environmental stewardship while boosting local economies. Successful models, such as Blue Flag-certified beaches across India, have demonstrated the ability to increase tourism revenues, generate employment, and uphold environmental quality. These examples provide a scalable framework to promote sustainable development in Tamil Nadu's coastal regions.

112. The increasing climate vulnerabilities faced by Tamil Nadu's coastal communities highlight the urgent need to promote alternative livelihoods that ensure resilience and sustainability. Lessons from the Tamil Nadu Rural Transformation Project and Global Environment Facility (GEF) initiatives emphasize the effectiveness of community-driven development (CDD) approaches in empowering local populations and leveraging existing government and community structures to achieve long-lasting outcomes. Additionally, Tamil Nadu's successful efforts in securing Blue Flag beach certification demonstrate the value of strategic investments in small-scale infrastructure and targeted technical training, which have proven instrumental in fostering sustainable development and creating economic opportunities.

113. This component aims to support coastal communities in transitioning toward climate-resilient and diversified livelihoods. It prioritizes targeted training programs, inclusive community engagement, financial assistance, and the development of sustainable infrastructure. By integrating community-driven approaches with strong institutional support, the project ensures that local populations actively participate in and benefit from conservation-led economic growth, fostering resilience and sustainability.

6.2. Objectives

114. The component has three primary objectives:

- (i) **Enhance Sustainable Livelihood Opportunities:** Facilitate income growth for coastal communities by improving access to finance, providing vocational skill development, and strengthening market linkages.
- (ii) **Reduce Environmental Pressure from Livelihood Activities:** Promote a shift towards sustainable practices in fisheries, aquaculture, and other extractive activities to alleviate stress on the marine environment.
- (iii) **Conserve Marine Environmental Resources:** Support sustainable livelihoods in sectors such as ecotourism, hospitality, recreational fishing, and other related areas to improve the conservation and sustainable use of marine ecosystems.

6.3. Component Financing

115. The total estimated cost for this component is USD 30.15 million, with funding contributions comprising USD 21.15 million from the IBRD and USD 9.00 million from the Government of Tamil Nadu.

6.4. Scope of Activities

116. The project will promote sustainable coastal livelihoods such as ecotourism, aquaculture, recreational fishing, and Blue Flag beach development and management. These initiatives will provide diversified livelihood opportunities while contributing significantly to the conservation of natural resources. To complement these efforts, the component will enable communities to gain access to formal financial systems, develop vocational skills, and establish market linkages. The primary activities under this component include:

- (i) **Training and Technical Assistance:** Enhancing skills and capacity to support sustainable livelihood practices.
- (ii) **Community Grants:** Providing financial support to enable community-driven livelihood projects.
- (iii) **Blue Flag Beach Certification and Eco-Tourism Initiatives:** Developing certified beaches and promoting eco-tourism as a sustainable income source.

6.5. Training and Technical assistance

117. The project will invest in skill development and capacity building to identify commercial and diversified livelihood options, establish feasible community-level microenterprises, and engage the private sector in areas such as aquaculture and tourism. Training and technical assistance will be provided to coastal community members and entrepreneurs, with a special focus on women entrepreneurs, the mobilization and strengthening of women's groups, and support for disadvantaged individuals. The knowledge transfer and training programs will cover a range of themes, including:

- Business management and entrepreneurial skills.
- Processing, packaging, and value addition.
- Building an entrepreneurial mindset and adopting digital payment systems.
- Marketing, ecotourism, aquaculture, and plastic waste value chains.

These efforts aim to empower communities and foster sustainable economic growth.

6.5.1. Target Communities

118. The livelihood activities, along with the associated training and technical assistance, are designed to benefit the following target groups:

- (i) **Women-Led Businesses:** Supporting female entrepreneurs to promote gender equity and economic empowerment.
- (ii) **Self-Help Groups (SHGs):** Empowering women entrepreneurs through skill-building and financial support.

- (iii) Enterprises Led by Differently-Abled Persons: Enabling inclusive participation and sustainable livelihoods for differently-abled individuals.
- (iv) Members of Disadvantaged Communities: Prioritizing support for marginalized groups to enhance their economic resilience.
- (v) Community Enterprise Groups: Encouraging collective efforts for sustainable livelihoods at the community level.
- (vi) Producer Collectives/Village Forest Committees/Environment Development Committees: Strengthening producer collectives and community-based organizations to foster sustainable practices and resource management.

6.5.2. Implementation Arrangement

119. This component centres around enhancing livelihoods by endorsing initiatives that promote alternative and sustainable means of living for coastal communities. These initiatives encompass strategic investments in the establishment of blue flag beaches, creating sustainable eco-tourism for communities which will provide livelihood support to the local communities and enhancing livelihood opportunities to coastal communities with gender responsive.

120. Every activity is spearheaded by respective departments in terms of implementation. In order to have seamless co-ordination and monitoring for activities involving outside the forest areas largely for interventions like, the blue flag beach programme the Department of Environment and Climate Change has been designated as the Nodal Agency, in which the land owing departments like Rural Development and Panchayat Raj Department, Municipal Administration and Water Supply and Greater Chennai Corporation will be acting as an Project Executing Agency. Likewise the ecotourism and livelihood activities majorly implemented by the Forest Department in which respective land owing divisions will be involved for the implementation of the activities as the Project Executing Agency. All the activities are implemented by the Project Executing Agencies

6.6. Community Grants

121. The component focuses on improving the lives and livelihoods of coastal communities, with a strong emphasis on supporting women and disadvantaged groups. The project will provide financial support for implementing income-generating activities, aiming to promote income diversification, create jobs, and enhance livelihood opportunities, particularly for vulnerable populations, including women. This approach ensures that the benefits are inclusive and contribute to the long-term resilience and economic empowerment of coastal communities.

The Project currently has envisaged implement livelihood activities through Blue Flag Beach programme & Eco-tourism activities by roping in the EDC and SHG groups. However in due course of project implementation, in order to build alternate livelihood opportunities through enterprise building, the project intends to apportion funds towards interventions through

community grants, which shall be crystallised in due course of project implementation. Accordingly necessary evaluation criteria and methodology shall be framed before implementation of the activity.

6.6.1. Purpose of Grant

122. The project aims to provide opportunities for income diversification, job creation, and improved livelihood opportunities, with a particular focus on vulnerable groups, including women. To achieve this, the project will implement three key types of livelihood interventions:

- (i) **Entrepreneurial Ventures:** Promoting business initiatives that not only enhance incomes but also contribute to the conservation of natural resources, biodiversity protection, and improved resource management.
- (ii) **Self and Wage Employment Opportunities:** Creating jobs in sectors such as ecotourism, eco-lodges, fish hatcheries, fisheries, aquaculture, and hospitality, linked to marine conservation and coastal protection activities supported by the project.
- (iii) **Skill/Capacity Building and Small Infrastructure Development:** Providing training and infrastructure support to enable income generation, particularly among women and youth, while fostering their active participation in natural resource protection and biodiversity conservation.

6.6.2. Targeted Coastal Communities for Livelihood Support

123. The livelihood support initiatives will focus on coastal and backwater regions in Tamil Nadu's coastal districts, targeting coastal villages, backwater regions, and mangrove ecosystems. The program will cover villages located in the coastal areas of 14 districts of Tamil Nadu by creating institutions such as 'Village Mangrove Councils and , 'Eco Development Committees' and in Gulf of Mannar, Ramanathapuram, all 252 villages presently existing within the scope of the Gulf of Mannar Biosphere Reserve Trust, spanning from Ramanathapuram to Kanyakumari (within a 10 km radius of the coastline), and 50 additional coastal villages in the Palk Bay region of Ramanathapuram (within 10 km of the coastline) shall be covered. The key beneficiaries of the program include:

- Women-led businesses
- SHG women entrepreneurs
- Enterprises led by differently-abled persons and individuals from disadvantaged communities
- First-generation entrepreneurs
- Community Enterprise Groups or SHGs
- Producer Collectives

This targeted approach aims to foster inclusive development and empower coastal communities to achieve sustainable livelihoods.

6.6.3. Community-Driven Development (CDD) Approach

124. The implementation of community grants will adopt a Community-Driven Development (CDD) approach, where beneficiary communities are given direct control over development resources. This ensures sustainability and enhances the effectiveness of interventions by empowering communities to make decisions tailored to their specific needs. The CDD approach provides the flexibility and adaptability necessary for the successful implementation of community grants. It will build on the knowledge and experience gained from successful projects and schemes, including the Tamil Nadu Rural Transformation Project (P157702), the United Nations Development Program (UNDP)-funded Coastal Biodiversity Project of the Gulf of Mannar Biosphere Reserve Trust (GoMBRT), and the Tamil Nadu State Rural Livelihood Mission.

6.6.4. Eligibility for Community Grants

The project will support a diverse range of livelihood activities, prioritizing women's ownership, wage parity, and the creation of new job opportunities for women and disadvantaged groups.

125. The eligibility criteria for accessing community grants are detailed in Table 6.1, ensuring a transparent and inclusive approach to grant allocation.

Table 6.1 : Eligibility Criteria for TN-SHORE Livelihood Support Beneficiaries

Criteria	Individually Owned Enterprises/Individual Entrepreneurs	Enterprise Groups/Self-Help Groups (SHGs)	Producer Collectives
Age	21 to 45 years	-	-
Residency	Must be a resident of the project implementing area	Must be from the project implementing area	Must be from the project implementing area
Financial Status	Should not be a defaulter of any financial institution	No overdue loans from previous borrowings	No overdue loans from previous borrowings; Board of Directors should not have any adverse credit reports
Program Participation	Entrepreneurs already benefiting from other subsidy-linked loan programs may be considered on a case-by-case basis	-	-
Enterprise Commitment	Must start or expand an enterprise within six months of receiving the first tranche of funding	Must start or expand an enterprise within six months of receiving the first tranche of funding	Must start or expand an enterprise within six months of receiving the first tranche of funding
Skill Development Commitment	Applicants seeking skill development must be willing to enhance an existing enterprise or self-employment opportunity within six months of receiving the first tranche of funding	-	-
Group Membership Size	-	5 to 20 active members	At least 100 members (flexibility for remote locations)

Operational Period	-	Must be active for at least 6 months in the group's business or related activities	Must have been active for at least 1 year at the time of application
Banking Requirements	Must have a personal bank account for fund transfers	Must have an operational bank account in the group's name	Must have an operational bank account in the collective's name
Capital Collection	-	-	Must have collected share capital from at least 50% of its members
Legal Compliance	-	-	Must comply with legal requirements relevant to its legal form
Preference	-	-	Collectives promoted by institutions such as Fisheries Department, TN State Rural Livelihood Mission, NABARD, and NGOs will be given preference

Important Note: Exceptions to the above eligibility criteria may be made on a case-by-case basis by the Director, GOMBRT, or a designated authority.

6.6.5. Direct Support toVMC-EDC

126. In addition to funding SHGs and producer collectives, VMCs are eligible for direct funding, provided their approved management plans include activities such as:

- (i) Community-Level Livelihood Initiatives: Programs like vocational training, establishment and operation of ecotourism facilities, and community-to-community knowledge exchange initiatives.
- (ii) Infrastructure for Coastal Resilience: Investments that support income-generating activities, such as sustainable tourism, fisheries, seaweed cultivation, and aquaculture, while enhancing coastal resilience.

This targeted support aims to strengthen community-driven efforts and promote sustainable livelihoods within coastal regions.

6.6.6. Quantum and Nature of Financial Assistance

127. Financial assistance under the project will be provided through the respective VMCs and EDCs and will be categorized into two types:

- (i) Financial Assistance to Individuals
- (ii) Financial Assistance to Enterprise Groups, SHGs, and Producer Collectives
Enterprise groups, SHGs, and producer collectives may operate in any legally recognized form suitable for their business activities. The financial assistance received can be utilized for:
 - a) Investment in an existing or new enterprise.
 - b) Skill development aimed at adding value to an existing or new enterprise.
 - c) A combination of both investment and skill development.

This structured approach ensures flexibility and support tailored to the specific needs of beneficiaries, fostering sustainable livelihood development and entrepreneurial growth.

128. The maximum financial assistance provided to an applicant under the project will be determined by the respective VMC and EDC. This decision will be based on the availability of funds, evaluation of the application and applicant by the VMC-EDC and the Local Steering Committee (LSC), as well as the credit history of the applicant.

6.6.7. Selection of Community Grant Beneficiaries

129. Entrepreneurs, including groups or collectives that meet the eligibility criteria, may apply for community grants through their respective VMCs, EDCs (as outlined in Annexure 3), or GPLFs (as detailed in Annexure 4). Priority will be given to women and members of disadvantaged groups, with selection focused on the following vulnerable categories:

- i. Small and marginal farmers
- ii. Tribal communities
- iii. Women and female-headed households
- iv. Fisherfolk and coastal communities
- v. Forest-dependent communities
- vi. Artisans and handicraft workers
- vii. Landless labourers
- viii. Youth and unskilled workers
- ix. Elderly individuals and persons with disabilities
- x. Displaced or relocated families

This prioritization ensures an inclusive and equitable approach to livelihood support, focusing on empowering the most vulnerable sections of society.

6.6.8. Community Grant Agreement

130. A Community Grant Agreement will be established between the PEAs and the respective VFC, EDC, or GPLF. This agreement will outline the various forms of grants and loan assistance provided under the project, along with key terms and conditions related to:

- Financial Management
- Procurement
- Monitoring and Evaluation
- Reporting arrangements

The agreement will serve as a binding framework to ensure accountability and transparency. A suggested template for the Community Grant Agreement is provided in the Community Grant Manual.

6.6.9. Implementation Arrangement

131. The project will leverage the existing institutional framework of the GoMBRT for the implementation of community grants. Any new EDCs established under TN-SHORE will operate under the GoMBRT, adhering to its existing rules and the additional guidelines outlined in the Community Grant Manual. The Director, GoMBRT, along with the Eco-Development Officer and/or its Forest Range Officers/Zonal Officers, may engage public and private entities to provide technical assistance for training and capacity building.

These entities will support the officers, VMC-EDCs, and project beneficiary communities to facilitate the implementation of livelihood activities and maximize their impact. Examples of such entities include:

- Community-based experts
- Tamil Nadu Skill Development Corporation
- Tamil Nadu Corporation for Development of Women
- Vazhndhu Kaattuvom State Society
- Private sector experts and firms

Payments for these services will be made directly by the GoMBRT to the engaged entities. Application forms for community grants will be available at the offices of all VMC-EDCs in the targeted project areas, as specified in the Community Grant Manual. Alternatively, applications can be downloaded from the website of the Tamil Nadu Green Climate Company: <https://tngreencompany.com/home>.

132. Project funds will be transferred as grants to community-led and owned organizations, such as VDCs, EDCs, and GPLFs, for the establishment of a Revolving Fund. This fund will be used to finance community enterprises through a combination of loans and/or grants. Loan repayments will be reinvested into the Revolving Fund, enabling it to continue supporting sustainable livelihood activities in the future, thereby ensuring long-term financial sustainability and community empowerment.

6.6.10. Community Grants Manual

133. The Community Grants Manual, summarized in Part V, provides comprehensive guidance on all aspects of the community grants program. It includes detailed information on eligibility criteria, application procedures, steps for beneficiary selection, quantum of financial support, and financial and procurement guidelines. Additionally, the manual outlines the monitoring and reporting requirements to ensure transparency, accountability, and the effective implementation of the program.

6.7. Blue Flag Beach Certification

134. The Blue Flag Beach Certification is an initiative of the MoEFCC, Government of India, aimed at enhancing tourism revenue, creating employment opportunities, and reducing marine pollution. Achieving Blue Flag Certification promotes the sustainable development of coastal and marine areas by ensuring compliance with coastal zone planning regulations, environmental management standards, wastewater management practices, and environmental conservation objectives.

6.7.1. Objective

135. The primary focus of this activity is the rejuvenation of beaches, including the development of beach facilities, reduction and regulation of beach pollution, and the creation of livelihood opportunities for local communities and establishments. The objective is to establish internationally certified beaches that adhere to high environmental standards, thereby promoting sustainable tourism, creating employment

opportunities, and ensuring compliance with global best practices in environmental management.

6.7.2. Beach Development Plan

136. The project will support the Blue Flag Beach initiative of the MoEFCC to enhance coastal eco-tourism revenue, create employment opportunities, and reduce marine pollution. The project will fund the development of Beach Development Plans that meet the international criteria for Blue Flag Certification. The plans will be developed through a participatory approach, involving all stakeholders, and will include provisions for capital expenditures financed by the project. These expenditures will focus on small-scale infrastructure, such as:

- Walkways and boardwalks
- Sanitation facilities
- Drinking water supply installations
- Solar panels
- Safety equipment
- Communication and awareness materials
- Signboards

This initiative aims to align beach development with high environmental standards, ensuring sustainable and inclusive growth in coastal regions.

6.7.3. Implementation Arrangement

137. The Blue Flag Beach initiatives will be jointly promoted by local authorities, coastal communities, and beach operators to achieve the highest standards in tourism and environmental protection. The operation and maintenance (O&M) of the beaches will be the responsibility of local stakeholders, who will generate revenue through mechanisms such as entrance fees, parking fees, and vendor fees. Local authorities will oversee the O&M activities and may engage private sector beach operators, local community organizations, or other non-governmental entities, depending on local conditions. This collaborative approach ensures sustainable management and the long-term success of the Blue Flag Beach initiatives.

138. The development of Blue Flag Beaches will focus on the following key activities:

- (i) Developing Infrastructure Facilities: Establishing essential infrastructure to support tourism and environmental management.
- (ii) Implementing Pollution Abatement Measures: Introducing services to reduce and manage pollution effectively.
- (iii) Safety and Surveillance Services: Ensuring visitor safety through adequate monitoring and emergency response mechanisms.
- (iv) Community and Institutional Participation: Actively involving local institutions and communities to promote livelihood opportunities and foster a sense of ownership.

6.8. Success Monitoring

139. The success of this component will be assessed based on its ability to generate employment opportunities, promote self-employment, and support the sustainable and

environmentally friendly management of tourism. The success will be measured using a PDO Level Indicator: (i) Number of beneficiaries employed: This includes individuals who have improved their livelihoods or become self-employed through community grants or those engaged in activities such as mangrove restoration, wetland management, eco-tourism, and working in Material Recovery Facilities (MRFs). The project aims to employ 40,000 beneficiaries by May 2030.

140. The success of this component will also be evaluated using three Intermediate Result (IR) Indicators:

- (i) **Beneficiaries Provided with Training Support:** The number of beneficiaries, including women, receiving training in coastal livelihoods, business management, processing, packaging, entrepreneurship, digital payments, and marketing platforms. This includes technical assistance in areas such as eco-tourism, aquaculture, and plastic waste value chains. The project targets 40,000 beneficiaries trained by May 2030.
- (ii) **People Benefiting from Improved Beach Infrastructure:** Includes visitors and individuals engaged in livelihood activities related to beaches, such as self-employment and wage employment, with a focus on women. The project aims to benefit 80,000 people by May 2030.
- (iii) **Percentage of Women Employed in Mangrove Plantations:** Measures the participation of women in climate-resilient jobs, such as mangrove plantation rehabilitation, traditionally underrepresented by women. The project aims to achieve 30% female participation in these roles by May 2030.

141. The component will also be evaluated based on the achievement of output indicators related to its activities, including:

- i. **Number of VMCs and EDCs Receiving Grants:** Tracking the number of VMCs and EDCs supported through grants.
- ii. **Number of GPLFs Supported with Grants:** Monitoring the financial support provided to GPLFs.
- iii. **Number of Self-Employed Enterprises Supported and Functioning:** Assessing the number of enterprises successfully supported and operational under the project.
- iv. **Number of Jobs Created:** Categorized by sector and gender, with a focus on the number of women employed.
- v. **Number of Beneficiaries Provided with Skill Training:** Disaggregated by gender to highlight the number of women trained.
- vi. **Amount of Community Grants Released:** Measuring the total financial support provided to community initiatives.
- vii. **Number of Blue Flag Beaches Certified:** Tracking the certification of beaches under the project initiative.
- viii. **Number of Community Cadres Trained and Providing Services:** Disaggregated by the type of services provided and gender, with a focus on women cadres.

7.Component 4: Enhancing Marine Pollution Management and Plastic Circularity

7.1. Context

142. Plastic waste accounts for approximately 85% of marine litter, posing a significant threat to coastal ecosystems. Tamil Nadu's coastal districts are experiencing an increase in land-based plastic pollution, driven by factors such as tourism, urbanization, and unchecked fishing activities. Plastic waste generated from businesses, enterprises, and vending activities accumulates in residential areas, forming plastic waste hotspots. These hotspots often consist of unmanaged dumping sites and unscientific landfills, exacerbating the environmental and public health challenges in coastal regions.

143. Plastic waste generated from human activities, including business operations, enterprises, and vending, often accumulates in residential areas, forming hotspots at unmanaged dumping sites and unscientific landfills. A significant portion of this plastic sinks to the ocean bed, including microplastics and nano plastics, which pose severe threats to marine biodiversity and human health.

7.1.1. Marine Plastic Waste Hotspot

144. Tamil Nadu's coastal areas generate over 15,000 tonnes of plastic waste daily, with a significant portion originating from abandoned, lost, or discarded fishing gear (ALDFG). This waste poses serious threats to marine life, ecosystems, and the livelihoods of coastal communities. To address these challenges, the project adopts a multifaceted approach to marine pollution management, focusing on:

- (i) Developing sustainable waste management infrastructure, including Material Recovery Facilities (MRFs).
- (ii) Promoting circular economy practices to enhance recycling and reduce waste.
- (iii) Engaging the private sector and actively involving local stakeholders to ensure the effectiveness and sustainability of interventions.

Key strategic initiatives include the collection of ALDFG, the establishment of MRFs, and community-driven programs, aiming to mitigate pollution and create resilient coastal ecosystems.

7.2. Objective

145. Coastal waters and shorelines often act as accumulation zones for marine plastic litter, primarily originating from land-based sources. The objective of this component is to reduce threats to marine and coastal resources by implementing location-specific activities aimed at minimizing pollution, including plastic leakage. This objective will be achieved through the following strategies:

- (i) Supporting Local Authorities: Assisting ULBs and PRIs to improve plastic waste segregation and recycling systems in identified hotspots.
- (ii) Strengthening Compliance with EPR Regulations: Enhancing monitoring and verification mechanisms to ensure that producers adhere to EPR regulations.

7.3. Component Financing

146. The total estimated cost for this component is USD 25.94 million, with funding contributions comprising USD 18.14 million from the IBRD and USD 7.80 million from the Government of Tamil Nadu.

7.4. Scope of Activities

147. This component will provide consulting services, goods, works, supervision, and training aimed at preventing plastic waste leakage into the ocean and reducing overall plastic use and pollution. The key activities under this component include:

- (i) Addressing Gaps in Waste Management Systems: Financing targeted measures to address specific deficiencies in the waste management infrastructure.
- (ii) Promoting ALDFG Collection and Recycling: Financing an incentive scheme and public awareness campaigns to encourage the collection and recycling of Abandoned, Lost, or Discarded Fishing Gear (ALDFG).
- (iii) Engaging the Private Sector: Facilitating private sector participation in the management and reduction of ocean-bound plastics through innovative and scalable solutions.

7.5. Improving the Waste Management System

148. Unmanaged plastic leakage into water bodies has led to the formation of accumulation points, particularly near estuaries where rivers meet the sea at gentle gradients. Plastics often collect in mangroves, wetlands, and water ponds close to estuaries, driven by the reduced water velocity and intertidal movements that trap debris on the landward side. The project will take a strategic approach to addressing the waste management system through both:

- a) Upstream Measures: Preventing plastic waste generation and improving collection and recycling systems before it enters water bodies.
- b) Downstream Measures: Targeting accumulated waste in estuaries, mangroves, and other vulnerable areas to mitigate existing plastic pollution.

7.5.1. Upstream Measures

149. Inadequate waste management services in coastal areas pose significant risks to aquaculture and maritime activities. Upstream measures aim to limit plastic leakage into waterways and prevent litter from entering the marine ecosystem. The key upstream activities under the project include:

- Identifying Sustainable Business Models: Conducting studies to develop viable business models that enhance plastic circularity and promote sustainable practices.

- Awareness Campaigns and Capacity Building: Financing awareness campaigns focused on behavioural change and providing training to prevent plastic leakage into waterways.
- Strengthening Solid Waste Data Management Systems (MISs): Improving data systems to enable effective plastic waste collection and segregation at the local level.
- Empowering Women-Led Enterprises: Building the capacity of women-led enterprises engaged in the plastics value chain, enabling their participation in the Extended Producer Responsibility (EPR) plastics credit market.

7.5.2. Downstream Measures

150. Downstream measures focus on mitigating the impact of plastic waste after it has entered the coastal and marine environment. The project will implement the following key activities:

- (i) Infrastructure for Floating Plastic Collection: Installing systems such as trash booms to collect floating plastic waste from identified hotspots in rivers and streams.
- (ii) Support for Waste Collection and Transportation: Facilitating the collection and transportation of plastic waste from designated collection points to processing facilities.
- (iii) MRFs: Establishing MRFs for the sorting and processing of plastic waste.

To ensure effective operation, ULBs and/or PRIs will establish management contracts through a competitive process, engaging private entities, including co-operatives and NGOs, to operate the MRF facilities.

7.5.3. Plastic Circularity

151. The project will scale up Tamil Nadu's 'Meendum Manjappai' initiative to promote plastic circularity by strengthening the collection, sorting, and recycling of plastic waste, thereby reducing its leakage into the marine environment. As part of this effort, the project will conduct studies to identify sustainable business models for enhancing plastic circularity. These models will be tested, refined, and scaled up to ensure their viability and effectiveness in addressing plastic waste management challenges sustainably.

7.5.4. Material Recovery Facilities (MRF)

152. MRFs will be established to facilitate the efficient sorting, processing, and recycling of plastic waste. The project will finance and develop MRFs in coastal areas and identified pollution hotspots, addressing key challenges in plastic waste management. To ensure sustainable operations, the management of MRFs will be entrusted to ULBs, which will engage private operators, cooperatives, or NGOs to implement a sustainable operation and maintenance model. The MRFs will:

- Enhance the plastic circularity capacity of local institutions.
- Create employment opportunities in waste management.

- Reduce plastic leakage into marine environments.
- Serve as a platform to test and scale up collaborative and sustainable operational models.

7.5.5. Ennore Creek Restoration

153. The project will undertake a dedicated initiative to restore the ecosystem health of Ennore Creek through ecological restoration and pollution mitigation measures. Key activities will include:

- Clearing accumulated waste to improve water quality and ecosystem functionality.
- Rehabilitating critical habitats to support biodiversity and enhance ecological balance.
- Establishing buffer zones and implementing wetland planting to stabilize the ecosystem and mitigate pollution.

The continued maintenance of these restored areas will be ensured by actively engaging local communities, fostering ownership and sustainability.

7.5.6. Climate Resilient Coastal Villages

154. The project will establish climate-resilient coastal village models that integrate sustainable waste management practices with broader climate resilience strategies in collaboration with coastal communities. Villages will be selected based on criteria such as community willingness, plastic pollution hotspots, and strategic locations. Key activities in these villages will include:

- Developing a comprehensive waste collection framework and supporting related investments for plastic management.
- Conducting training programs and promoting the dissemination of eco-friendly practices.
- Building community institutions and fostering active engagement with the private sector, NGOs, and cooperatives.

The model aims to fine-tune community-led waste management initiatives to enhance resilience against climate impacts and reduce marine pollution, creating a scalable framework for sustainable development in coastal areas.

7.6. ALDFGs Incentive Scheme

155. The project will implement an incentive scheme to engage coastal communities, particularly women and women-led Self-Help Groups (SHGs), in the collection of plastics, including ALDFGs and nets. This initiative, promoted under the banner of “Fishing for Litter” (FFL), will include public awareness campaigns to encourage the collection and recycling of plastics. The scheme aims to create earning opportunities for coastal communities by integrating them into the plastics value chain, with a special focus on empowering women. It will support the diversification of the female labour force and

enhance women's representation, including in decision-making roles, within the emerging local circular economy.

7.7. Awareness Campaigns

156. The project will conduct public engagement and education campaigns to emphasize the importance of sustainable waste management in preventing plastic leakage into the environment. Short training programs and communication materials will be developed to educate stakeholders on waste segregation, proper disposal practices, reuse, and recycling. Special initiatives will target communities in plastic pollution hotspots, as well as schools, educational institutions, hawkers, retailers, restaurants, and women's SHGs. These campaigns will focus on fostering behavioural changes while encouraging collaboration and participation from civil society to promote effective waste management and ensure plastic circularity.

7.8. Implementation Modalities

157. The project will utilize a systematic 'Four-Step Methodology' to identify and plan investments aimed at mitigating environmental degradation and ocean pollution caused by plastic leakage. The steps include:

- (i) Identification and Delineation: Mapping and defining key areas affected by plastic pollution to target interventions effectively.
- (ii) Prioritization of Catchments: Ranking catchment areas based on pollution levels, ecological sensitivity, and community needs to focus resources strategically.
- (iii) Stakeholder Consultation, Design, and Implementation: Engaging stakeholders in the planning process, co-designing solutions, and executing targeted interventions.
- (iv) Sustainable Operation and Maintenance: Establishing mechanisms for long-term operation and maintenance to ensure the durability and effectiveness of the investments.

This structured approach ensures that interventions are well-targeted, inclusive, and sustainable.

7.8.1. Step-1: Mapping Catchments

158. The first step involves identifying and delineating catchments and sub-catchments using GIS tools, focusing on rivers, basins, and catchments. This delineation will be guided by assessments of potential waste leakage and the identification of discharge points for land-based pollution into oceans and connected water bodies. Key considerations include:

- (i) Landlocked Water Bodies: Identifying water bodies that act as attenuation sinks or seasonal secondary sources of plastic waste.
- (ii) Landward Sensitive Sinks: Mapping sensitive ecosystems such as mangroves, wetlands, and mudflats that are vulnerable to plastic accumulation.

- (iii) Seaward Ecosystem Impacts: Mapping significant marine and coastal ecosystems, including coral reefs, seagrass beds, Dugong habitats, pearl and chank habitats, and tourist islands, which are affected by waste pollution.

This step establishes a comprehensive understanding of the catchments and their vulnerabilities, ensuring targeted and effective interventions.

7.8.2. Step-2: Prioritizing Catchments

159. Catchments will be prioritized based on plastic leakage potential at discharge points, with plastic leakage estimates calculated using a range of factors, including:

- Attenuation factors
- Terrain conditions
- Presence of ponds, lakes, and confined water bodies
- Land parcel characteristics

The prioritization process will be guided by the MAGS Plastic Leakage Model, as proposed by the Government of India, which is based on first principles. Catchments will be ranked by the likelihood of water runoff during non-peak monsoon periods. These prioritized catchments will serve as the focus for targeted investments under the component.

7.8.3. Step 3: Stakeholder Consultation and Designing

160. Within the prioritized catchments, hotspots will be identified for targeted project investments. This process will involve close consultation with stakeholders, including the beneficiary communities, to ensure inclusivity and alignment with local needs. Hotspots will be identified based on:

- Waste generation potential within local body areas.
- High leakage potential zones within coastal belts.
- Areas with mismanaged plastic waste, particularly those associated with human activities such as tourism, riverine and sea-based activities, and plastic accumulation points.

These consultations and analyses will ensure that project investments are effectively designed to address the most critical issues in plastic waste management and pollution mitigation.

161. Eligibility Criteria: The precise locations within identified hotspots will be further analysed using secondary data and extensive stakeholder consultations to determine where project investments under the component will be most impactful. The stakeholder consultation process will involve a diverse group, including:

- Tourism service providers
- Tourists and pilgrims
- Local bodies

- Fisherfolk and local communities
- Environmental experts
- NGOs working in the sector

The following criteria will be used to identify and prioritize locations for project activities:

- Areas with immediate, direct, and uncontrollable impact on the ocean.
- Locations where environmental degradation due to plastic pollution results in significant social and economic impacts.
- Ecologically sensitive areas that require urgent intervention for conservation and protection.

This approach ensures that project resources are allocated to areas where they can create the most meaningful and sustainable impact.

162. DPRs will be prepared for each prioritized site, providing comprehensive information, including site descriptions, justifications for selection, key investment items, detailed designs, technical specifications, and cost-benefit analyses. The project will identify natural conduits such as rivers, waterbodies, pilgrimage sites, industrial zones, tourism hubs, and fishing areas as focal points for implementing component activities. Based on baseline studies, a prioritized list of sites and associated investments will be established, ensuring alignment with identified needs and project goals. Over the subsequent four years of the project, the data and situational analysis will be updated to adapt to evolving conditions and ensure the continued relevance and effectiveness of project interventions.

163. The implementation of investments will be carried out with a focus on ensuring quality assurance and facilitating access to essential service provisions, including water, electricity, and other necessary utilities. This approach aims to guarantee the functionality, sustainability, and effectiveness of the implemented interventions.

7.8.4. Step 4: Sustainable operation and maintenance

164. Completed investments will be operated and maintained through contractual arrangements designed to ensure long-term sustainability beyond the project period. The business model for these facilities will focus on achieving the dual objectives of plastic circularity and financial viability. The operational framework and contract arrangements will be structured to incentivize private sector participation and encourage investments from other institutions. This approach ensures that the facilities remain functional, efficient, and aligned with the project's environmental and economic objectives.

7.9. Private Sector Participation

165. A key activity under the project is to enhance private sector participation in the management of ocean-bound plastics through two primary sub-activities:

- (i) Enabling Private Sector Participation: The project will establish public-private partnerships (PPPs) to strengthen plastic waste recycling infrastructure and improve the management of ocean-bound plastics. These partnerships will

explore business opportunities by implementing O&M contracts for MRFs, leveraging models such as the cluster management approach. Additionally, the project will create an enabling environment to attract private sector investment by supporting access to the EPR plastic credits market and facilitating the registration process for enterprises.

- (ii) Engaging the Private Sector in the Plastic Value Chain: The project will conduct upstream analyses, such as those undertaken by the International Finance Corporation (IFC), to guide private sector engagement in the plastic value chain. This includes market studies on the recycling of fast-moving consumer goods (FMCGs) in Tamil Nadu, along with technical assessments to identify business models and opportunities in coastal states with active plastics and recycling industries.

7.10. Waste Management System Investments

166. Using the four-step methodology, an initial list of hotspots has been identified for targeted investments under the project. Additional hotspots and required activities will be identified through the same systematic process in subsequent years. The key waste management system investments planned under the project are summarized in Table 7.1.

Table 7.1: Planned Waste Management System Investments

Sl. No.	Type of Investment
1	Construction of new MRF (Rural)
2	Upgrading MRF (Rural)
3	Upgrading Environmental and Social Framework (ESF) of MRF (Rural)
4	Construction of new MRF (Urban)
5	Upgrading MRF (Urban)
6	ESF of MRF (Urban)
7	Recycling/Upcycling
8	Recycling Polymer Oil Recovery
9	Trash Barrier (Rural)
10	Trash Barrier (Urban)
11	Dry Waste Collection Centre (Urban)
12	Collection Vehicle (Rural)
13	Collection Vehicle (Urban)
14	ALDFG Recovery (Incentive Program)
15	Viability Gap Funding
16	Island and Ecologically Sensitive Area (ESA) Initiatives
17	Innovations and Start-Up Support
18	Setting up District Facilities
19	Information, Education, and Communication (IEC) and Policy Dialogue
20	Fisheries Initiatives

7.11. Success Monitoring

167. The success of this component will be assessed based on its ability to enhance recycling capacity, create employment opportunities, and reduce plastic leakage into the environment. The progress will be measured using the following PDO Level Indicators:

- (i) People in Targeted Coastal Areas with Reduced Exposure to Plastic Pollution: This indicator reflects the impact of establishing MRFs, plastic waste receptacles, and other infrastructure solutions to mitigate plastic pollution in Tamil Nadu's coastal districts. The project aims to benefit 50,000 people by May 2030.
- (ii) Share of Beneficiaries Rating Project Interventions as 'Satisfied' or Above: This indicator measures the perception of beneficiaries regarding the effectiveness of interventions to reduce marine plastic pollution. The project aims to achieve a satisfaction rate of 75% by May 2030.

168. Several Intermediate Result (IR) Indicators will be used to assess the success of the component:

- (i) Quantity of Plastic Waste Removed: This includes plastic waste collected through trash booms installed in river systems and through Fishing for Litter (FFL) initiatives in coastal areas, as assessed by plastic surveys. The project aims to remove 3,000 metric tons of plastic waste by May 2030.
- (ii) Quantity of Plastic Waste Handled in MRFs: This includes plastic waste that is sorted, recycled, or packed for reuse at Material Recovery Facilities (MRFs). The project targets the handling of 3,000 metric tons of plastic waste by May 2030.
- (iii) Private Sector Capital Investment: The amount of capital invested by private sector entities in project-established MRF facilities under performance contracts. The project aims to mobilize USD 2 million by May 2030, including the value of carbon credits mobilized through purchase agreements during the project period.
- (iv) Percentage of Women Beneficiaries Employed in MRFs: This measures the participation of women beneficiaries employed directly in MRFs with access to social security benefits, such as medical insurance, and a conducive work environment. The project aims to achieve 65% female participation by May 2030.

169. The component's success will also be evaluated based on output indicators related to its activities, including:

- (i) Number of Coastal Villages Implementing Plastic Waste Management: Coastal villages actively engaged in the collection, sorting, and recycling of plastic waste.
- (ii) Number of MRFs Established and Functioning: Material Recovery Facilities (MRFs) that have been set up and are operational under the project.
- (iii) Population Receiving Specialized Awareness: Number of individuals reached through awareness programs on plastic circularity and sustainable waste management practices.
- (iv) Number of MRFs Sustainably Managed by the Private Sector: MRFs operated and maintained by private entities under sustainable business models.

- (v) Number of Private Sector Initiatives in the Plastic Value Chain: Private sector projects and partnerships actively contributing to the plastic value chain through innovations and investments.

8. Component-5: Project Management

170. The National Action Plan on Climate Change (NAPCC) is a comprehensive national strategy designed to facilitate the country's adaptation to climate change and enhance ecological sustainability. Its effective implementation requires robust inter-departmental coordination and collaboration, guided by the principles of ICZM to ensure sustainable and inclusive outcomes.

8.1. Objective

171. The objective of this component is to facilitate work planning, coordination, supervision of implementation, monitoring and learning, and ensure compliance with the World Bank's ESF. It will also oversee financial management and procurement functions to maintain project integrity and efficiency. This component will ensure that implementing and executing agencies adhere to project rules, operational procedures, and service standards, ensuring the effective delivery of services to project beneficiaries at all levels. The SPMU will manage the component at the state level, while the DPMU will oversee activities at the district level.

8.2. Component Financing

172. The total estimated cost of this component is USD 10.11 million, with funding contributions comprising USD 7.08 million from the International Bank for Reconstruction and Development (IBRD) and USD 3.03 million from the Government of Tamil Nadu.

8.3. Scope of activities

173. The project will provide support through consulting services, goods, training, equipment, including office automation, salaries, and incremental expenses for project management costs. Incremental operating costs incurred by the TNGCC, SPMU, DPMUs, and PEAs will include, but are not limited to:

- Per diem and allowances
- Office rent and supplies
- Utilities
- Conveyance, travel, and boarding/lodging allowances
- Operation and maintenance of office equipment and vehicles
- Bank charges, insurance, advertising, and media outreach
- Printing, stationery, newspaper subscriptions, and periodicals

These expenses exclude salaries, fees, honoraria, bonuses, and salary supplements for civil service members of the Borrower and Project Implementing Entities. Key project management activities include:

- Establishing SPMU to facilitate work planning and coordination of project activities.
- Hiring a multi-disciplinary team of consultants (PMCs) to support the SPMU and PEAs in project management and implementation.
- Ensuring compliance with the World Bank's ESF.
- Implementing a robust financial management framework.
- Managing procurement processes effectively.

- Designing and implementing a comprehensive M&E framework, including reporting mechanisms.
- Engaging third-party auditors for independent assessments.
- Establishing and managing a Grievance Redress Mechanism (GRM).
- Developing and executing communication strategies to ensure effective information dissemination.
- Actively engaging stakeholders at the state and district levels to promote collaboration and ownership.

This comprehensive scope ensures that all aspects of project management, implementation, and monitoring are systematically addressed to achieve project objectives.

8.4. Project Management

- The overall accountability and responsibility for coordinating, planning, and implementing the project will rest with the SPMU, established within the TNGCC. The SPMU will operate under the oversight and guidance of the TNGCC Board, ensuring effective project governance. The SPMU will be responsible for facilitating liaison and ensuring convergence with other agencies involved in project implementation. At the district level, PEAs will oversee project management functions. The PEAs shall liaison with the District Climate Change Committees (DCC) in achieving inter-departmental coordination at the district level.
- Preparing and implementing annual project work plans to ensure alignment with project objectives and timelines.

This structure ensures streamlined management and coordination at both the state and district levels for effective project execution.

8.5. Establishing SPMU

174. The SPMU, established within the TNGCC, will be responsible for the overall coordination, planning, and implementation of the project. The SPMU will operate under the oversight of the TNGCC Board in critical issues, thereby ensuring alignment with strategic objectives and governance standards. The SPMU will play a critical role in facilitating liaison and convergence with other agencies and government departments to ensure effective and integrated project implementation. The composition, organogram, and detailed roles and responsibilities of the SPMU are elaborated in Chapter 10, Overall Institutional Arrangement.

175. The project will support the establishment of office infrastructure and provide logistical support, including incremental operating costs. These incremental expenses will cover the management, implementation, monitoring, and evaluation of project activities. The supported costs may include, but are not limited to:

- Per diem and allowances

- Office rent, supplies, and utilities
- Conveyance, travel, and boarding/lodging allowances
- Operation and maintenance of office equipment and vehicles
- Bank charges, insurance, advertising, and media outreach
- Subscriptions to newspapers, periodicals, and other publications
- Printing and stationery costs

These expenses are strictly for project-related activities and exclude salaries, fees, honorariums, bonuses, and any other salary supplements for members of the Borrower's and Project Implementing Entities' civil services.

8.6. Functionalizing of Project Management Units (PEAs)

At the district level, PEAs will oversee project management functions. The PEAs shall liaison with the District Climate Change Committees(DCC) in achieving inter-departmental coordination at the district level. The, the Project Executing Agencies shall coordinate with the District Climate Change Mission headed by the District Collector and DFO as Climate Officer incoordinating the efforts of variousPEAsoperating within the district.

8.7. Implementing Environmental and Social Framework

176. The project investments, prioritized in the ICZMPs, SMPs, and MSPs, are primarily small to medium-scale interventions with positive impacts. These impacts are expected to be localized, manageable, and reversible. Most of these investments are community-driven and have undergone a strategic environmental and social assessment (SESA), incorporating early screening of impacts during the planning stage. For low to medium risk subprojects, the ESMF provides detailed guidelines, including the preparation of an Environmental and Social Due Diligence Report and an Environmental and Social Management Plan (ESMP). The ESMF also includes:

- Labour Management Procedures
- Resettlement Policy Framework
- Tribal Development Plan
- Stakeholder Engagement Plans
- Environmental and Social Commitment Plans (ESCPs)

For substantial risk subprojects, customized ESMPs will be prepared following a comprehensive Environmental and Social Impact Assessment (ESIA). To ensure effective implementation and monitoring, the SPMU will recruit and deploy Environmental, Social, and Communication Experts who will oversee compliance with the ESMF and related plans.

8.8. Establishing Project Financial Management System

177. The SPMU, established within the TNGCC— a government-sponsored entity registered in 2025 will oversee the project's financial management system. The SPMU

will open and operate a State Nodal Agency (SNA) bank account in a commercial bank, into which project funds will be transferred from the approved project budget as allocated in the sanctioned work plan. The PEAs will also open and operate link/child bank accounts, from which project-related payments will be disbursed. The SPMU will maintain consolidated accounts by collating monthly expenditure statements and copies of cash books submitted by the PEAs. Disbursement of project funds by the World Bank will be based on Interim Unaudited Financial Reports (IUFRs) submitted by the SPMU within 45 days after the end of each quarter. The Government of Tamil Nadu (GoTN) will pre-fund project expenditures, with disbursements made on a reimbursement basis. To carry out financial management functions, a Chartered Accountant will be hired as the Project Finance Officer, supported by commerce graduates and accounts staff at field offices. Comprehensive training and handholding support will be provided to project staff to enhance their capacity in managing financial management (FM) functions effectively.

8.9. Establishing Project Procurement System

178. All project procurement activities will adhere to the World Bank's Procurement Regulations for Investment Project Financing (IPF) Borrowers, dated September 2023 (referred to as the Procurement Regulations). The SPMU will oversee and support the overall procurement and contract management activities of all Implementing Agencies (IAs) and PEAs. Additionally, the SPMU will provide technical support to the PEAs and community-level stakeholders to ensure compliance with procurement guidelines and facilitate effective implementation.

179. The Government of Tamil Nadu (GoTN) has published the General Procurement Notices (GPN) for the project. The SPMU, with concurrence and review by the World Bank, has uploaded the Project Procurement Strategy for Development (PPSD) and the initial Procurement Plan (PP)—covering the first 18 months of the project—onto the Bank's Systematic Tracking of Exchanges in Procurement (STEP) portal. Detailed procurement arrangements and guidance are outlined in Chapter 13 Procurement Management and further elaborated in the Procurement Manual, which is included as a pull-out addendum to the Project Implementation Plan (PIP).

8.10. Hiring Third Party Auditors

180. A chartered accountancy firm, appointed by the SPMU and operating under a ToR approved by the World Bank, will conduct a comprehensive project audit, including audits of field-level agencies. A consolidated audit report will be prepared and submitted to the World Bank within nine months following the conclusion of each financial year.

8.11. Operationalizing Grievance Redress Mechanism

181. The project will establish and/or strengthen a GRM to address complaints from communities and individuals impacted by project investments and interventions. All complaints will be formally registered, promptly reviewed, and resolved in a timely manner to ensure effective grievance redressal. A comprehensive database will be maintained to document all grievances received, the redress actions taken, and the

turnaround time for resolution, ensuring transparency and accountability in the grievance management process.

182. Additionally, communities and individuals may utilize the World Bank's independent Accountability Mechanism (AM) and Dispute Resolution Services to address their complaints. These mechanisms provide an additional layer of oversight and ensure that grievances are handled impartially and effectively.

8.12. Success Monitoring

183. The success of this component will be evaluated based on its ability to enhance recycling capacity, create employment opportunities, and reduce plastic leakage into the environment. Progress will be measured using the following PDO Level Indicator:

- Share of Target Beneficiaries Rating Project Interventions as '**Satisfied**' or Above: This indicator reflects the overall satisfaction of project beneficiaries with all project interventions, as measured through a perception survey. The project aims to achieve a satisfaction rate of 75% by May 2030.

184. The component's success will also be evaluated based on output indicators related to its activities, including:

- Number of 'Blue Cadre' Staff Trained and Delivering Services: Tracking the capacity-building efforts and the deployment of trained Blue Cadre personnel in delivering project-related services.
- Number of Staff Benefiting from Capacity-Building Initiatives: Monitoring the number of staff who have received capacity-building training under the project, disaggregated by thematic areas and gender, with a focus on women's participation.

9. Component 6: Contingent Emergency Response

9.1. Introduction

185. The Contingent Emergency Response Component (CERC) enables the recipient to request the World Bank to reallocate uncommitted project funds in response to an eligible crisis or emergency. While the initial allocation to the CERC is set at US\$0, its activation and financing require the Government to undertake the following steps:

- (i) Submit a formal request letter to the World Bank for CERC activation, along with evidence to substantiate the eligibility of the emergency, as defined in the CERC Annex of the Project Implementation Plan (PIP).
- (ii) Prepare and present an Emergency Action Plan (EAP), detailing the emergency response measures and expenditures proposed for financing under the CERC.
- (iii) Fulfil the environmental and social (E&S) requirements outlined in the Environmental and Social Commitment Plan (ESCP) and the CERC Annex to ensure compliance with the agreed-upon safeguards.

9.2. Eligible Emergency Events

186. An eligible event refers to a natural or man-made disaster that constitutes or is likely to constitute an emergency or crisis, resulting in significant adverse economic or social impacts. Such an event triggers the activation of emergency response measures. For the CERC to be activated, the Government of India must declare a state of emergency through the Cabinet of Ministers, in accordance with the provisions of the Disaster Management Act, 2005. The CERC component is designed to minimize the time and effort required to mobilize project funds, ensuring prompt support for beneficiaries adversely affected by the disaster. This mechanism facilitates critical decision-making and swift action to address immediate needs for rehabilitation and reconstruction, thereby enhancing the efficiency and effectiveness of emergency response efforts.

9.3. Steps to activate CER Component

187. Upon the occurrence of an emergency, the following steps must be undertaken to activate the CERC Component:

- (i) Declaration of Emergency: The Cabinet of Ministers formally declares a state of emergency in accordance with the Disaster Management Act, 2005, based on a comprehensive assessment of the social and economic impacts on the affected regions.
- (ii) Request to Trigger CERC: The Government of India submits a formal request to the World Bank to activate the CERC Component, citing the eligible emergency.
- (iii) Rapid Impact and Needs Assessment (RINA): A Rapid Impact and Needs Assessment is conducted and submitted to establish the critical connection between the declared emergency and the necessity to trigger the CERC.
- (iv) Emergency Action Plan (EAP): An Emergency Action Plan is prepared, outlining the proposed activities, eligible expenditures, and the reallocation of project funds, and is submitted to the World Bank for approval.

- (v) Funding of EAP Activities: The EAP activities are financed using uncommitted funds from the TN SHORE project.

9.4. Institutional Arrangement

188. The implementation of the CERC component will follow the existing project implementation structure, operating in close collaboration with the State Government's emergency response mechanisms, including the State Disaster Management Agency (SDMA). The TNGCC, under the overall supervision of the Principal Secretary, DECCF, Government of Tamil Nadu, will oversee the process. The SPMU will serve as the primary implementation unit for the CERC, with support and assistance from the respective PEAs in the area where the emergency event has occurred. If required, based on the evolving nature of the emergency, a rapid assessment will be conducted to determine the need for modifications to the institutional arrangements, ensuring timely and effective responses as part of the activation process.

9.5. CERC Manual

189. In alignment with the World Bank's BP/OP 8.00, a comprehensive CERC Manual has been developed and included as Part VI of Chapter 16 of this PIP. The manual outlines the procedures and activities to be undertaken in response to an eligible crisis or emergency. The CERC Manual is structured to address the following key aspects:

- (i) Institutional Arrangements: Roles and responsibilities for effective implementation.
- (ii) Eligible Emergency Expenditures: Guidelines for identifying and allocating eligible costs.
- (iii) Triggering Procedures: Steps and conditions for activating the CERC.
- (iv) Financial Management (FM): Framework for managing funds allocated for CERC activities.
- (v) Procurement Arrangements: Processes for procuring goods, works, and services during the emergency response.
- (vi) Environmental and Social (E&S) Assessment and Management: Measures to ensure compliance with environmental and social safeguards.
- (vii) Emergency Action Plan Template: A standardized template to facilitate the preparation of a robust Emergency Action Plan.

Part III: Implementation Frameworks and Structures

10. Overall Institutional Arrangements

10.1 Institutional Strategies

190. The TN-SHORE Project envisions achieving sustainable coastal development and resilient governance by integrating global best practices within Tamil Nadu's unique coastal context through an adaptive and inclusive approach as given below.

- (i) **Enhancing Coastal Management and Governance:** The project aims to achieve ecological balance and economic resilience by applying principles of adaptive governance. This will involve leveraging advanced technologies such as geospatial mapping, real-time monitoring systems, and integrated data platforms to strengthen oversight, improve decision-making, and facilitate effective policy implementation.
- (ii) **Building Institutional Capacity and Fostering Private Sector Engagement:** Customized training programs will enhance the capabilities of government officials, district-level stakeholders, and community representatives. By encouraging private sector participation in initiatives such as eco-tourism, alternative livelihoods, and skill development, the project will foster public accountability while harnessing the innovation and resources of private enterprises.
- (iii) **Promoting Convergence Across Government Schemes:** The project's implementation strategy will align with ongoing state initiatives, including the Tamil Nadu Wetlands Mission, Green Tamil Nadu Mission, and Climate Change Mission. This alignment will ensure coherence, eliminate redundancies, and promote effective cross-departmental planning.
- (iv) **Strengthening Institutional Frameworks:** The implementation arrangements will reinforce existing institutional structures, such as the TNGCC, to ensure robust governance and long-term sustainability.

10.2 Institutional Principles

191. The TN-SHORE Project is underpinned by a set of core institutional principles aimed at enhancing resilience, promoting sustainable practices, and ensuring long-term success. These guiding principles include:

- (i) **Adopting Global Best Practices in Coastal Management:** Leveraging internationally recognized approaches and methodologies to address coastal challenges and implement innovative solutions.
- (ii) **Strengthening Institutions for Sustainable Outcomes:** Building robust institutional frameworks to ensure continuity, resilience, and the effective implementation of coastal management initiatives.
- (iii) **Promoting Sustainable Investments:** Encouraging investments that prioritize environmental sustainability, social inclusivity, and long-term economic benefits.
- (iv) **Establishing Resilient Governance Structures:** Developing governance systems that adapt to evolving challenges, support transparent decision-making, and ensure accountability at all levels.

10.3 Overall Institutional Model

192. The TN SHORE Project will be executed by the DECCF, Government of Tamil Nadu, through a comprehensive multi-tiered implementation structure. This structure comprises arrangements at the state, district, and local levels, ensuring coordinated efforts and seamless integration across all levels of governance.

193. At the state level, governance and strategic oversight will be undertaken by the High-Powered Steering Committee (HPSC), which ensures alignment with Tamil Nadu's overarching goals for climate resilience and sustainable development. The SPMU, established within the TNGCC and registered under Section 8 of the Companies Act, will be responsible for coordinating and managing project implementation under the supervision of the DECCF. At the district level, the Project Executing Agencies shall coordinate with the District Climate Change Mission headed by the District Collector and DFO as Climate Officer in coordinating the efforts of various PEAs operating within the district. At the local level, community organizations such as Eco Development Committees(EDC) and Village Mangrove Councils(VMC)will play a critical role in ensuring stakeholder participation, fostering community ownership, and promoting the sustainability of project investments.

194. The overall institutional model for implementing the project is outlined in Figure 10.1 and Table 10.1.

Figure 10.1: Overall Institutional Model for Implementing TN SHORE

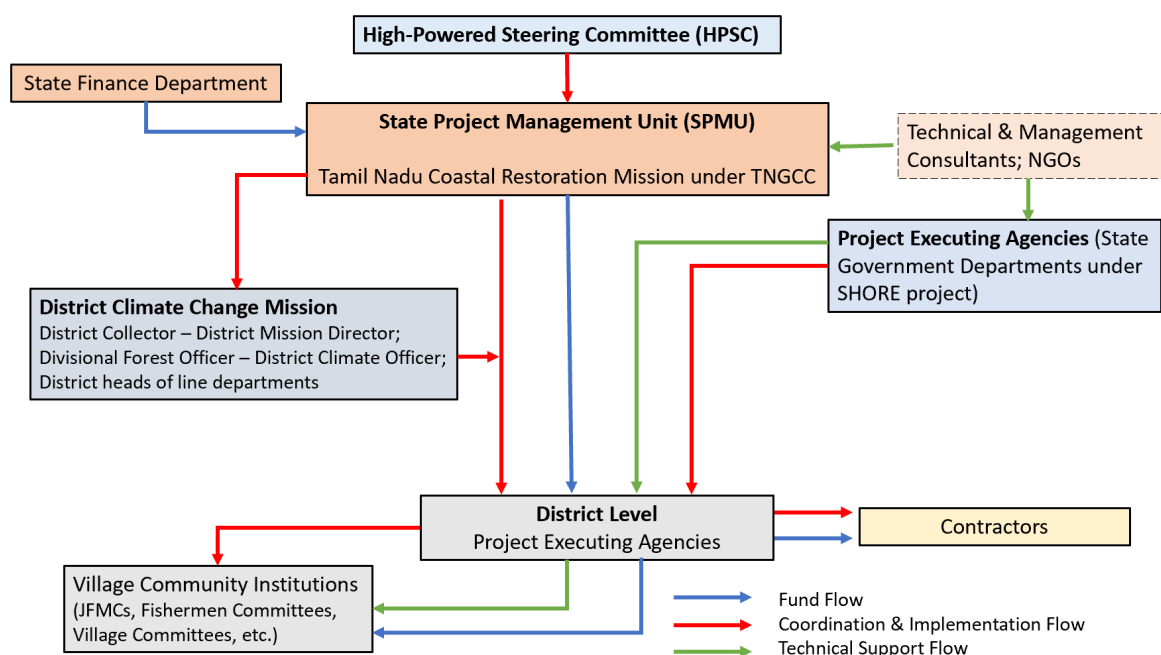


Table 10.1 : Overall TN SHORE Implementation Model

Level	Organizational Entity	Critical Role
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	High-Powered Steering Committee (HPSC)	• Strategic oversight, policy guidance, and coordination
State	State Project Management Unit (SPMU)/TNGCC/ Tamil Nadu Coastal Restoration Mission under	• Institutional Umbrella • Project coordination, management, financial oversight and reporting • Technical facilitation and Project management
District	District-Level Project Executing Agencies (PEAs)	Planning and execution of project components
	Local Implementation Units (LIUs)	• Community engagement, grassroots implementation, and capacity building
Local	Community Institutions (JFMCs, Village Committees)	• Participatory planning and sustainable project activities

10.4 State Level Institutional Arrangement

195. The DECCF, Government of Tamil Nadu, serves as the primary agency responsible for implementing the project. The Tamil Nadu Coastal Restoration Mission, functioning as the SPMU, operates under the TNGCC, which is registered under Section 8 of the Companies Act. The SPMU, embedded within the DECCF, acts as the dedicated implementation arm, ensuring seamless execution and coordination of the project.

196. The HPSC serves as the apex body in the governance framework, providing strategic oversight and ensuring alignment with Tamil Nadu's climate resilience and sustainable development objectives. Chaired by the Chief Secretary, the HPSC acts as the primary policy-making body, facilitating inter-departmental coordination and ensuring compliance with both state and national priorities. The SPMU, housed within the TNGCC, forms the operational backbone at the state level. The SPMU is tasked with coordinating project activities, managing financial resources, and monitoring project performance to ensure effective and efficient implementation.

10.5 High-Powered Steering Committee (HPSC)

10.5.1 Composition

197. The HPSC serves as the apex decision-making authority for the TN-SHORE Project, offering strategic direction and ensuring alignment with state policies and objectives. Chaired by the Chief Secretary, Tamil Nadu, the HPSC comprises senior officials from key state departments, facilitating a multidisciplinary approach to governance. This structure ensures policy coherence and supports the achievement of the project's broader goals. The detailed composition of the HPSC is outlined in Table 10.2.

Table 10.2: Composition of the High-Powered Steering Committee (HPSC)

Sl. No.	Member Officials	Designation
1	Chief Secretary to Government of Tamil Nadu	Chairperson
2	Additional Chief Secretary to Government, Environment, Climate Change & Forest Department	Member
3	Principal Secretary to Government, Finance Department	Member
4	Additional Chief Secretary to Government, Planning, Development & Special Initiatives Department	Member
5	Additional Chief Secretary to Government, Water Resources Department	Member
6	Additional Chief Secretary to Government, Fisheries and Fishermen Welfare Department	Member
7	Principal Secretary to Government, Tourism, Culture and Religious Endowments Department	Member
8	Principal Secretary to Government, Municipal Administration and Water Supply Department	Member
9	Secretary to Government, Industries, Investment Promotion & Commerce Department	Member
10	Secretary to Government, Revenue & Disaster Management Department	Member
11	Principal Secretary to Government, Rural Development & Panchayat Raj Department	Member
12	Secretary to Government, Adi-Dravida & Tribal Welfare Department	Member
13	Principal Secretary to Government, Agriculture & Farmers Welfare Department	Member
14	Principal Chief Conservator of Forests (Head of Forest Force)	Member
15	Principal Chief Conservator of Forests and Chief Wildlife Warden	Member
16	Chief Mission Director, Coastal Mission	Convenor

10.5.2 Roles and Responsibilities

198. The HPSC plays a critical role in steering the TN-SHORE Project toward achieving its strategic objectives. Its key functions include:

- (i) Policy Guidance and Alignment: Ensures that project activities are consistent with the TNSAPCC, national climate policies, and international best practices.
- (ii) Strategic Oversight: Reviews and approves project proposals, annual work plans, and budgets, while tracking progress against predefined milestones.

- (iii) **Convergence and Coordination:** Promotes inter-departmental collaboration to eliminate redundancies, optimize resource utilization, and foster synergy across state-led initiatives.
- (iv) **Stakeholder Engagement:** Engages a diverse range of stakeholders, including NGOs, academia, and the private sector, to encourage participatory and inclusive decision-making processes.
- (v) **Evaluation and Reporting:** Conducts performance audits, evaluates project outcomes, and reports progress and achievements to the Government of Tamil Nadu.

10.6 Special Project Monitoring Unit (SPMU) - TNSHORE

10.6.1 Overview

199. The Special Project Monitoring Unit (SPMU), TNSHORE serves as the dedicated operational nucleus for the TN-SHORE Project, functioning under the TNGCC. The SPMU is tasked with overseeing project execution, coordinating activities, managing resources, and ensuring full compliance with environmental and social safeguards (refer to Figure 5.2).

To enhance operational efficiency, the SPMU, TNSHORE operates independently while maintaining close collaboration with the SPMU–TNGCC. It is critical to distinguish these two entities:

- **State Project Monitoring Unit (SPMU)–TNGCC:** This unit is responsible for overseeing all climate and coastal resilience initiatives under TNGCC’s mandate, providing policy guidance, strategic oversight, and high-level governance. It reports directly to the Chairman & Managing Director (CMD) of TNGCC and the TNGCC Board.
- **Special Project Monitoring Unit (SPMU)–TN SHORE:** This project-specific unit is dedicated exclusively to TN-SHORE and operates with a distinct reporting structure. While it falls under the administrative framework of TNGCC, it functions autonomously, reporting directly to the CMD and the TNGCC Board to ensure the project's seamless execution without administrative bottlenecks.

The CMD and other key decision-makers operate within the SPMU–TN SHORE, ensuring focused leadership and decision-making agility. This independent structure enables the unit to execute TN-SHORE’s objectives efficiently while aligning with the broader climate and coastal resilience strategies of the state.

This delineation ensures clear lines of authority, accountability, and operational focus, preventing overlap and reinforcing the institutional integrity of both the State-Level SPMU and the Specialized TN-SHORE SPMU.

10.6.2 Organogram

200. The SPMU is headed by the Chief Mission Director and comprises a multidisciplinary team of specialists. These experts bring diverse skills in project management, environmental and social risk management, financial oversight, and

community engagement. The organizational structure of the SPMU is illustrated in Figures 10.2 and 10.3 and detailed further in Table 10.3.

Figure 10.2: SPMU Organogram



Figure 10.3: SPMU-Management and Technical Support Structure

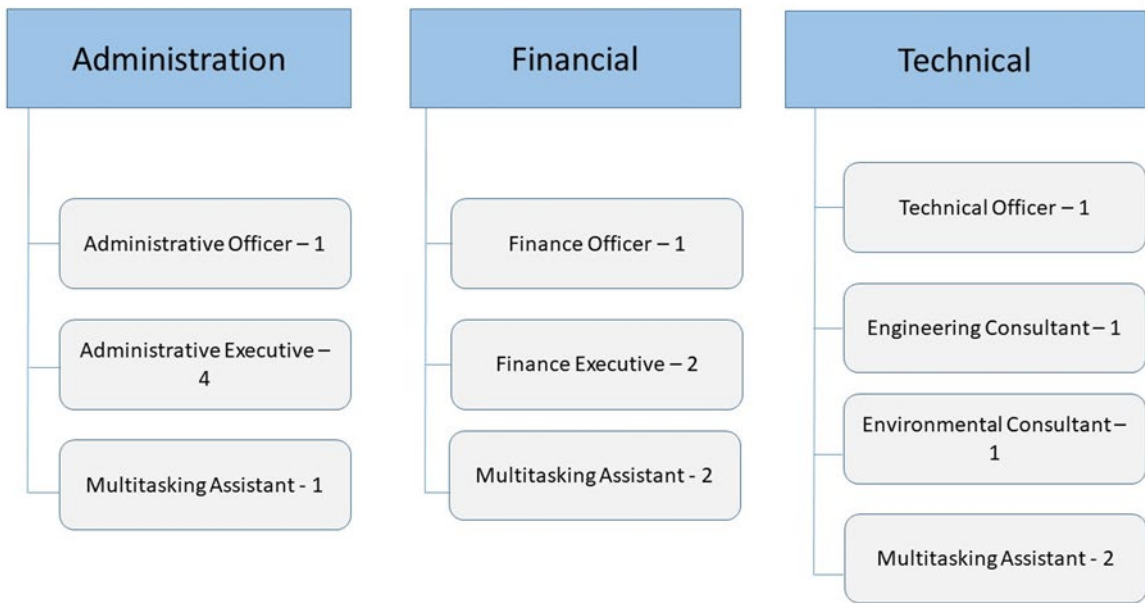


Table 10.3: Composition of the Special Project Monitoring Unit

Sl. No.	Designation	Eligibility	Positions	Reporting Authority	Appointment Method
1	Chief Mission Director / Project Director	Senior Officer	IFS 1	Additional Chief Secretary (ECCF)	Deputation
2	Mission Director	Senior Officer	IFS 1	Chief Mission Director	Deputation
3	Assistant Mission Director	Senior Administrative Officers	2	Mission Director	Deputation
4	Technical Officer	Coastal Management Experts	1	Mission Director	Contractual/ Consultancy
5	Environmental Consultant	Expert in E&S risk management	1	Mission Director	Contractual
	Engineering consultant/Procurement Specialist	Expert in procurement processes	1	Mission Director	Contractual
6	Financial Management Specialist	Experienced in public finance	1	Mission Director	Contractual
7	Administrative Officer	Experience in administrative work in public sector	1	Mission Director	Contractual

10.6.3 Functional Responsibilities of the SPMU

201. The SPMU serves as the cornerstone of the TN-SHORE Project's implementation framework, translating strategic objectives into tangible and measurable outcomes. Its comprehensive responsibilities include ensuring effective coordination, strict compliance with guidelines, and active community engagement across all project components.

i. Coordination and Oversight

202. The SPMU serves as the central coordinating body, ensuring alignment between district-level implementation and state-level priorities for an integrated approach to coastal management:

- (i) **Strategic Alignment:** Functions as the core hub for coordinating diverse activities, ensuring seamless integration of district-level implementation with state priorities and global commitments.
- (ii) **Planning Excellence:** Develops comprehensive annual work plans that are both resource-efficient and aligned with the overarching objectives of TN-SHORE, ensuring measurable and impactful progress.
- (iii) **Operational Synergy:** Fosters inter-agency collaboration to eliminate redundancies, enhance resource optimization, and maximize the overall effectiveness of project activities across departments.

ii. Financial and Safeguard Management

203. The SPMU prioritizes robust financial oversight and rigorous adherence to environmental and social safeguards as integral to its mandate:

- (i) **Transparent Financial Governance:** Ensures meticulous budgeting, monitors expenditures against project timelines, and enforces compliance with donor and state financial standards through regular audits and reporting.
- (ii) **Safeguard Integration:** Incorporates environmental and social safeguards into all project activities, proactively addressing risks to uphold principles of sustainability and inclusivity.
- (iii) **Risk Management:** Develops and implements proactive strategies to identify, assess, and mitigate potential financial and environmental risks, thereby ensuring the long-term viability and success of the project.

iii. Monitoring and Evaluation (M&E)

204. The SPMU employs a data-driven approach to monitor progress, evaluate impact, and refine strategies in real time:

- (i) **Comprehensive M&E Systems:** Utilizes a dynamic M&E framework incorporating advanced tools such as GIS, remote sensing, and Management Information Systems (MIS) to enable real-time tracking and reporting.
- (ii) **Continuous Improvement:** Conducts mid-term reviews and end-of-project evaluations to analyse successes, address challenges, and identify areas for improvement. Insights gained are systematically applied across all project components to enhance outcomes.
- (iii) **Outcome-Oriented Metrics:** Measures progress against well-defined Key Performance Indicators (KPIs) to ensure the project consistently meets its objectives and aligns with stakeholder expectations.

iv. Capacity Building and Technical Support

205. Strengthening institutional and community capacity is central to the SPMU vision for sustainable coastal management:

- (i) **Training for Impact:** Conducts focused workshops, training programs, and knowledge-sharing events to equip PEAs, LIUs, and community stakeholders with the skills and expertise required for efficient and effective project implementation.
- (ii) **Empowering Innovation:** Encourages the adoption of innovative practices and technologies, such as ecosystem-based solutions and climate-resilient planning tools, to address emerging coastal challenges and foster adaptive management.
- (iii) **Knowledge Resources:** Develops and disseminates practical resources, including technical guides, case studies, and best practices, to facilitate the replication and scalability of successful initiatives across diverse contexts.

v. **Community and Stakeholder Engagement**

206. The SPMU places a strong emphasis on community participation and stakeholder collaboration as critical elements for the success of the TN-SHORE Project:

- (i) **Participatory Governance:** Adopts inclusive approaches that actively involve communities in project planning and execution, fostering a sense of ownership, accountability, and grassroots-level empowerment.
- (ii) **Public Awareness Campaigns:** Develops and executes strategic outreach initiatives to raise awareness, inspire engagement, and encourage active participation in project activities, ensuring that TN-SHORE's objectives are widely understood and supported.
- (iii) **Feedback Integration:** Implements effective mechanisms to gather community feedback, ensuring that local perspectives are incorporated into project strategies. Additionally, robust grievance redressal systems are in place to address concerns promptly and transparently.

10.7 Project Executing Agencies (PEAs)

207. PEAs play a pivotal role in the implementation of project activities at the grassroots level. Each PEA is tasked with executing approved project components within their designated operational areas. Their responsibilities include preparing district-level work plans, managing contracts, and collaborating with community institutions to achieve the project's objectives. The key PEAs involved are outlined in Table 10.4.

Table 10.4: Key Project Executing Agencies and their Responsibilities

Department/Agency			Responsibility
Tamil Nadu Forest Department	Forest		Afforestation, biodiversity conservation, mangrove and seagrass restoration, wetland management, protection of coastal green cover, and implementation of nature-based solutions for coastal resilience.
Department of Environment and Climate Change (DoECC)	of		Overseeing Blue Flag beach certification processes, eco-tourism development, implementing climate change adaptation and mitigation strategies, pollution control measures, ICZM, MSP, CVCA and EMP for ESAs and promoting awareness on environmental policies.

Department/Agency	Responsibility
Tamil Nadu Pollution Control Board (TNPCB)	Monitoring and regulating pollution levels in coastal areas, enforcing environmental standards, managing waste and recycling programs, ensuring compliance with pollution control measures, and supporting research on pollution abatement.
Rural Development and Panchayat Raj Department	Leading community-driven projects, upgrading village infrastructure to be climate-resilient, supporting coastal area sanitation initiatives, and facilitating grassroots engagement in conservation activities.
Tourism Department	Developing sustainable tourism infrastructure that integrates environmental considerations, preserving and showcasing coastal heritage sites, and facilitating community involvement in tourism programs.
Municipal Administration and Water Supply Department	Enhancing public infrastructure in coastal towns, livelihood improvement (Blue flag beaches) implementing water supply and sanitation projects, developing waste management systems, and improving community facilities to support climate resilience.
Agriculture & Farmers Welfare Department	Promoting the adoption of climate-resilient and sustainable farming techniques, supporting coastal agro-ecosystem services, and implementing land management practices that reduce erosion and saltwater intrusion.
Tamil Nadu Green Climate Company (TNGCC)	Serving as the primary coordination body for project execution, managing financial resources and reporting, facilitating technical assistance, and leading the monitoring and evaluation processes for the TN-SHORE project.
GoMBRT	Provide the existing Institutional set up of the Gulf of Mannar Biosphere Reserve Trust (GOMBRT) to implement community grants to VMC-EDC
Water Resources Department (WRD)	Wetland restoration, management, pollution control, and conservation to enhance ecological resilience.
Fisheries Department	Coastal biodiversity conservation, sustainable fisheries management, alternative livelihoods for fishers, and eco-tourism promotion.

10.7.1 Roles of PEAs

208. As key implementers at the operational level, PEAs play a critical role in executing project activities and driving the success of the TN-SHORE Project. Their primary responsibilities include:

- (i) **Developing Annual Plans:** Preparing and submitting detailed district-level work plans and budgets to the State Project Management Unit (SPMU) for approval.

- (ii) **Contract Management:** Managing and overseeing contracts related to specific project activities, ensuring timely and efficient execution.
- (iii) **Community Engagement:** Collaborating closely with Local Implementation Units (LIUs) and community organizations to promote local participation and foster a sense of ownership in project activities.
- (iv) **Reporting and Compliance:** Providing regular progress updates to the District Project Management Units (DPMUs) and the SPMU, while ensuring strict adherence to environmental and social safeguard policies.
- (v) **Innovation and Adaptation:** Implementing innovative practices and adapting project strategies to address local challenges, ensuring optimized outcomes and long-term sustainability.

10.8 Local-Level Institutional Arrangements

209. The success of the TN-SHORE Project is rooted in the active engagement of local communities and their meaningful integration into project planning and implementation. LIUs form the cornerstone of this grassroots-driven approach, ensuring that the voices, needs, and aspirations of the community are not only acknowledged but also actively shape project outcomes. By fostering a strong sense of ownership and embedding sustainability into every initiative, LIUs empower coastal communities to become resilient and self-reliant contributors to Tamil Nadu's sustainable development journey.

10.8.1 Community Participation Mechanisms

210. At the core of the LIU framework is a steadfast commitment to participatory governance. LIUs serve as a vital bridge between the project and the community, ensuring that every initiative is inclusive, relevant, and community-driven. The key mechanisms supporting this approach include:

- i. **Community Representation and Decision-Making:**
 - a) Village-level institutions, such as SHGs, Producer collectives, Village Mangrove Councils, Eco Development Committee and JFMCs and, are key partners in the implementation and monitoring of project activities.
 - b) These grassroots entities provide a democratic platform for community members to voice concerns, share feedback, and collaboratively develop solutions that align with their unique needs and cultural contexts.
- ii. **Participatory Planning and Implementation:**
 - a) LIUs facilitate Participatory Rural Appraisals (PRAs), enabling communities to identify their priorities and actively contribute to the development of annual work plans.
 - b) This inclusive process ensures that initiatives, such as mangrove restoration, afforestation, eco-tourism, and waste management, are tailored to local realities and foster a sense of genuine ownership.
- iii. **Capacity Building and Training:**
 - a) Targeted training programs are integral to LIU operations, equipping local stakeholders with the knowledge and skills necessary to lead and sustain project activities.

- b) These programs cover a range of topics, from seagrass restoration techniques to plastic waste management and biodiversity conservation, building resilience and empowering communities to serve as custodians of their environment.

10.8.2 Integration with Village Committees and JFMCs

211. Collaboration with existing governance structures enhances the effectiveness of TN-SHORE initiatives by aligning project objectives with local priorities and leveraging established community networks.

- (i) **Strengthened Collaboration with JFMCs:** Joint Forest Management Committees (JFMCs) play a crucial role in managing natural resources, restoring degraded landscapes, and promoting sustainable practices. Through these committees, the project fosters community stewardship of critical ecosystems such as bio-shields, wetlands, and mangroves, integrating conservation into daily community activities.
- (ii) **Support for Village Committees:** Village Committees are key in implementing livelihood enhancement programs, including eco-tourism initiatives and climate-resilient agricultural practices. In collaboration with Local Implementation Units (LIUs), these committees ensure fair resource distribution, financial support, and access to capacity-building opportunities, driving socio-economic progress.
- (iii) **Feedback and Grievance Redressal Mechanisms:** LIUs, in partnership with Village Committees, establish transparent and accessible systems for community feedback. Timely and effective grievance redressal not only resolves issues but also strengthens trust and fosters deeper community engagement in the project.

- **Sustainability and Knowledge Transfer:**

- a) Develop strategies to sustain project outcomes beyond the implementation phase by strengthening local governance structures and building long-term community capacity.
- b) Document best practices and lessons learned to enable the replication of successful models in other coastal regions, ensuring scalability and broader impact.

10.8.3 A Bottom-Up Approach to Coastal Resilience

212. The integration of LIUs with grassroots organizations such as JFMCs and Village Committees ensures that the TN-SHORE Project embodies a bottom-up approach to coastal management. This framework empowers communities to take the lead in driving change while embedding sustainability and inclusivity into every aspect of the project.

By fostering participatory governance, harnessing local knowledge, and prioritizing community-driven solutions, LIUs transform coastal regions into resilient and innovative hubs. This dynamic and inclusive model ensures that TN-SHORE's vision of sustainable, climate-resilient coastal development resonates deeply with the communities it serves, leaving a lasting legacy of empowerment and environmental stewardship.

10.9 Stakeholder Engagement and Coordination

213. The project adopts a comprehensive, multi-stakeholder approach to collaboration, leveraging the expertise and resources of government entities, academic institutions, NGOs, private sector organizations, and local communities. This inclusive framework fosters shared ownership, accountability, and coordinated efforts, ensuring effective implementation and long-term sustainability of the project's outcomes.

10.9.1 Framework for Stakeholder Collaboration

214. The TN-SHORE Project employs a dynamic and inclusive stakeholder collaboration framework, integrating diverse perspectives and expertise to establish a unified approach to coastal management.

- **Multi-Level Engagement:**

- a) The project engages stakeholders across state, district, and community levels, creating a cohesive and well-coordinated governance structure.
- b) State-level entities provide strategic direction, district-level teams oversee implementation, and local stakeholders ensure that activities are tailored to grassroots needs. This multi-tiered approach enhances synergy and operational efficiency.

- **Sectoral Representation:**

- a) Stakeholders from diverse sectors—including fisheries, agriculture, tourism, and biodiversity conservation—actively participate in the project's design and implementation.
- b) This cross-sectoral representation enables the project to address the complex, interconnected challenges of coastal management while fostering economic development and environmental sustainability.

- **Collaborative Platforms:**

- a) Regular consultations, workshops, and task force meetings serve as forums for open dialogue and collaboration among stakeholders.
- b) These platforms promote adaptive management by facilitating the exchange of insights, identification of challenges, and co-creation of solutions.
- c) The inclusive nature of these engagements builds trust, strengthens relationships, and lays the foundation for sustained collaboration and long-term success.

215. By cultivating partnerships across multiple levels and sectors, the stakeholder engagement framework ensures that the TN-SHORE Project adopts a comprehensive and holistic approach. This model is deeply grounded in the priorities and aspirations of the communities it serves, fostering inclusivity, shared ownership, and long-term sustainability.

10.9.2 Integration of Community Feedback Mechanisms

216. The TN-SHORE Project incorporates structured mechanisms for gathering and integrating community feedback, fostering trust and empowering local stakeholders to actively shape project outcomes.

- **Feedback Loops:**

- a) Community meetings and focus group discussions serve as platforms for residents to express their opinions, concerns, and suggestions.
- b) Digital platforms and mobile applications extend the reach of these mechanisms, enabling even remote communities to participate actively in the decision-making process.
- c) Insights gathered through these engagements are systematically incorporated into project plans, ensuring continuous improvement and alignment with community priorities.
- **Participatory Monitoring:**
 - a) Local communities actively participate in monitoring project activities actively involving in discussions and contributing in terms of their indigenous knowledge.
 - b) This participatory approach enhances accountability while fostering a sense of ownership among community members, contributing to the long-term sustainability of project interventions.
- **Grievance Redressal Systems:**
 - a) Transparent and accessible grievance redressal mechanisms address community concerns promptly and effectively.
 - b) Dedicated channels, including helplines and in-person consultations, build trust and strengthen the project's relationship with local stakeholders.
 - c) The systematic documentation and resolution of grievances provide valuable insights for refining project processes and improving overall policies.

217. By integrating community voices at every stage of the project lifecycle, the TN-SHORE Project reinforces its commitment to inclusive and participatory governance. This approach not only enhances the project's effectiveness but also ensures that its outcomes are both transformative and impactful for the people and ecosystems of Tamil Nadu.

10.9.3 A Collaborative Future

218. The TN-SHORE Project's focus on stakeholder engagement and community feedback extends beyond a governance strategy—it exemplifies its unwavering commitment to building resilient and inclusive coastal communities. By incorporating diverse perspectives and fostering collaboration, the project establishes a robust foundation for sustainable coastal management and climate resilience in Tamil Nadu.

10.10 Strengthening Institutional Capacities for Future Coastal Resilience

219. As the TN-SHORE Project progresses, strengthening institutional capacities will be critical for addressing emerging challenges and ensuring long-term impact. The following key recommendations are proposed:

- **Capacity Building:**
 - a) Continuously prioritize technical training and skill development for personnel across the SPMU, and PEAs to enhance their ability to effectively implement and sustain project activities.

- **Policy Integration:**
 - a) Align TN-SHORE's institutional frameworks with broader state and national policies, such as the TNSAPCC, to ensure coherence, scalability, and strategic impact.
- **Public-Private Partnerships (PPPs):**
 - a) Foster private sector engagement in key areas, including eco-tourism, renewable energy, and waste management, to mobilize additional resources, introduce innovative solutions, and promote sustainable development.

Part IV: Project Management and Operational Arrangements

11 Financial Management and Disbursement

11.1 Introduction

220. This chapter presents a comprehensive framework for budgeting, fund flow, accounting, disbursement, reporting, and auditing. Each component of the financial management system complies with World Bank requirements, Government of Tamil Nadu (GoTN) standards, and international public financial management norms. Given the involvement of multiple entities, including PEAs, the SPMU under the TNGCC, and local implementation partners, a robust financial management system is essential. This system is designed to ensure efficient fund allocation and utilization while incorporating effective internal controls, transparency mechanisms, and accountability measures.

221. A comprehensive Financial Management Manual is currently under development and will be finalized in agreement with the World Bank within three months of the project's effectiveness. The financial management framework is structured around the following key components:

- (i) **Budgeting and Financial Planning:** Establishing a systematic approach to financial forecasting and resource allocation.
- (ii) **Fund Flow Mechanism:** Ensuring timely and efficient transfer of funds to all implementing entities.
- (iii) **Accounting and Financial Controls:** Implementing robust systems for maintaining accurate financial records and enforcing internal controls.
- (iv) **Disbursement Procedures:** Outlining clear guidelines for the disbursement of funds in compliance with project requirements.
- (v) **Auditing and Internal Control:** Conducting regular audits and establishing strong internal control mechanisms to ensure accountability and transparency.
- (vi) **Risk Management and Compliance:** Identifying and mitigating financial risks while ensuring adherence to regulatory and procedural standards.

11.2 Sources of Funds

222. The TN-SHORE Project is financed through two primary funding sources:

- (i) **World Bank Loan (IBRD):** Funding for the TN-SHORE Project is primarily provided by the IBRD under an agreement with the Government of India (GoI). This loan supports core project activities, including coastal biodiversity conservation, shoreline protection, pollution abatement, and community resilience initiatives. The agreement establishes clear guidelines for fund utilization and reporting to ensure alignment with approved project objectives and compliance with environmental and social safeguards.
- (ii) **Counterpart Funding by the GoTN:** In addition to the World Bank loan, the GoTN provides counterpart funding to support specific project costs. This funding demonstrates GoTN's commitment to fostering long-term coastal resilience, economic development, and environmental sustainability. It also offers flexibility to address local priorities, capacity-building efforts, and unforeseen contingencies.

11.3 Budgeting and Fund Flow Mechanism

223. The TN-SHORE Project employs a streamlined budgeting and fund flow mechanism designed to ensure the efficient, timely, and transparent disbursement of funds across all levels of implementation. This system, aligned with World Bank guidelines, prioritizes accountability, minimizes delays, and ensures that financial resources are allocated effectively to achieve the project's objectives.

11.3.1 Budget Heads

224. The GoTN has established a dedicated budget line for the Externally Aided Project (EAP) to support the implementation of the TN-SHORE Project. Annually, project funds are allocated by the Finance Department under this EAP budget line, based on the Budget Estimates (BE) approved by the TNGCC Board. The specific budget heads for the project are as follows:

- (i) 3435 ECOLOGY AND ENVIRONMENT (DP Code: 3435-03-104-PA 30903):
 - a. 03 Environmental Research & Ecological Regeneration
 - b. 104 Climate Change Action Programme - State's Expenditure: PA Tamil Nadu – Sustainably Harnessing Ocean Resources and Blue Economy (TN-SHORE).
 - c. 309 Grants in Aid - 03 Grants for Specific Schemes.
- (ii) 5425-00 CAPITAL OUTLAY ON OTHER SCIENTIFIC AND ENVIRONMENTAL RESEARCH (DP Code: 5425-00-208-PA 41604):
 - a. 208 Ecology and Environment – PA Conservation and Restoration of Ocean Resources under TN-SHORE/TNCRM.
 - b. 416 Major Works - 01 Major Works.

11.3.2 Budgeting Process

225. Each fiscal year, the SPMU under the TNGCC prepares the project's annual budget, consolidating requirements from all PEAs based on projected activities and financial needs. The budgeting process follows a structured, multi-step approach:

Step 1: Needs Assessment: PEAs submit budgetary estimates based on the planned scope of work, targets, and timelines for the fiscal year. These inputs capture the financial requirements for activities such as coastal management, conservation, community engagement, and other key project components.

Step 2: Consolidation and Review: The SPMU consolidates all submissions, ensuring the proposed budget aligns with the strategic goals of TN-SHORE. The budget is then reviewed for consistency, feasibility, and compliance with project priorities.

Step 3: Approval and Allocation: The finalized budget is submitted by the SPMU to the GoTN for approval. Once approved, funds are allocated under a designated budget head specific to TN-SHORE, enabling clear tracking and efficient financial management for the fiscal year.

11.3.3 Fund Flow Process

The fund flow mechanism for the TN-SHORE Project has been designed to efficiently channel resources from the World Bank to the Government of Tamil Nadu (GoTN) and ultimately to the implementing agencies, ensuring effective fund management in line with project requirements. The process includes the following steps:

Step 1: World Bank to GoI: The World Bank disburses funds to the GoI under the terms of the Financing Agreement. This transaction is managed by the DEA within the Ministry of Finance, ensuring compliance with the agreement's terms and conditions.

Step 2: GoI to GoTN: The GoTN receives funds through an Externally Aided Project (EAP) budget line, managed by the state's Finance Department. This dedicated EAP budget line ensures that funds are allocated specifically for TN-SHORE, enabling the state to maintain oversight and compliance with state-level financial regulations.

Step 3: GoTN to TNGCC (SPMU): The GoTN transfers funds to the TNGCC, which in turn transfer the fund to the TNSHORE based on communication received and it serves as a nodal for tracking fund flow serves as per the World Bank financial guidelines.

Step 4: Special Project Monitoring Unit (TNSHORE): It reviews funding requests from PEAs to verify that disbursements align with approved work plans and budgets and overseas fund distribution, in adherence to World Bank Guidelines.

Step 4: SPMU (TNSHORE) to PEAs and Implementing Agencies (IAs): The SPMU allocates funds to district-level PEAs and local implementing units based on approved work plans, budgets, and cash flow requirements and facilitates fund flow to the PEAs. These funds are disbursed in accordance with specific sub-project agreements and Memorandums of Understanding (MoUs). This decentralized fund flow approach supports timely implementation of project activities, enhances fund utilization efficiency, and ensures alignment with project timelines and objectives.

11.3.4 Bank Accounts

226. The TN-SHORE Project employs a "Sub parent " bank account structure to streamline fund transfers, enhance financial control, minimize idle funds, and improve operational efficiency and accountability. The key features of this structure are as follows:

(i) State Nodal Agency (SNA) Bank Account (Sub parent Account):

- a. The SPMU at the TNGCC operates the SNA Bank Account in a nationalized or scheduled commercial bank.
- b. This account serves as the central repository for project funds, allowing the SPMU to monitor and authorize fund transfers to implementing agencies while maintaining oversight of all disbursements.
- c. The SNA Bank Account is integrated with the Integrated Fund Management System (IFMS) to ensure streamlined monitoring and reporting.

(ii) PEA Bank Account (Child Account):

- a. As mandated under the Tamil Nadu Public Finance Tracking System (TNPFTS), the Sub parent Account will be accessed by Child Agencies, with pre-defined financial limits set by the Sub parent Account administrators. These limits will allow Child Agencies to draw funds upon the completion of work, subject to the conditions specified by the administrators.
- b. A Single Nodal Account (SNA) will be mapped to a designated bank account, serving as the Parent Account for receiving funds from the Government of Tamil Nadu. The Tamil Nadu Green Climate Company (TNGCC) will oversee the transfer of funds from the Parent Account to the Sub parent Account of TN SHORE, maintained in an approved financial institution. These transfers will be executed in accordance with Government orders and TN SHORE project requirements to ensure seamless fund disbursement and financial management.

(iii) Zero-Balance Mechanism:

- a. This system ensures that funds are available on demand and transferred from the Sub parent Account to Child Agencies strictly based on approved expenditures.
- b. PEAs and implementing agencies submit fund requisitions aligned with approved work plans and budget estimates. The SPMU verifies these requests before authorizing transfers.
- c. This mechanism prevents the accumulation of surplus funds at lower levels, aligning disbursements with actual financial needs and enhancing liquidity for project activities.

(iv) Real-Time Fund Tracking:

- a. Under the (TNPFTS) framework, fund transfers can be monitored in real-time, providing visibility into financial transactions. However, the system is designed for tracking purposes only, ensuring transparency while maintaining financial oversight.

11.4 Accounting System

227. The SPMU will maintain a computerized accounting system to manage and consolidate project expenditures effectively. This system will be implemented within three months of the project's effectiveness and will serve as a cornerstone of the TN-SHORE Project's financial management framework. The accounting system ensures the accurate and transparent recording, processing, and reporting of all financial transactions. A well-structured system, supported by robust internal controls, is critical for safeguarding assets, upholding financial integrity, and providing reliable financial information to facilitate informed decision-making.

11.4.1 Objectives

228. The accounting system for the TN-SHORE Project is designed to achieve the following key objectives:

- (i) **Compliance with Standards:** Ensure financial information adheres to applicable accounting standards, including Indian Accounting Standards (Ind AS) issued by NFRA/ICAI.

- (ii) **Ease of Use:** Provide a user-friendly system that allows TNGCC staff to operate it effectively with minimal training, ensuring smooth adoption and implementation.
- (iii) **Comprehensive Documentation and Audit Trails:** Maintain detailed records of financial transactions to support both internal and external audits, ensuring accountability and traceability.
- (iv) **Timely and Accurate Reporting:** Deliver reliable and up-to-date financial reports to facilitate effective project monitoring, decision-making, and management.
- (v) **Transparency and Integrity:** Uphold the highest levels of financial accountability by ensuring data accuracy and preventing discrepancies or manipulation.

11.4.2 Key Features

229. The accounting system for the TN-SHORE Project incorporates the following key features:

- **Compliance with Standards:** Financial statements of the TNGCC are prepared in full compliance with Indian laws and regulations, including Indian Accounting Standards (Ind AS) and other statutory requirements.
- **Streamlined Processes:** The system efficiently recognizes, classifies, posts, summarizes, and reports transactions, ensuring seamless integration across project components and supporting real-time financial monitoring.
- **Ease of Use:** Designed with simplicity and user-friendliness in mind, the system can be easily adopted and maintained by TN-SHORE staff, enhancing operational efficiency at all levels.
- **Comprehensive Documentation:** Detailed records and robust audit trails are maintained for all financial transactions, promoting transparency and facilitating seamless verification during audits and reviews.
- **Real-Time Reporting:** The system generates accurate and timely financial reports, providing stakeholders with actionable insights for effective resource allocation, budgeting, and compliance monitoring.

11.4.3 Roles of the Accounting System

230. The accounting system for the TN-SHORE Project serves the following critical roles:

- i. **Safeguarding Assets:** Protects project resources from unauthorized access, misuse, or mismanagement, ensuring the security of financial and physical assets.
- ii. **Ensuring Legal and Regulatory Compliance:** Facilitates adherence to statutory obligations, project-specific financial guidelines, and applicable accounting standards.
- iii. **Supporting Strategic Decision-Making:** Delivers accurate and reliable financial data to guide informed strategic decisions and enhance operational efficiency.

11.4.4 Computerized Accounting System

231. The TN-SHORE Project may use standard accounting software integrated with a comprehensive Financial Management System (FMS), to facilitate efficient, transparent,

and accurate financial management. Initially implemented at the SPMU level, the system will be progressively extended to all PEAs and other account-rendering centres. This computerized system ensures financial transparency, accountability, and compliance with global standards, supporting the project's commitment to robust financial governance.

232. The use of standard accounting software for the TN-SHORE Project include:

- (i) **Cloud-Based Accessibility:** Enables real-time data integration and centralized financial monitoring, ensuring seamless access and oversight.
- (ii) **Automation:** Reduces the risk of errors and ensures strict compliance with World Bank and GoTN financial guidelines.
- (iii) **Scalable Implementation:** Supports a phased rollout to PEAs, aligned with their training and operational requirements.
- (iv) **Support for PEAs:** The SPMU provides ongoing training, technical assistance, and troubleshooting to facilitate smooth adoption and efficient use of the system by PEAs.

11.4.5 Accounting Standards

233. The TN-SHORE Project operates a robust accounting system built around a standardized Chart of Accounts (CoA) to ensure accuracy, consistency, and transparency in all financial transactions. The system strictly adheres to both international and national accounting standards, incorporating rigorous compliance measures to uphold financial integrity and accountability.

11.4.6 Key Accounting Practices

234. The TN-SHORE Project adheres to the following key accounting practices to ensure accuracy, compliance, and efficiency in financial management:

- iv. **Financial Year:** The accounting period follows the fiscal year, starting on 1st April and ending on 31st March of the following year.
- v. **Daily Record Closure:** Cash books are to be closed daily, and ledgers must be finalized on the last working day of each month.
- vi. **Immediate Recording and Deposits:** All cash receipts must be recorded and deposited into the designated project bank account on the same day to ensure prompt and accurate financial tracking.
- vii. **Timely Payments:** Fixed expenses, such as rent, utilities, and salaries, should be paid within the same month or as per the established system.
- viii. **Tax Compliance:** Deductions for Income Tax (TDS) and GST must comply with GoI regulations and be deposited online within the stipulated timelines.
- ix. **Stamp Act Compliance:** All invoices must be stamped "Paid" to prevent duplicate payments and ensure compliance with applicable provisions of the Stamp Act.
- x. **Electronic Salary Transfers:** Salaries must be disbursed via NEFT/RTGS within the same month, in alignment with the practices of the Department of Environment, Climate Change, and Forests.

- xi. **Secure Custody:** Cheque books must be securely stored under the responsibility of the Head of Finance to safeguard against unauthorized access or misuse.

11.4.7 Reporting and Documentation

235. The TN-SHORE Project ensures rigorous compliance with reporting and documentation requirements to maintain transparency and accountability. Key requirements include:

- (i) **Monthly Reports:** Financial reports, including Cash Books, Bank Books, Ledgers, and Trial Balances, must be generated monthly, printed, and securely stored for record-keeping and future reference.
- (ii) **Quarterly IUFR Submission:** Interim Unaudited Financial Reports (IUFRs) are to be prepared and submitted quarterly within 45 days of the quarter's end to ensure timely financial tracking and compliance.
- (iii) **Annual Financial Statements:** Annual financial statements for the previous fiscal year must be finalized by July 31 and submitted, along with the audited financial statements and audit report, to the World Bank by September 30.

11.4.8 Safeguarding Records

236. The TN-SHORE Project ensures proper record-keeping and safeguarding of financial documentation in compliance with established standards. Key practices include:

- (i) **Retention Period:** Financial records, including vouchers and associated books, must be preserved for a minimum of 10 years to ensure traceability and compliance with audit requirements.
- (ii) **Audit-Ready Documentation:** All project vouchers must be systematically bound, organized, and readily accessible. Duplicate copies should be maintained when originals are submitted to the treasury, ensuring uninterrupted access to critical documentation.

11.4.9 Administrative Integration

237. The TN-SHORE Project accounting system is fully aligned with the administrative and financial codes issued by the GoTN. This integration ensures compliance with the latest regulations and forms a key component of the comprehensive Administrative and Financial Management Manual.

11.5 Internal Controls and Compliance Mechanisms

238. The TN-SHORE project implements a comprehensive system of internal controls to ensure financial integrity, mitigate risks, and guarantee that project funds are utilized solely for their intended and approved purposes. These mechanisms are designed to strengthen accountability, prevent financial mismanagement, and promote transparency in all financial transactions, thereby enhancing the overall governance and credibility of the project.

11.5.1 Key Internal Control Measures

239. The following internal control measures are implemented to ensure the financial integrity and operational efficiency of the TN-SHORE project:

(i) Segregation of Duties

- a. Responsibilities are strategically divided so that no individual has complete control over a transaction from initiation to completion.
- b. Each action is subject to verification by another party, minimizing errors and preventing misuse.
- c. The computerized accounting system reinforces this segregation of responsibilities, ensuring robust checks and balances.

(ii) Asset Safeguards

- a. All assets, including cash, are protected through strict controls to ensure their exclusive use for approved purposes.
- b. Physical assets are clearly marked with unique identification, systematically recorded in an inventory register, and verified annually.
- c. Custodial responsibilities for assets are separated from record-keeping functions to prevent conflicts of interest.

(iii) Computerized Accounting System

- a. The accounting system generates real-time financial reports, enabling the comparison of actual expenditures against approved budgets to monitor performance effectively.
- b. Financial records are maintained using double-entry bookkeeping principles and standardized formats, ensuring adherence to accounting standards and reducing inconsistencies.

(iv) Financial Statements

- a. The financial management system follows consistently applied accounting standards to provide an accurate and transparent representation of the project's operations, resources, and expenditures.

11.5.2 Financial Transaction Controls

240. The TN-SHORE project enforces stringent control measures to regulate financial transactions effectively:

(i) Immediate Recording and Deposits

- a. All cash receipts are recorded promptly and deposited into the project's designated bank account on the same day to minimize risks and ensure accountability.
- b. Cash books are reconciled on a monthly basis to maintain accurate cash flow records and ensure consistency.

(ii) Bank Reconciliation

- a. Bank statements are reconciled monthly by personnel who are not authorized to sign checks, providing an independent verification layer and reducing the potential for errors or fraud.

(iii) Payment Ceilings and Methods

- a. Cheque Payments: Transactions up to ₹10 lakh are processed via cheque.
- b. NEFT/RTGS Payments: Transactions exceeding ₹10 lakh are executed through NEFT/RTGS to ensure faster, more secure fund transfers.

- c. Signing Authorities: At the PMU level, the Chief Mission Director (CMD) is the designated signatory, while at the PEA level, signing authority is delegated to district officers or as per the government's specified delegation framework.

(iv) Approval Matrix for Electronic Transfers

- a. A comprehensive approval matrix clearly defines the roles and responsibilities of preparers and approvers for NEFT/RTGS payments, ensuring that all transactions are properly authorized and controlled.

11.5.3 Oversight Arrangement

241. The following oversight arrangements are implemented to ensure robust financial management and accountability:

(i) Monthly and Periodic Reviews

- a. Key financial records, including Cash Books, Bank Books, and Trial Balances, are prepared and systematically reviewed on a monthly basis to ensure accuracy, consistency, and accountability in financial reporting.

(ii) Audit Trails and Documentation

- a. All financial transactions are supported by comprehensive documentation, creating a transparent and traceable audit trail. This documentation is maintained in strict compliance with project and legal requirements, facilitating reliable audits and reviews.

(iii) Ongoing Verification

- a. Regular internal and external audits, along with periodic reconciliation processes, are conducted to ensure adherence to financial standards. These measures identify discrepancies promptly, enabling corrective actions to maintain financial integrity.

11.6 FM Capacity Building

242. Considering the complexity and scale of the TN-SHORE project, ongoing capacity-building programs are implemented for finance staff at both the SPMU and PEA levels. These training initiatives are designed to ensure that all personnel involved in financial management are fully proficient in the use of accounting software, adhere to compliance standards, and consistently apply best practices in financial management.

11.6.1 Software Training and Technical Skill Development

243. Regular training sessions are conducted to enhance the technical proficiency of accountants and finance officers in effectively using the accounting software. These sessions cover essential skills such as transaction recording, report generation, and troubleshooting. By building this foundational knowledge, the training ensures consistent and standardized financial practices across all implementing agencies.

11.6.2 Workshops on Compliance Standards

244. The SPMU conducts workshops focused on financial compliance to ensure adherence to the standards set by the World Bank and the GoTN. These workshops address critical topics such as reporting requirements, audit preparation, and risk mitigation strategies, equipping finance staff with the knowledge and skills needed to manage all aspects of project financial management effectively.

11.6.3 Ongoing Support and Knowledge Sharing

245. To address specific needs, the SPMU offers ongoing support to PEAs through consultants and tailored training sessions. This support focuses on areas such as managing complex financial transactions and aligning with evolving financial guidelines. By providing targeted assistance, the SPMU ensures that a high standard of financial management is maintained consistently throughout the project.

11.7 Disbursement Arrangements

246. The disbursement arrangements for the TN-SHORE project are designed to facilitate the prompt, transparent, and efficient allocation of funds, ensuring seamless execution of project activities across all implementing agencies. The process strictly adheres to the guidelines established by the World Bank and the GoTN, fostering accountability while maintaining the flexibility to adapt to evolving project needs. Each disbursement category is clearly defined, ensuring that funds are allocated exclusively to priority areas that align with the project's objectives. This structured and strategic approach enhances financial management, optimizes resource utilization, and supports the effective implementation of the project.

11.7.1 Disbursement Categories

247. The TN-SHORE project follows a co-financed funding model, with a 70% disbursement rate, wherein the World Bank finances 70% of eligible project costs, while the GoTN contributes the remaining 30%. This structured approach fosters a balanced financial commitment, ensuring shared responsibility between international and local funding sources. By leveraging both World Bank and GoTN resources, the project maintains financial sustainability while effectively advancing its objectives.

248. The project's funding is systematically allocated across distinct categories to ensure comprehensive financial coverage for key areas of expenditure:

- (i) **Goods and Works:** Covers the procurement of materials, equipment, and infrastructure essential for coastal management, pollution control, and biodiversity conservation efforts.
- (ii) **Consulting and Non-Consulting Services:** Allocated for specialized expertise, environmental assessments, technical studies, and capacity-building initiatives critical to effective project implementation.
- (iii) **Training and Capacity Building:** Supports targeted training programs and workshops to enhance local capacities, foster community engagement, and promote sustainable coastal management practices.
- (iv) **Incremental Operating Costs:** Covers administrative and operational expenses necessary for efficient day-to-day project management, ensuring seamless coordination and execution.
- (v) **Community Grants:** Provides financial support for community-led initiatives that align with TN-SHORE's objectives, fostering local participation, ownership, and long-term sustainability.

11.8 Disbursement Procedures

249. The TN-SHORE project implements a transparent and structured disbursement procedure to ensure the efficient allocation of funds in alignment with the project's financial management standards. To facilitate timely access to resources for all implementing agencies, the project utilizes a report-based disbursement system, where funds are released based on quarterly Interim Unaudited Financial Reports (IUFRs). These IUFRs provide comprehensive records of project expenditures, ensuring that financial data is accurately documented, fund utilization is effectively monitored, and all disbursements remain in strict compliance with the project's approved budget.

250. The disbursement procedure follows a structured approach to ensure efficient fund flow, financial accountability, and compliance with project guidelines. The key steps include:

- (i) Pre-Funding by GoTN – To prevent delays in project implementation, the GoTN pre-funds project expenditures, which are later reimbursed by the World Bank upon verification of eligible expenses.
- (ii) Submission and Verification of IUFRs – The SPMU consolidates expenditure data from all implementing agencies and prepares IUFRs. These reports provide a categorized breakdown of financial transactions, ensuring transparency and traceability in fund utilization.
- (iii) World Bank Reimbursement – Upon submission of IUFRs, the World Bank reviews and verifies reported expenditures. Approved expenses are reimbursed to GoTN within 45 days, ensuring the timely availability of funds to support uninterrupted project activities.
- (iv) Monitoring and Reconciliation – Every disbursement undergoes thorough verification to ensure compliance with budget estimates and eligibility criteria. This rigorous tracking and reconciliation process prevents budget overruns and guarantees that disbursed funds are utilized effectively within the project's financial framework.

This systematic approach enhances financial discipline, ensures accountability, and supports the smooth execution of the TN-SHORE project.

11.9 Auditing and Internal Controls

251. The TN-SHORE project implements a robust, multi-tiered audit and internal control framework to ensure strict compliance, transparency, and accountability in financial management. This comprehensive system safeguards project funds, ensuring they are managed responsibly and utilized exclusively for their intended purposes. By aligning with World Bank and GoI regulations, the framework reinforces financial integrity and promotes adherence to international best practices in financial governance.

11.9.1 Financial Reporting

252. Financial reporting under the TN-SHORE project is a key mechanism for ensuring transparency, informed decision-making, and compliance with approved budgets. The project follows a structured financial reporting schedule to provide a comprehensive and

accurate overview of financial activities, facilitating effective monitoring and accountability. The key reporting mechanisms include:

(i) Quarterly Interim Unaudited Financial Reports (IUFRs)

- a. Prepared by the State Project Management Unit (SPMU) and submitted to the World Bank each quarter.
- b. These reports provide an updated status on fund utilization, comparing actual expenditures against budget allocations to identify any variances.
- c. Each IUFR undergoes internal review to ensure accuracy and completeness before submission, detailing fund flows, expenditure categories, and budget deviations.

(ii) Annual Financial Statements

- a. At the end of each fiscal year, the SPMU consolidates financial statements covering all project activities.
- b. These statements offer a detailed overview of project expenditures, financial performance, and resource utilization across all components.
- c. Subject to both internal and external audits, ensuring compliance with accounting standards and financial guidelines.

This structured financial reporting system enables stakeholders to monitor progress, assess resource allocation, and ensure alignment with the project's financial and operational objectives. Timely and accurate reporting enhances accountability, allowing for proactive corrective actions when necessary.

11.9.2 Audit Arrangements

253. To strengthen financial accountability and governance, the TN-SHORE project implements a multi-tiered audit framework. This comprehensive system of internal and external audits ensures that financial practices are aligned with project objectives, comply with regulatory standards, and proactively address potential risks.

(i) Internal Audits

- a. Conducted semi-annually by an independent chartered accountant firm, internal audits assess fund flow, adherence to financial guidelines, and the effectiveness of operational controls.
- b. These audits verify that project funds are allocated and utilized as per approved budgets, identifying any risks or discrepancies.
- c. Findings from internal audits are reviewed by the SPMU, which develops corrective action plans to ensure continuous improvement in financial management practices.

(ii) External Audits

- a. An annual audit is conducted by an independent firm appointed by the SPMU, following ToR approved by the World Bank.
- b. This audit provides a detailed examination of all project transactions, expenditures, and fund allocations across the SPMU and implementing agencies.

- c. External audits serve as an objective validation that the project's financial practices comply with both World Bank and GoTN regulations, ensuring that resources are managed efficiently and transparently.

This structured audit mechanism reinforces financial discipline, enhances transparency, and ensures that all project expenditures remain accountable and well-governed.

11.10 Institutional Arrangements and Staffing

254. The TN-SHORE project employs a well-defined financial management structure with clearly assigned roles and responsibilities across the SPMU, PEAs, and dedicated finance teams. This structured framework ensures efficient fund management, regulatory compliance, and robust financial reporting at all levels. By maintaining a clear hierarchy of financial oversight, the project enhances transparency, accountability, and operational efficiency, supporting the achievement of its financial objectives.

11.10.1 Staffing and Capacity Building

255. Given the scale and complexity of the TN-SHORE project, a strong emphasis is placed on developing a skilled financial workforce capable of efficiently managing project funds while ensuring full compliance with regulatory standards.

(i) Finance Team Composition

- a. The project employs a qualified finance team at both the SPMU and PEA levels.
- b. Senior finance specialists at the SPMU provide high-level oversight and coordination, ensuring compliance with financial policies.
- c. Accountants at each PEA handle daily financial transactions, budget monitoring, and financial reporting.
- d. This structured hierarchy ensures that all financial activities, from routine bookkeeping to comprehensive financial reporting, are managed with accuracy and accountability.

(ii) Regular Training and Capacity Building

- a. Continuous training programs are conducted to update finance personnel on best practices, evolving financial regulations, and project-specific financial requirements.
- b. Training covers World Bank and GoTN financial guidelines, accounting software proficiency (such as Tally), and internal control compliance.
- c. By reinforcing skills in these areas, the project ensures that finance staff remain well-equipped to manage financial processes accurately and efficiently.

(iii) Workshops and Compliance Training

- a. The SPMU organizes specialized workshops on compliance, audit preparation, and risk management to enhance financial governance.
- b. These workshops provide practical insights into World Bank audit standards, financial reporting accuracy, and adherence to project-specific financial protocols.

- c. Training sessions are tailored to address field-level challenges, ensuring that finance personnel across all locations maintain compliance and transparency.
- (iv) Mentorship and Technical Support
 - a. Senior finance specialists provide mentorship and technical assistance to accountants and financial officers at the PEA level.
 - b. This mentorship fosters standardized financial practices, strengthens collaborative financial management, and ensures that field staff have access to expert guidance for resolving complex financial issues.

Through structured staffing, continuous training, and targeted support, TN-SHORE ensures that its financial workforce remains highly competent, compliant, and equipped to uphold the project's financial integrity.

11.10.2 Roles and Responsibilities

256. The TN-SHORE project's financial framework assigns clear roles and responsibilities to ensure that all financial activities are aligned with project objectives and regulatory requirements.

(i) SPMU (TNGCC)

- a. As the central coordinating body, the SPMU within the TNGCC oversees the project's financial management, fund distribution, and budget tracking.
- b. It consolidates financial reports from all implementing agencies, ensuring compliance with World Bank and GoTN financial guidelines.
- c. Acting as the primary liaison with the World Bank, the SPMU ensures adherence to global financial accountability, reporting, and transparency standards.
- d. Key responsibilities include verifying fund allocation requests, authorizing disbursements, and coordinating internal and external audits to uphold stringent financial oversight.

(ii) PEAs

- a. Operating at the district and local levels, PEAs are responsible for implementing specific project components within their designated regions.
- b. Each PEA manages fund utilization for approved project activities, maintains detailed financial records, and submits monthly and quarterly financial reports to the SPMU.
- c. PEAs ensure that all expenditures align with budget allocations and that funds are exclusively used for their intended purposes.
- d. Additionally, PEAs collaborate with the SPMU to address financial discrepancies, participate in compliance checks, and support both internal and external audit processes.

(iii) Finance Specialists

- a. Finance specialists, including Chartered Accountants and other qualified professionals, play a pivotal role in maintaining financial accuracy, compliance, and transparency.
- b. They oversee financial operations, coordinate the preparation of IUFRs and annual financial statements, and verify adherence to the Chart of Accounts (CoA).

- c. Serving as technical experts, they provide guidance to PEAs on accounting best practices, internal controls, and audit procedures, ensuring consistent financial governance across all project levels.

By maintaining well-defined roles and responsibilities, TN-SHORE ensures efficient financial management, regulatory compliance, and robust oversight throughout the project's implementation.

11.11 Financial Management (FM) Manual

257. The FM Manual will be developed within three months of project effectiveness, providing a comprehensive reference document for the implementation of the TN-SHORE project. Once approved by the World Bank, the manual will serve as a guiding framework for financial procedures, compliance standards, and best practices.

The FM Manual will include detailed sections outlining:

- The financial management arrangements governing the project.
- The format and structure of Interim Unaudited Financial Reports (IUFRs) required for submission.
- Compliance protocols to ensure adherence to World Bank and GoTN financial guidelines.

This manual will ensure standardized financial operations, enhance accountability, and support effective financial oversight throughout the project's lifecycle.

258. The FM Manual will be an integral part of the PIP for all administrative purposes. However, to facilitate ease of reference and accessibility, it will be published as a stand-alone, pull-out volume. This format ensures that the manual remains a comprehensive yet user-friendly resource for financial procedures, compliance requirements, and administrative guidelines within the TN-SHORE project.

12 Procurement Management

12.1 Procurement Framework

259. Procurement under the TN SHORE Project shall be carried out in accordance with the World Bank Procurement Regulations for IPF Borrowers July 2016 and updated (September 2025)²updated from time to time, the applicable provisions of the Loan Agreement, and the Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants, as applicable to the Project.

260. All procurement of goods, works, non-consulting services, and consulting services financed under the Project shall follow the procurement arrangements agreed with the World Bank and reflected in the approved Procurement Plan. The Procurement Plan identifies procurement packages, selection methods, market approaches, estimated costs, review requirements, and timelines.

261. Procurement activities shall be conducted using the Systematic Tracking of Exchanges in Procurement (STEP) system for planning, clearance, monitoring, and documentation of procurement transactions.

262. The PIP provides overall procurement governance guidance, while detailed operational procedures are provided separately in Annexure 4 – Procurement & Contract Management and Annexure 5 – Community Procurement Plan. This Chapter and its Annexure focuses on procedural guidance, operational workflows, and documentation requirements for procurement and contract management. In case of any inconsistency between this Annexure and the applicable World Bank regulations or financing agreements, the latter shall prevail.

12.2 Reference and Procurement Plan

263. Procurement arrangements for TN SHORE are based on the Project Procurement Strategy for Development (PPSD), which provides the strategic framework for procurement packaging, market approaches, risk mitigation, and selection of optimum fit-for-purpose selection methods. The Regulations require the Procurement Plan to be updated at a minimum annually, or whenever project scope/timelines change. PPCSD requires Annual revision. Early Market Engagement (EME): The Procurement Regulations (7th Ed., Para 4.4; Annex V, Paras 3.8–3.13) make EME mandatory for all international competitive contracts estimated at ≥ US\$10 million;

264. Based on the PPCSD, a Procurement Plan is prepared and maintained in STEP by the SPMU-TNSHORE in coordination with the Project Executing Agencies (PEAs).

² <https://thedocs.worldbank.org/en/doc/c84273d1b230aeb2b0b8134de5dc8cd7-0290012025/original/Procurement-Regulations-7th-Edition-Sep-2025.pdf>

Procurement activities shall be initiated only after inclusion and clearance, where required, in the Procurement Plan through STEP.

12.3 Institutional Responsibilities for Procurement

265. The Tamil Nadu Green Climate Company (TNGCC), through the SPMU-TNSHORE, is responsible for coordinating and overseeing procurement activities under the Project, including consolidation of procurement requirements, procurement planning in STEP, coordination with the World Bank, and monitoring compliance with the applicable World Bank Procurement Regulations.

266. The SPMU supports the PEAs in preparation of procurement documents, facilitates procurement clearances through STEP, and monitors procurement and contract implementation progress across components.

267. The PEAs are responsible for conducting procurement related to their respective project components, including preparation of technical inputs, participation in bid evaluation, management and supervision of contract implementation, and reporting progress to the SPMU. Key procurement activities as specified in the PPSD shall be undertaken directly by SPMU.

268. District-level units support site coordination and facilitate implementation at field level, including coordination with local authorities and community institutions, where applicable.

269. The Supervision Consultant shall be engaged wherever necessary to supervise construction works under the Project, ensuring compliance with approved designs, specifications, contract conditions, and implementation schedules, and to report progress and quality issues to the implementing agencies. Detailed operational roles and workflows are described in Annexure-4.

12.4 Procurement Planning

270. Procurement planning for TN SHORE is based on the PPSD and the World Bank Procurement Regulations (September 2025), along with other applicable provisions specified in the Loan Agreement. The SPMU undertakes procurement planning by consolidating procurement requirements received from the PEAs, who provide technical specifications, cost estimates, and implementation schedules. The consolidated Procurement Plan is maintained and updated in the STEP portal.

271. The Procurement Plan outlines procurement packages, selection methods, market approaches, review requirements, estimated costs, and timelines. It is updated periodically to reflect implementation progress, design finalization, site readiness, and sequencing requirements.

272. Procurement packaging follows principles of value for money, competition, market capacity, and implementation efficiency, with aggregation of similar requirements where feasible. Packaging decisions are guided by the PPSD and reflected in the Procurement Plan.

12.5 Selection Methods and Market Approaches

273. Procurement under TN SHORE adopts fit-for-purpose methods permitted under World Bank Procurement Regulations, including:

- Request for Bids (RFB) for works/non-consulting service/goods,
- Request for Proposals (RFP) for consulting services,
- Request for Quotations (RFQ) for low-value, off the shelf procurements,
- Direct Selection with permissible justifications ,
- Consultant selection methods such as QCBS, QBS, LCS, FBS, and CQS, as applicable.

274. Procurement may approach national or international markets depending on the nature and size of procurement. Applicable procurement methods and review requirements for each package are specified in the Procurement Plan. Detailed procedural steps for each method are provided in Annexure 4.

12.6 Bidding Document Preparation and Approvals

275. Bidding documents for procurement activities under TN SHORE shall be prepared by the PEAs with support from the SPMU, using applicable World Bank Procurement Documents (SPDs and NCP) for international and national market approaches.

276. The PEAs in coordination with SPMU shall ensure that technical specifications, qualification criteria, drawings, and contract conditions are complete and consistent with the World Bank Procurement Regulations and the approved Procurement Plan. For prior-review packages, draft bidding documents shall be submitted to the World Bank through STEP for No-Objection prior to issuance. For post-review packages, procurement documents shall follow the internal approval procedures agreed within SPMU/TNGCC and the respective PEAs.

277. Once bidding documents are cleared, procurement notices and bidding documents shall be published through the appropriate market platforms and the GoTN NIC e-procurement portal, as applicable. Amendments, addenda, and clarifications shall be issued in accordance with the Procurement Regulations and recorded in STEP. Detailed procedures for procurement and contract administration are provided in Annexure 4 – Procurement & Contract Management Procedures.

12.7 Bid Evaluation and Contract Award Process

278. Bid and proposal evaluations shall be carried out in accordance with the issued bidding or proposal documents and the World Bank Procurement Regulations (September 2025). For each procurement activity, an evaluation committee comprising appropriate technical and procurement representatives shall be constituted. The SPMU shall support PEAs in ensuring that approved evaluation criteria are applied consistently and that evaluation records are maintained in STEP. For procurement activities implemented directly by the SPMU, the SPMU shall undertake the evaluation process.

279. For prior-review packages, evaluation reports and recommendations for award shall be submitted to the World Bank through STEP for no-objection before proceeding to next step. For post-review packages, approvals shall follow internal procedures agreed between TNGCC and the PEAs, consistent with the Procurement Regulations and issued bidding documents.

280. Following approval of the evaluation / award recommendation, the respective PEA shall issue the notification of award, disclose contract award information, and proceed with contract signing in accordance with applicable disclosure requirements. Requests for debriefing or complaints shall be addressed in accordance with the agreed procurement complaint handling procedures. Detailed post-award and contract management procedures are provided in Annexure 4 – Procurement & Contract Management Procedures.

12.8 Contract Management Oversight

281. Contract management under TN SHORE shall be led by the respective PEA responsible for implementation of the activity. PEAs shall undertake day-to-day supervision of works, goods, and consulting services, verify deliverables, manage site-level implementation issues, and certify payments in accordance with contract provisions and approved milestones.

282. The Supervision Consultant, where engaged for construction works, shall support the PEAs in monitoring construction progress, quality of works, and compliance with approved designs, specifications, and contract conditions, and shall report progress and quality issues to the implementing agencies.

283. The SPMU shall monitor overall contract performance across PEAs, consolidate contract progress reports, and ensure compliance with contractual and reporting requirements. The PEA shall forward all contract-related documents, including payment certificates and contract amendments, to the SPMU for uploading and updating in the STEP Contract Management Module and other agreed project monitoring systems.

284. Regular progress reviews shall be conducted to monitor contract milestones and address implementation delays or performance issues. Procurement-related complaints

arising during contract execution shall be addressed through the agreed procurement complaint handling mechanism.

285. Detailed procedures for contract administration, supervision responsibilities, performance monitoring, documentation, and escalation protocols are provided in Annexure 4 – Procurement & Contract Management Procedures.

12.9 Procurement Monitoring, Reporting and Disclosure

286. Procurement progress is monitored through STEP, which serves as the central platform for procurement planning, obtaining No-Objections, tracking, reporting, and documentation. PEAs provide periodic updates to the SPMU, which consolidates procurement performance information and prepares reports for TNGCC management and the World Bank. Procurement performance is also reviewed through project monitoring and audit mechanisms.

287. Procurement disclosure shall follow the World Bank Procurement Regulations and Government of Tamil Nadu requirements. Contract award information and procurement notices shall be disclosed through STEP and appropriate public procurement portals, as applicable. For community procurement activities below the STEP threshold (USD 10,000) procurement monitoring shall be carried out by the respective PEAs and community-level institutions through maintained records, periodic reporting, and oversight by the SPMU to ensure compliance, transparency, and proper documentation of procurement processes which is provided in detail in Annexure 5 – Community Procurement Plan. Procurement complaints and their resolution status shall be reported through established project reporting mechanisms. Detailed monitoring indicators and contract performance reporting procedures are provided in Annexure 4 – Procurement & Contract Management Procedures.

Table 12.1: Key Performance Indicators (KPIs) for Procurement Monitoring

Sl. No.	Indicator	Formula	Unit	Benchmark
KPI 1	Timely Completion of Work – Percentage of work completed on schedule compared to the contract timeline.	$\frac{(\text{Actual Completion Date} - \text{Planned Completion Date})}{\text{Planned Completion Date}} \times 100$	%	≤ 10% delay
KPI 2	Budget Adherence – Percentage of actual expenditure against the awarded contract value.	$(\text{Actual Expenditure} / \text{Contract Award Amount}) \times 100$	%	≤ 100%

12.10 Procurement Complaint Handling Mechanism

288. The TN SHORE Project shall implement a structured procurement complaint handling mechanism to ensure fair, transparent, and timely resolution of procurement-related grievances in accordance with the World Bank Procurement Regulations. All procurement complaints shall be handled impartially and in a manner that ensures accountability and transparency throughout the procurement process.

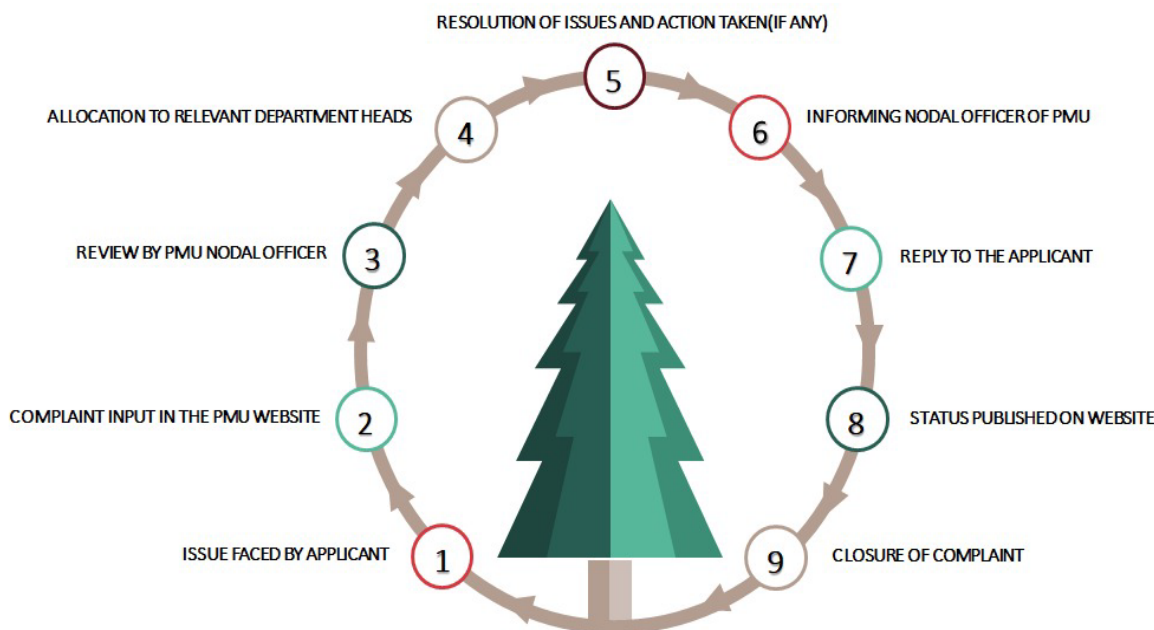
289. All procurement-related complaints (Post and Prior review) shall be recorded and managed through the World Bank's STEP platform. Complaints shall be logged, tracked, updated, and formally closed in STEP upon resolution, ensuring proper documentation and transparency of actions taken.

290. Procurement complaints shall be handled in accordance with procedures applicable to the relevant procurement market approach. For procurements subject to international competition, complaint handling procedures prescribed under the World Bank Procurement Regulations **Annex III**. Procurement-related Complaints shall apply, and procurement actions shall not proceed to the next stage until the complaint is satisfactorily addressed in consultation with the World Bank. For procurements using national market approaches, complaints shall be addressed by the PEAs and SPMU in accordance with agreed procedures while ensuring compliance with World Bank Procurement Regulations. The Detailed Procurement Complaint Handling Mechanism for this project is provided in the Annexure 4 – Procurement & Contract Management Procedures, Section 13: Complaint Redressal Mechanism

291. Procurement complaints shall be submitted in writing to the concerned PEA, which shall acknowledge receipt, examine the complaint, and take appropriate action in consultation with the SPMU. All complaints and their resolution status shall be documented and reported to the World Bank through established reporting mechanisms, and records shall be maintained for audit and oversight purposes.

292. The SPMU and PEAs shall maintain a complaint register and ensure disclosure of procurement complaints and their resolution status through appropriate project communication channels, reinforcing transparency and stakeholder confidence in procurement processes.

Figure 12.1: Structured Workflow for Procurement Complaint Redress



293. Detailed workflows, timelines, and escalation procedures for complaint handling are provided in Annexure 4 – Procurement & Contract Management Procedures

12.11 Community Procurement

294. Certain project activities implemented through community institutions or beneficiary groups follow simplified community procurement procedures consistent with World Bank regulations.

295. The SPMU and PEAs provide oversight and capacity support to ensure transparency and compliance. Detailed procedures, thresholds, and documentation requirements are provided in Annexure 5 – Community Procurement Plan.

296. Community procurement will generally use simplified methods such as request for quotations, direct contracting (where justified), or community contracting, depending on the nature and value of the activity. The SPMU will monitor compliance and ensure that all community procurement is recorded and reported through the agreed project reporting systems.

297. Detailed procedures, eligibility criteria, thresholds, roles, documentation formats, and monitoring arrangements are provided separately in Annexure, which shall be followed for all community-implemented activities.

12.12 Procurement Risks and Mitigation Measures

298. Procurement risk for the TN SHORE Project is assessed as Substantial, considering the involvement of multiple PEAs at different levels of implementation with varying procurement capacities, which necessitates strengthened coordination and

monitoring arrangements. Additional risks arise from the technical complexity of specialized and large-value contracts, potential delays in procurement processing, contract management capacity gaps, and market constraints for certain ecological restoration and infrastructure activities.

299. To mitigate these risks, the Project will strengthen procurement and contract management capacity within the SPMU and PEAs through targeted training and technical support. Procurement planning and implementation will be regularly reviewed through updates of the Procurement Plan in STEP. Early market engagement will be undertaken for complex procurement packages wherever required to enhance competition and improve procurement outcomes. Procurement performance will be monitored through STEP and project reporting systems, while transparency and accountability will be strengthened through effective disclosure practices and operation of the procurement complaint handling mechanism. A detailed assessment of procurement risks and corresponding mitigation measures is provided in the PPSP, which serves as the primary reference for procurement risk management under the Project.

12.13 Key Procurement Risks and Mitigation Measures

300. In the event of activation of the Contingent Emergency Response Component (CERC), procurement of goods, works, non-consulting services, and consulting services shall be carried out in accordance with the World Bank Procurement Regulations and the provisions of the Loan Agreement applicable to emergency response activities. Procurement arrangements shall follow the emergency procurement procedures agreed for the Project to enable rapid response while ensuring compliance with World Bank requirements.

301. Upon activation of CERC, the SPMU shall prepare or update a CERC-specific Procurement Plan describing the activities to be financed, applicable procurement methods, market approaches, and review arrangements. The Procurement Plan shall be processed through STEP for World Bank clearance prior to commencement of procurement actions.

302. During emergency implementation, streamlined and fit-for-purpose procurement methods permitted under the World Bank Procurement Regulations may be used, including direct contracting, request for quotations, rapid selection of consultants, and other emergency procurement approaches as appropriate to the situation. Detailed operational procedures, roles, documentation requirements, and workflows for emergency response procurement are provided in the CERC Manual and related emergency response provisions included in the PIP, which shall be referred to for procedural guidance.

12.14 Record Keeping and Compliance

303. All procurement documentation shall be retained by implementing agencies in accordance with Loan Agreement requirements and made available for audit and World Bank review when required. Non-compliance with agreed procurement procedures may result in misprocurement and cancellation of financing for affected expenditures.

13 Environmental and Social Risk Management

13.1 Introduction

304. The TN SHORE project is designed to enhance coastal resilience, conserve biodiversity, and empower local communities through a robust and adaptive Environmental and Social Risk Management (ESRM) framework. This framework ensures that all project interventions are implemented with a strong commitment to environmental sustainability, social inclusivity, and strict adherence to national and international regulatory standards.

305. The TN SHORE project integrates nature-based solutions, infrastructure development, and livelihood enhancement initiatives to address coastal challenges while minimizing environmental and social impacts. Aligned with the World Bank's Environmental and Social Framework (ESF) and India's regulatory standards, the project upholds principles of transparency, accountability, and active community participation. The adaptive ESRM framework ensures long-term benefits for coastal ecosystems and communities, fostering resilience and sustainable development.

13.2 Relevant Policy, Legal, and Institutional Framework

306. The TN SHORE project is anchored in robust policy, legal, and institutional frameworks that address the complex environmental and social challenges facing Tamil Nadu's coastal regions. These frameworks provide the necessary regulatory guidance and strategic direction, ensuring compliance with both national and international standards, thereby reinforcing the project's effectiveness and sustainability.

- I. **Environmental Protection Act, 1986:** This Act serves as the foundation of India's environmental regulatory framework, establishing stringent measures to prevent environmental degradation. It provides overarching provisions for safeguarding natural ecosystems and promoting sustainable resource use, which are integral to TN SHORE's objectives.
- II. **Coastal Regulation Zone (CRZ) Notification, 2019:** This regulation outlines clear guidelines for sustainable coastal management, ensuring a balance between development and ecological preservation. TN SHORE aligns with these directives by emphasizing nature-based solutions, biodiversity conservation, and climate adaptation to strengthen coastal resilience.
- III. **World Bank Environmental and Social Framework (ESF):** As a World Bank-supported initiative, TN SHORE adheres to the ESF, which sets globally recognized standards for environmental and social sustainability. The framework emphasizes transparency, equity, and accountability, ensuring that project activities mitigate adverse impacts while maximizing benefits for both communities and ecosystems.
- IV. **Tamil Nadu State Action Plan on Climate Change (TNSAPCC):** The TNSAPCC 2.0 reflects the state's commitment to climate resilience and sustainable development. By aligning with this plan, TN SHORE integrates state-level climate

adaptation strategies into its interventions, ensuring coherence with Tamil Nadu's broader vision for combating climate change and promoting long-term coastal sustainability.

13.3 Environmental and Social Framework (ESF)

307. The World Bank's ESF has been systematically applied to the KSHORE project to comprehensively assess, manage, and mitigate environmental and social risks arising from project activities. All Environmental and Social Standards (ESSs), except ESS 9, are applicable to the project, as it does not involve any financial intermediaries.

To effectively address environmental and social risks, the project has developed a suite of risk management instruments, including:

- I. **Environmental and Social Management Framework (ESMF)** – Provides overarching guidelines for identifying, assessing, and managing environmental and social risks throughout the project lifecycle.
- II. **Generic Environmental and Social Management Plans (ESMPs)** – Outline specific mitigation measures tailored to project activities, ensuring adherence to environmental and social safeguards.
- III. **Labor Management Plan (LMP)** – Establishes mechanisms for fair labor practices, worker safety, and compliance with labour laws and standards.
- IV. **Resettlement Policy Framework (RPF)** – Ensures that any potential resettlement is managed equitably, minimizing adverse impacts on affected communities while providing appropriate compensation and livelihood restoration measures.

These instruments collectively ensure that all identified risks and impacts are systematically managed, aligning the project with both national regulations and the World Bank's environmental and social sustainability standards.

13.4 Environmental and Social Management Plan (ESMP)

308. The ESMP for the TN SHORE project adopts a structured, proactive approach to risk mitigation, regulatory compliance, and the seamless integration of environmental and social safeguards throughout all phases of project implementation. By aligning with internationally recognized best practices, the ESMP strengthens the project's commitment to sustainability, resilience, and community well-being. The key components of the ESMP are outlined below:

13.4.1 Mitigation Measures

309. The ESMP establishes targeted strategies to mitigate adverse environmental and social impacts, ensuring that project activities align with ecological and community priorities. Key mitigation measures include:

- i. **Ecological Synchronization:** Coastal restoration activities, such as mangrove rehabilitation, are scheduled in accordance with natural ecological cycles. This approach minimizes disruption to local biodiversity and enhances the success of ecosystem restoration efforts.
- ii. **Pollution Control and Waste Management:** The project implements targeted interventions to reduce single-use plastics, strengthen waste management systems,

and introduce real-time water quality monitoring. These measures are designed to protect marine ecosystems and promote a cleaner, healthier coastal environment.

- iii. **Sustainable Construction Practices:** Infrastructure development follows eco-friendly guidelines, including stringent dust and noise control measures, restricted working hours to minimize community disruption, and the use of sustainable materials to reduce environmental impact.

13.4.2 Monitoring and Compliance

310. The TN SHORE project implements a comprehensive monitoring and compliance framework to ensure that mitigation measures effectively achieve their intended outcomes. This framework is designed to maintain transparency, accountability, and adaptive management throughout project implementation.

- i. **Key Performance Indicators (KPIs):** Measurable indicators are established to systematically assess the effectiveness of environmental and social safeguards. These metrics enable real-time performance tracking and facilitate timely interventions to address any identified gaps or areas requiring improvement.
- ii. **Regular Inspections and Community Oversight:** Scheduled site inspections, combined with active community participation, create a robust monitoring mechanism. This participatory approach fosters continuous feedback loops, ensuring that safeguards are effectively implemented, periodically refined, and aligned with both regulatory requirements and community expectations.

13.4.3 Capacity Building

311. Strengthening the capacity of stakeholders is crucial for ensuring the long-term sustainability of project outcomes and the effective implementation of environmental and social safeguards. The TN SHORE project integrates structured training and knowledge-sharing initiatives to build technical expertise and foster community engagement.

- i. **Stakeholder Training and Workshops:** Targeted capacity-building programs are conducted for government agencies, project partners, and local organizations. These workshops focus on regulatory compliance, best practices in coastal management, and sustainable development strategies, ensuring that all stakeholders are well-equipped to implement and uphold project safeguards.
- ii. **Community Empowerment and Engagement:** Local communities are provided with training, tools, and resources to actively monitor and report environmental and social impacts. This participatory approach fosters a sense of ownership and stewardship, encouraging communities to take an active role in safeguarding coastal ecosystems and ensuring sustainable development.

13.4.4 Accountability and Reporting

312. Ensuring transparency and accountability is fundamental to the ESMP, fostering stakeholder confidence and reinforcing trust in project implementation. The TN SHORE project establishes a structured reporting framework to track progress, evaluate compliance, and facilitate informed decision-making.

- i. **Periodic Progress Reports:** Regularly published reports provide comprehensive updates on the implementation of environmental and social safeguards, progress against Key Performance Indicators (KPIs), and any corrective actions taken to address identified gaps.
- ii. **Independent Audits:** Third-party audits ensure impartial evaluations of project compliance with environmental and social safeguards. These assessments help identify areas for improvement, verify adherence to global best practices, and enhance the project's credibility.
- iii. **Public Disclosure and Stakeholder Engagement:** Findings and updates are proactively shared through accessible platforms, ensuring transparent communication with all stakeholders. This approach encourages broader public engagement, fosters collective accountability, and strengthens community participation in project oversight.

13.5 Environmental and Social Risks and Mitigation Measures

313. The project has been assigned an overall environmental and social (E&S) risk rating of "Substantial." While most interventions are small to medium-scale, community-driven, and nature-based, the project's geographical coverage, diverse activities, and temporary implementation impacts contribute to this classification. Key risks include:

- **Environmental Degradation** – Potential disturbances to coastal ecosystems due to project activities.
- **Community Access and Livelihood Disruptions** – Temporary restrictions on local communities' access to resources and economic activities.
- **Health and Safety Hazards** – Risks posed to workers and nearby populations during construction and restoration activities.
- **Gender-Based Violence (GBV)** – Potential risks associated with labor influx and community interactions.

However, these risks are localized, predictable, manageable, and reversible. The ESMP incorporates comprehensive mitigation strategies to effectively address and minimize these impacts, ensuring compliance with environmental sustainability, community well-being, and social safeguards.

314. The project's environmental risks primarily arise from activities such as infrastructure development, mangrove restoration, seagrass transplantation, and waste management interventions. Potential environmental concerns include:

- **Temporary pollution** – Air, water, and soil contamination during construction and restoration activities.
- **Habitat disruption** – Short-term disturbances to coastal and marine ecosystems.
- **Soil and water contamination** – Potential leakage of pollutants from construction or waste management processes.
- **Occupational hazards** – Health and safety risks for workers engaged in project activities.

Similarly, social risks include:

- Temporary restrictions on access to project sites, potentially affecting local communities.

- Livelihood impacts on small vendors and fisherfolk due to construction-related disruptions.
- Risks of wage disparities or suboptimal working conditions for labourers involved in project activities.

However, physical displacement, impacts on cultural heritage, or significant land acquisition are not anticipated, as most project interventions will be implemented on government-owned or poramboke lands. The project is designed to ensure minimal disruption to local communities while incorporating robust mitigation measures through the ESMP to safeguard environmental integrity and social well-being.

315. A detailed activity-wise matrix outlining potential risks, applicable ESS, risk categories, and corresponding mitigation measures is provided in Annexure 13.1. The ESMP prioritizes:

- Avoidance of environmentally sensitive areas through robust site selection criteria to minimize ecological impact.
- Early stakeholder engagement to proactively address concerns and ensure community participation.
- Capacity enhancement and participatory processes to strengthen community institutions and mobilize stakeholders at every stage of project implementation.

To bridge capacity gaps, TN SHORE will implement targeted capacity-building initiatives, focusing on:

- Vulnerability mapping and participatory planning to enhance resilience and preparedness.
- Social inclusion strategies, ensuring equitable participation of marginalized communities.
- Technical support from domain experts specializing in community engagement and social development to guide implementation.

For environmental risk management, dedicated specialists will conduct continuous assessments, ensuring strict compliance with ESS guidelines and local regulations while effectively mitigating project-related impacts.

316. The project incorporates comprehensive mitigation strategies to minimize environmental and social risks while ensuring compliance with global best practices and regulatory standards. Key measures include:

- **Eco-Friendly Construction Practices** – Adoption of sustainable building materials, low-impact construction techniques, and energy-efficient methods to reduce environmental footprints.
- **Pollution Control Systems** – Implementation of waste management protocols, air and water quality monitoring, and emission control measures to mitigate contamination risks.
- **Labor Standards and Worker Protection** – Clear communication and enforcement of fair labour practices, occupational health and safety standards, and equitable wage policies to protect workers' rights.

- **Site-Specific Risk Management Frameworks** – Development of Security Risk Assessments (SRAs) and Security Management Plans (SMPs) for interventions in ecologically and socially sensitive areas to ensure risk mitigation and community safety.
- **Safeguards for Vulnerable Groups** – The project integrates strict adherence to Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) laws, providing targeted protections for women, marginalized populations, and at-risk communities.

317. Through the implementation of proactive risk management strategies, the project aims to:

- Minimize adverse environmental and social impacts, ensuring responsible and sustainable project execution.
- Strengthen institutional capacity, equipping stakeholders with the necessary expertise and resources to uphold environmental and social safeguards.
- Deliver long-term, inclusive benefits for both coastal communities and ecosystems, fostering resilience and sustainability.

The ESMP and its comprehensive mitigation measures are designed to ensure that all project activities generate net-positive outcomes while upholding the core principles of equity, transparency, and environmental sustainability.

13.6 Integrated Coastal Zone Management Plan (ICZMP)

318. The ICZMP serves as the strategic foundation of the TN SHORE project, integrating diverse interventions into a cohesive framework that advances coastal sustainability, resilience, and inclusive development. By adopting a risk-based approach, the ICZMP ensures that environmental and social impacts are systematically addressed, striking a critical balance between ecosystem conservation and the socioeconomic well-being of coastal communities. This framework protects natural ecosystems and also:

- Empowers coastal communities by enhancing their capacity to adapt to environmental and economic challenges.
- Promotes equitable development, ensuring that vulnerable groups benefit from sustainable coastal management strategies.
- Strengthens climate resilience, enabling proactive responses to coastal hazards and long-term environmental sustainability.

13.6.1 RiskBased Approach

319. To effectively manage the diverse range of activities under the project, the ICZMP adopts a tailored, risk-based methodology that classifies subprojects based on their potential environmental and social impacts.

- Low-to-Medium Risk Subprojects:** These include community-led initiatives and minor infrastructure improvements, which pose limited environmental and social risks. Such projects undergo Environmental and Social Due Diligence (ESDD) assessments, enabling the early identification of potential risks. This proactive approach allows for the implementation of straightforward mitigation measures, ensuring compliance with environmental and social safeguards while facilitating efficient execution.

- ii. **Substantial Risk Subprojects:** These involve large-scale infrastructure development and significant habitat restoration efforts, which have a higher potential for environmental and social impacts. Such projects undergo comprehensive ESIA, which include customized mitigation plans tailored to address specific risks. This rigorous evaluation process minimizes potential adverse effects while maximizing ecological and community benefits.

13.6.2 Supporting Frameworks

320. The ICZMP is strengthened by several key frameworks that address specific dimensions of environmental and social management, ensuring a comprehensive, compliant, and sustainable approach.

- i. **Labor Management Procedures (LMP):** Designed to safeguard worker welfare, the LMP establishes clear guidelines for workplace safety, fair compensation, and ethical labour practices. It ensures that all project activities adhere to national and international labour standards, fostering a secure, fair, and inclusive working environment.
- ii. **Resettlement Policy Framework (RPF):** For activities involving land acquisition or potential displacement, the RPF provides a structured approach to guarantee fair compensation, livelihood restoration, and equitable treatment of affected communities. This framework emphasizes minimal displacement, transparent engagement, and socially responsible resettlement strategies.
- iii. **Stakeholder Engagement Plans (SEPs):** Continuous and meaningful stakeholder engagement is critical to the TN SHORE project's success. SEPs facilitate regular consultations, transparent information sharing, and an accessible grievance redress mechanism, ensuring that community voices are actively integrated into decision-making and project implementation.
- iv. **Environmental and Social Commitment Plans (ESCPs):** ESCPs outline TN SHORE's commitments to adhering to World Bank ESS. These plans reinforce transparency, accountability, and alignment with international best practices, underscoring the project's dedication to sustainability, equity, and responsible governance.

13.7 Gender Mainstreaming

321. The TN SHORE project aims to reduce the gender gap in Female Labour Force Participation (FLFP), which exceeds 30 % points across the coastal regions of Tamil Nadu. The project will create long-term, climate-resilient formal employment opportunities specifically for women. By ensuring equitable access to opportunities, strengthening supporting structures, and actively involving women in project activities, the project seeks to empower women and promote gender equality in the workforce.

13.7.1 Initiatives for Ensuring Gender Equity

322. The project incorporates targeted initiatives to bridge gender gaps and promote equitable participation of women in coastal resilience and economic activities. Key strategies include:

- i. **Skills Training for Empowerment:** The project offers tailored training programs to equip women with the skills and knowledge required to succeed in emerging blue economy sectors, including ecotourism, sustainable fisheries, and plastic waste management. Additionally, women receive entrepreneurial training in business management, marketing, and value-added production, enabling them to establish sustainable livelihoods and actively contribute to the local economy.
- ii. **Employment Quotas for Inclusivity:** To ensure meaningful participation, TN SHORE will implement employment quotas mandating at least 30% female representation across key project activities. This approach prioritizes the inclusion of women, particularly from vulnerable and marginalized communities, in sectors such as mangrove restoration, marine waste recycling, and ecotourism ventures.
- iii. **Safe and Supportive Work Environments:** Establishing a secure and inclusive workplace is essential for sustained female participation. The project will provide comprehensive support systems, workplace safety training, and strict adherence to health and labour protocols. These measures will create a positive work environment, encouraging women to take on leadership roles and engage in long-term employment opportunities.

13.7.2 Monitoring Progress and Ensuring Impact

323. To evaluate the effectiveness of its gender mainstreaming initiatives, the project employs a comprehensive tracking system with key performance metrics and stakeholder feedback mechanisms.

- i. **Enhancing Female Employment:** The project systematically monitors female workforce participation across targeted sectors, with a minimum benchmark of 30% female engagement in key activities such as mangrove restoration and Material Recovery Facilities (MRFs).
- ii. **Assessing Skills Development Outcomes:** The number of women trained and employed in project-related activities serves as a primary indicator of success. Regular stakeholder feedback and market assessments ensure that training programs remain aligned with industry demands and community needs.
- iii. **Evaluating Job Satisfaction and Workplace Safety:** Periodic employee satisfaction surveys assess workplace conditions, perceptions of safety, and the effectiveness of support services. These insights enable continuous improvements, ensuring that project interventions remain responsive to the expectations and needs of women in the workforce.

13.8 Stakeholder Engagement and Citizen Participation

324. The project fosters inclusive community engagement by empowering stakeholders and integrating diverse perspectives into its planning and implementation processes. This approach ensures that project objectives align with community aspirations, fostering a sense of shared responsibility, ownership, and long-term sustainability.

13.8.1 Key Initiatives

325. The project ensures active community participation in ecosystem conservation and decision-making, fostering inclusive and sustainable coastal management. Key initiatives include:

- i. **Community-Based Conservation:** The project prioritizes the direct involvement of local communities in coastal and marine conservation efforts. Through training programs in mangrove restoration, biodiversity protection, and sustainable resource management, community members gain valuable skills that enhance both environmental stewardship and livelihood opportunities. This hands-on approach cultivates a sense of ownership, ensuring that conservation initiatives are locally driven and sustainable.
- ii. **Beach Management Committees (BMCs):** The project supports the formation of BMCs as inclusive, participatory platforms bringing together fishermen, women's groups, local authorities, and youth leaders. These committees collaboratively oversee critical aspects of shoreline management, pollution control, ecotourism development, and disaster preparedness. By amplifying local voices, BMCs strengthen equitable and effective coastal governance.
- iii. **Knowledge-Sharing Platforms:** To enhance transparency and collaboration, the project will establish digital platforms that provide stakeholders with real-time project data, environmental monitoring results, and updates on interventions. These platforms will also include interactive tools for communities to share observations, provide feedback, and contribute suggestions, fostering a dynamic, two-way exchange of information that enhances community engagement and project adaptability.

13.8.2 Citizen Engagement Monitoring

326. The project adopts an inclusive and participatory approach to ensure meaningful citizen engagement across all project components. Key strategies include:

- i. **Perception Surveys:** The project conducts regular community perception surveys to evaluate stakeholder satisfaction with project interventions. These surveys assess key areas such as environmental improvements, livelihood opportunities, and inclusiveness in decision-making. The insights gathered help refine project strategies, ensuring that interventions remain responsive to community needs.
- ii. **Feedback-Driven Adjustments:** Stakeholder feedback is a cornerstone of TN SHORE's adaptive management approach. The project actively integrates community suggestions and concerns to improve its initiatives. By ensuring timely and meaningful responses to feedback, the project fosters trust, transparency, and sustained community engagement.

13.9 Grievance Redress Mechanism (GRM)

327. A robust GRM is a core component of TN SHORE's commitment to transparency, inclusivity, and accountability. The GRM provides community members, project workers, and other stakeholders with accessible and structured channels to:

- Raise concerns related to project activities.
- Seek clarifications on environmental, social, or operational aspects.

- Resolve grievances through a fair, transparent, and timely process.

By fostering trust, collaboration, and responsiveness, the GRM not only enhances stakeholder confidence but also strengthens the project's adaptive capacity, enabling continuous improvements based on stakeholder feedback.

13.9.1 Key Features

328. The project will implement a comprehensive and accessible GRM, ensuring that stakeholders from diverse backgrounds can easily register and resolve grievances through multiple channels. Key features include:

- Multiple Access Points** – The GRM is designed to provide equitable and inclusive access, enabling all stakeholders to submit concerns through various convenient channels.
- Dedicated Hotline and Toll-Free Number** – A toll-free grievance hotline ensures that stakeholders, particularly those in remote areas, can easily report grievances and seek assistance without barriers.
- User-Friendly Online Platform** – A digital grievance portal allows stakeholders to submit complaints, track resolution progress, and receive real-time updates, promoting transparency and efficiency.
- Local Grievance Offices** – Physical grievance desks at project sites provide in-person support, where trained staff assist in documenting and addressing concerns, ensuring direct engagement with affected communities.

13.9.2 Structured Resolution Process:

329. The GRM follows a systematic, transparent, and time-bound approach to ensure that all grievances are addressed efficiently and fairly. Key components include:

- Grievance Tracking System** – A centralized database records and monitors all complaints, tracking their progress from submission to resolution, ensuring transparency and accountability at every stage.
- Defined Timelines** – Clear timeframes are established for each phase of the grievance resolution process, including acknowledgment, investigation, and final resolution, providing predictability and reassurance to complainants.
- Regular Updates** – Complainants receive timely notifications on the status of their grievances, fostering trust, transparency, and confidence in the system.

13.9.3 Independent Oversight for Complex Cases

330. For grievances requiring additional scrutiny beyond routine resolution processes, the project employs impartial oversight mechanisms to ensure fairness, transparency, and accountability. Key measures include:

- Grievance Committee** – A dedicated independent panel consisting of project representatives, community leaders, and subject matter experts is responsible for reviewing and resolving complex or contentious grievances, ensuring balanced decision-making.
- Third-Party Mediation** – In cases where disputes arise, neutral mediators may be engaged to facilitate dialogue, foster mutual understanding, and ensure unbiased resolutions.

- iii. **Periodic Audits** – Regular assessments and audits of the GRM's effectiveness ensure that it remains a reliable, responsive, and transparent grievance resolution mechanism, continuously improving based on stakeholder feedback and best practices.

13.9.4 Grievance Redress Service (GRS)

331. As an additional grievance resolution mechanism, the project provides access to the World Bank's GRS, allowing adversely affected communities and individuals to submit complaints related to project activities. The GRS ensures that all grievances are promptly reviewed and addressed in a transparent and fair manner. Additionally, project-affected communities and individuals have the option to escalate their concerns to the World Bank's independent Accountability Mechanism (AM), which consists of:

- The Inspection Panel – Determines whether harm has occurred or could occur due to noncompliance with the World Bank's policies and procedures.
- The Dispute Resolution Service (DRS) – Provides communities and borrowers with the opportunity to resolve complaints through a structured mediation process.

Stakeholders can submit complaints to the Accountability Mechanism (AM) at any time, provided that concerns have first been brought to the attention of World Bank Management, allowing them the opportunity to respond.

For more information on submitting complaints to the World Bank's GRS, visit: World Bank GRS. For more details on the World Bank's Accountability Mechanism, visit: <https://accountability.worldbank.org>

13.10 Environmental and Social Commitment Plan (ESCP)

332. The ESCP defines the obligations of the TNGCC to ensure that the TN SHORE project complies with the World Bank's ESS. The ESCP outlines the measures and actions necessary for effective environmental and social risk management, ensuring that all project activities are conducted in a manner acceptable to the World Bank and aligned with global best practices in sustainability and social responsibility.

333. The ESCP defines clear responsibilities for monitoring, reporting, and managing environmental and social risks throughout the project lifecycle. Key provisions include:

- i. Dedicated Environmental, Social, and Communication (ESC) Cell – The TNGCC will establish and maintain an ESC cell to oversee environmental and social compliance.
- ii. Implementation of the ESMF – Ensuring adherence to safeguard policies related to labour standards, waste management, and community health and safety.
- iii. Regular Monitoring and Reporting – The ESCP mandates periodic reporting, third-party audits, and a robust grievance redress mechanism to enhance transparency and accountability.
- iv. Incident and Contractor Management – Establishing protocols for incident response and ensuring that contractors comply with environmental and social safeguards.

- v. Capacity Building for Stakeholders – Strengthening institutional and community capacities through training programs and stakeholder engagement initiatives.

A detailed ESCP, including specific measures, timelines, and responsible entities, is provided in Annexure 13.2.

13.10.1 Implementation of ESCP

334. The SPMU will ensure that all project components are implemented in strict accordance with the ESCP in a manner acceptable to the World Bank. Key implementation commitments include:

- **Due Diligence** – The measures and actions outlined in the ESCP will be implemented efficiently and with due diligence to ensure full compliance with environmental and social safeguards.
- **Resource Allocation** – Sufficient financial resources will be allocated to cover the costs of ESCP implementation, ensuring its effective execution.
- **Policies and Staffing** – The SPMU will maintain robust policies and procedures while ensuring that qualified and experienced personnel are retained in adequate numbers to oversee ESCP implementation.
- **Compliance and Amendments** – The TNGCC will not amend, repeal, suspend, or waive any provisions of the ESCP without prior written agreement from the World Bank. Any revised ESCP will be promptly disclosed. In case of inconsistencies, the provisions of the Project Agreement will take precedence.
- **Reporting** – The TNGCC, through the SPMU, will collect, compile, and submit regular reports to the World Bank, including:
 - a) Status of ESCP implementation.
 - b) Identification of challenges or threats to ESCP compliance.
 - c) Corrective and preventive actions taken to address any risks or non-compliance issues.
- **Incident Notification** – The TNGCC will promptly inform the World Bank of any incident or accident that could have a significant adverse impact on the environment, affected communities, the public, or workers, in accordance with ESCP and ESS.
- **Grievance Mechanism** – The TNGCC, through the SPMU and PEAs, has established an accessible grievance redress mechanism to receive, address, and resolve concerns from project-affected people. The project will take all necessary measures to facilitate the fair and transparent resolution of grievances, in consultation with the World Bank.

By upholding these commitments, the project ensures effective ESCP implementation, regulatory compliance, and sustained environmental and social safeguards throughout the project lifecycle.

14 Monitoring and Evaluation (M&E) Management

14.1 Introduction

335. The Monitoring and Evaluation (M&E) framework is integrated across all project components and implementation levels, involving both project implementing and executing agencies. At its core, the M&E system is anchored in the Results Framework, which serves as the primary tool for tracking and assessing the project's progress toward its objectives. This structured approach ensures systematic data collection, performance measurement, and evidence-based decision making, facilitating effective project implementation and accountability.

14.2 Objectives

336. The Monitoring and Evaluation (M&E) framework for the TNSHORE project is structured to achieve the following key objectives:

- (i) **Assess Project Impact:** Evaluate the achievement of project outcomes as defined in the Results Framework, ensuring alignment with the overarching goals of the TNSHORE project.
- (ii) **Monitor Implementation Progress:** Track key outputs and outcomes against the defined Annual Work Plans (AWPs) to ensure timely and effective execution of project activities.
- (iii) **Enhance Accountability and Quality Assurance:** Capture project milestones, document qualitative improvements, and provide actionable feedback to strengthen accountability, implementation quality, and social cohesion.
- (iv) **Promote Knowledge Sharing and Continuous Improvement:** Document and disseminate lessons learned and best practices to facilitate adaptive learning and inform future coastal resilience initiatives.
- (v) **Support Adaptive Management:** Identify implementation challenges and gaps early, enabling evidence-based decision making and timely corrective actions aligned with the project's Theory of Change and long-term strategic objectives.

14.3 M&E Framework

337. The M&E system for the TNSHORE project is structured around the Results Framework and comprises key components designed to ensure accountability and effectiveness. These include the Results Framework, a comprehensive Monitoring and Evaluation Plan, an optimized data flow and reporting mechanism, and structured evaluations to assess project performance and impact. This integrated approach enables

systematic tracking of progress, evidence based decision-making, and continuous improvement throughout the project lifecycle.

14.1.1 Results Framework

338. The Results Framework forms the foundation of TNSHORE's Monitoring and Evaluation (M&E) system, enabling systematic tracking of progress and performance through well-defined indicators for each project component. Data collection methodologies include field surveys, remote sensing, and direct measurements of key coastal ecosystems such as mangroves, seagrass meadows, shelterbelt plantations, and wetlands. During implementation, the State Project Management Units (SPMUs) will aggregate data from Project Executing Agencies (PEAs) using the established indicators and compile state specific annual reports to ensure accountability and transparency. The detailed Results Framework is provided in Annexure 3.1.

14.1.2 Monitoring and Evaluation Plan

339. The M&E Plan establishes a structured approach to systematically collect, monitor, and evaluate data, ensuring that the project remains aligned with its objectives while responding proactively to emerging challenges. By integrating robust methodologies with a strong emphasis on inclusivity and equity, the plan provides a framework for assessing the effectiveness of interventions and ensuring sustainable project outcomes.

- (i) **Field Surveys and Remote Sensing:** The M&E Plan utilizes advanced geospatial tools to monitor key ecosystem parameters, including the restoration of mangroves, seagrass meadows, shelterbelt plantations, and wetland health. These real-time insights facilitate evidence based decision-making and support adaptive management strategies for enhanced environmental resilience.
- (ii) **Project Intervention Data:** A structured data collection process captures key project activities, such as marine pollution management, livelihood enhancement, and community engagement, enabling a rigorous evaluation of their impact. This evidence driven approach ensures that each intervention contributes effectively to the project's overarching goals.
- (iii) **Thematic Studies:** The M&E Plan incorporates targeted thematic studies on critical issues such as gender equity, social inclusion, and economic impacts. Through case studies and qualitative analysis, these studies highlight best practices, capture key learnings, and identify areas for improvement, ensuring a holistic understanding of project outcomes.

14.1.3 Data Flow and Information Reporting

340. A standardized reporting framework ensures a clear, organized, and efficient flow of information across all levels of project implementation. The data collection and reporting system is designed to facilitate real-time progress tracking, enable evidence-based decision-making, and promote accountability throughout the project lifecycle. Field level data is systematically gathered by implementation teams and channelled through SPMUs and PEAs, creating a robust and dynamic information pipeline.

- (i) **Quarterly Reports:** Field data is consolidated into quarterly progress reports by SPMUs, providing a structured overview of achievements, challenges, and corrective

actions taken. These reports play a crucial role in early problem identification and resolution, ensuring that the project remains on track.

- (ii) **Annual Reports:** These reports offer a comprehensive evaluation of project performance over the year, incorporating stakeholder feedback, lessons learned, and impact assessments. They serve as essential tools for tracking progress, highlighting successes, and identifying areas for further improvement.
- (iii) **Project End Reports:** At project completion, endterm reports provide a holistic assessment of overall outcomes, sustainability of interventions, and long-term community and ecosystem impacts. These reports act as a strategic roadmap for scaling up successful initiatives and refining future implementation strategies.

14.4 Annual Work Plans

341. The Annual Work Plan (AWP) serves as a detailed roadmap outlining the planned activities under each project component for the fiscal year. It includes a comprehensive breakdown of activities, associated costs, and budget allocations to ensure effective implementation and financial planning. The AWP shall be submitted to the World Bank by January 31 of each fiscal year and will be finalized in consultation with the Bank to ensure alignment with project objectives and strategic priorities. The first year AWP and budget must be submitted prior to the commencement of project activities, ensuring a well-structured and coordinated implementation approach from the outset.

14.5 Progress Monitoring and Reporting

342. The M&E framework for TNSHORE is structured to facilitate continuous and dynamic progress tracking, ensuring that project implementation remains aligned with its objectives. This proactive approach enables the early identification of challenges, supports timely corrective actions, and enhances overall project efficiency and impact. By generating real-time, data driven insights, the framework strengthens accountability, adaptability, and decision making, ensuring the project delivers sustainable and measurable outcomes.

14.5.1 Quarterly and Annual Progress Reports

343. Progress reporting is a critical component of the TNSHORE M&E framework, ensuring transparency, accountability, and informed decision making throughout project implementation.

- (i) **Reporting Frequency:** Quarterly and annual progress reports are systematically prepared by the SPMUs and PEAs to track implementation progress.
- (ii) **Report Content:** These reports provide comprehensive updates on key milestones achieved, challenges encountered, mitigation measures adopted, and stakeholder engagement outcomes.
- (iii) **Strategic Purpose:** The reports serve as an essential decision-making tool, equipping project leaders with critical insights to identify gaps, refine strategies, and ensure that project activities remain on track for effective implementation.

14.5.2 Midterm and End Term Evaluations

344. To ensure objective assessment and evidence-based decision making, midterm and end term evaluations are conducted by independent experts, providing unbiased insights and credible recommendations for optimizing project performance and sustainability.

- (i) **Midterm Evaluation:** Conducted at the project's halfway point, this evaluation offers a comprehensive assessment of progress, reviewing milestone achievements, identifying bottlenecks, and recommending strategic adjustments to enhance implementation efficiency and impact.
- (ii) **End Term Evaluation:** Conducted upon project completion, this evaluation assesses the overall impact, sustainability of outcomes, and alignment with project objectives. It also documents key lessons learned to inform and strengthen future coastal resilience initiatives.

14.5.3 Legal Requirements

The Project Agreement mandates compliance with the following reporting and evaluation requirements by the TNGCC to ensure effective monitoring, accountability, and alignment with project objectives:

(i) Project Progress Reports:

- a. The TNGCC, through the SPMU, shall monitor and evaluate project implementation and prepare semi-annual Project Reports in accordance with the General Conditions outlined in the IBRD Financing for Investment Project Financing (December 14, 2018, revised July 15, 2023).
- b. These reports shall utilize agreed indicators from the Results Framework to assess progress, challenges, and corrective actions.
- c. Each Project Report shall cover a six-month period and must be submitted to the World Bank no later than forty-five (45) days after the end of the reporting period.

(ii) Midterm Review Report:

- a. The TNGCC, through the SPMU, shall prepare a consolidated Midterm Review Report using a Terms of Reference (ToR) approved by the World Bank.
- b. This report shall be submitted within thirty (30) months from the Effective Date and shall provide a comprehensive assessment of project implementation, progress against targets, and challenges encountered.
- c. It shall also include recommendations to ensure the effective and timely completion of all project components and activities.
- d. The World Bank and project stakeholders shall jointly review the report, and all recommended corrective measures shall be implemented to ensure full achievement of the Project Development Objectives (PDO) by the project closure date.

By adhering to these legal and reporting obligations, the TNSHORE project ensures structured oversight, informed decision making, and accountability, facilitating efficient implementation and sustainable outcomes.

14.6 Baseline and Target Data Collection

345. The success and impact of the TNSHORE project will be evaluated by comparing project outcomes against Baseline Data, which serves as a benchmark for measuring progress and effectiveness. A well-defined baseline enables evidence-based assessment, facilitates adaptive management, and ensures data driven decision making. Comprehensive fieldwork, stakeholder consultations, and secondary data reviews will be conducted to ensure accuracy, inclusivity, and reliability in data collection.

- (i) **Environmental Baseline:** Captures key indicators related to ecosystem health, biodiversity, coastal erosion, and pollution levels. This data establishes a preintervention reference point, enabling precise measurement of environmental restoration and resilience outcomes.
- (ii) **Social Baseline:** Focuses on community resilience, income levels, and livelihoods, with particular emphasis on vulnerable and marginalized groups. This ensures that the socioeconomic impacts of the project are assessed inclusively, promoting equity and sustainability.
- (iii) **Institutional Baseline:** Evaluates the readiness and capacity of implementing agencies to effectively manage and execute project activities. This assessment identifies institutional strengths and areas requiring support, ensuring efficient project implementation and capacity building.

By establishing a robust baseline, the project ensures systematic impact evaluation, promotes continuous learning, and enhances the effectiveness and sustainability of TNSHORE interventions.

14.7 Personal Data

346. All data collection under the TNSHORE project strictly adheres to the World Bank Group's guidelines on personal data handling, ensuring privacy protection, ethical compliance, and data security. The following key principles will be upheld when collecting, storing, using, and processing personal data:

- (i) **Compliance with International Standards:** All personal data will be managed in accordance with internationally recognized data protection and privacy standards and best practices.
- (ii) **Technical Analysis for Data Protection:** If project activities impact personal data protection, a technical assessment will be conducted to identify necessary safeguards and adjustments, ensuring full compliance with data security protocols.
- (iii) **Anonymization in Reporting:** Any information, reports, or documents shared in relation to the project will be carefully reviewed to ensure that no personal data is included, thereby maintaining confidentiality and compliance with privacy regulations.

By integrating these safeguards, the TNSHORE project reinforces responsible data governance, ethical integrity, and the protection of individual privacy rights throughout project implementation.

14.8 Stakeholder Engagement and Participatory Monitoring

347. The TNSHORE project places a strong emphasis on active stakeholder engagement, adopting a participatory monitoring approach to enhance transparency, inclusivity, and local ownership of project outcomes. By empowering communities and stakeholders, the project fosters trust, collaboration, and long-term sustainability.

(i) Community Consultations:

- a. Regular engagement sessions will be conducted with local communities to ensure that project interventions are aligned with their needs and aspirations.
- b. These consultations create an open dialogue, allowing for real-time feedback and ensuring that activities address ground level challenges while reflecting local priorities.

(ii) Community Driven Data Collection:

- a. Local stakeholders will be actively involved in monitoring project activities, particularly in areas such as pollution management and livelihood initiatives.
- b. By integrating local voices into the data collection process, the project enhances accuracy, transparency, and accountability, while also fostering a sense of responsibility and stewardship among participants.

(iii) Satisfaction Surveys:

- a. Biennial surveys will be conducted to assess community perceptions of project impacts, focusing on areas such as environmental improvements, livelihood enhancements, and inclusivity.
- b. Insights from these surveys will inform strategic refinements, ensuring that project interventions remain relevant, responsive, and impactful.

14.9 Governance and Oversight Mechanism

348. The TNSHORE project prioritizes M&E as a cornerstone for achieving its objectives of sustainable coastal development and climate resilience. By integrating robust oversight mechanisms, advanced data management systems, and adaptive strategies, the project ensures transparency, accountability, and continuous improvement throughout its implementation.

(i) State Level Oversight

- a. The TNGCC Board as the apex oversight body, ensuring that the project remains strategically aligned with the Tamil Nadu State Action Plan on Climate Change (TNSAPCC) and other state policies.
- b. The TNGCC Board conduct periodic reviews of reports submitted by the SPMU to monitor progress, assess outcomes, and address implementation challenges in a timely manner.

(ii) District Level Oversight

- a. PEAs serve as the critical link between state level strategies and local implementation, translating overarching project objectives into district specific action plans.
- b. By consolidating progress reports from the implementing agencies the PEAs, ensures that on-ground activities remain aligned with the broader project

objectives while maintaining strict adherence to environmental and social safeguard standards.

- c. PEAs facilitate interagency coordination, fostering a collaborative and integrated approach to project execution across multiple stakeholders.

This multitiered governance structure strengthens accountability, enhances coordination, and ensures effective project oversight, contributing to the successful implementation and long-term sustainability of the TNSHORE project.

14.10 Reporting Systems and Data Management

349. The TNSHORE project leverages innovative technologies and standardized protocols to establish a transparent, efficient, and data driven reporting ecosystem. This structured approach ensures real-time monitoring, informed decision making, and enhanced accountability at every level of project implementation.

(i) Integrated Management Information System (MIS)

- a. The MIS serves as a centralized data hub, enabling real-time collection, analysis, and reporting of project activities and outcomes.
- b. By enhancing data transparency and accessibility, the system allows stakeholders at all levels to track progress, identify challenges, and implement timely corrective actions.

(ii) Standardized Reporting Protocols

- a. All implementing agencies, including PEAs, follow uniform reporting templates to ensure consistency and comparability across different districts.
- b. Standardized reporting facilitates efficient performance evaluation, enabling data driven insights to support evidence-based decision making and strategic planning.

(iii) Geospatial and Remote Sensing Tools

- a. Advanced technologies, including GIS and remote sensing, are utilized to monitor key environmental indicators such as habitat restoration, pollution control, and land use changes.
- b. These tools provide precise, real-time tracking of ecological changes, offering a comprehensive assessment of the project's environmental impact and long-term sustainability.

By integrating cutting edge technology, standardized protocols, and data driven methodologies, the TNSHORE project ensures efficient oversight, adaptive management, and enhanced project accountability across all implementation levels.

14.11 Adaptive Management and Continuous Improvement

365 Adaptability is a core principle of the TNSHORE project, ensuring that lessons learned during implementation are continuously integrated into refined strategies and improved decision making. This adaptive approach enhances the project's ability to respond to emerging challenges, stakeholder needs, and evolving environmental conditions.

(i) Feedback Driven Adjustments

- a. Monitoring data and stakeholder feedback are systematically analysed to enable real-time course corrections and evidence based decision making.

- b. This iterative process ensures that the project remains flexible and responsive, addressing evolving challenges while aligning with community needs.

(ii) Periodic Evaluations

- a. Midterm reviews provide an in-depth assessment of project performance against Key Performance Indicators (KPIs), identifying successes, gaps, and areas for improvement.
- b. Endofproject evaluations generate critical insights to guide scaling up of successful initiatives and inform future coastal management strategies.

(iii) Learning and Knowledge Sharing

- a. The project actively promotes knowledge dissemination through a variety of knowledge products, including case studies, policy briefs, and technical manuals.
- b. Workshops, stakeholder consultations, and collaborative platforms facilitate the exchange of best practices, strengthening the broader ecosystem of coastal governance and resilience building.

By embedding adaptive management principles into its implementation, the TNSHORE project ensures continuous learning, strategic improvements, and long-term sustainability, reinforcing its commitment to effective coastal resilience and ecosystem management.

Part V: Grants Procedures Manual

15 . Community Grant Manual

LIST OF ABBREVIATIONS

ABBREVIATION	FULL FORM
TN-SHORE	TAMIL NADU SUSTAINABLY HARNESSING OCEAN RESOURCES AND BLUE ECONOMY PROJECT
TNCRM	TAMIL NADU COASTAL RESTORATION MISSION
SPMU	STATE PROJECT MANAGEMENT UNIT
PMU	PROJECT MANAGEMENT UNIT
PEA	PROJECT EXECUTING AGENCY
CDD	COMMUNITY-DRIVEN DEVELOPMENT
ICE	INFORMATION COMMUNICATION EDUCATION
VLI	VILLAGE LEVEL INSTITUTIONS
VMC	VILLAGE MANGROVE COUNCIL
VFC	VILLAGE FOREST COUNCIL
EDC	ECO-DEVELOPMENT COMMITTEE
ETMC	ECO-TOURISM MANAGEMENT COMMITTEE
JFMC	JOINT FOREST MANAGEMENT COMMITTEE
SHG	SELF-HELP GROUP
MSME	MICRO, SMALL AND MEDIUM ENTERPRISE
EC	EXECUTIVE COMMITTEE
MS	MEMBER SECRETARY
PRA	PARTICIPATORY RURAL APPRAISAL
RF	REVOLVING FUND
AWP	ANNUAL WORK PLAN
UC	UTILIZATION CERTIFICATE
DBT	DIRECT BENEFIT TRANSFER

ABBREVIATION	FULL FORM
ESCP	ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN
E&S	ENVIRONMENTAL AND SOCIAL
NGO	NON-GOVERNMENTAL ORGANIZATION
UNDP	UNITED NATIONS DEVELOPMENT PROGRAMME
GoTN	GOVERNMENT OF TAMIL NADU
GoMBRT	GULF OF MANNAR BIOSPHERE RESERVE TRUST
NABARD	NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT
FSSAI	FOOD SAFETY AND STANDARDS AUTHORITY OF INDIA
RFQ	REQUEST FOR QUOTATION
FPSC	FINANCE & PROCUREMENT SUB-COMMITTEE
PMIS	PROCUREMENT MANAGEMENT INFORMATION SYSTEM
SOR	SCHEDULE OF RATES
PWD	PUBLIC WORKS DEPARTMENT
FSR	FOREST SCHEDULE OF RATES
TWAD	TAMIL NADU WATER SUPPLY AND DRAINAGE BOARD
WLW	WILDLIFE WARDEN
DFO	DIVISIONAL FOREST OFFICER
DBT	DIRECT BENEFIT TRANSFER
CA	CHARTERED ACCOUNTANT
IFS	INDIAN FOREST SERVICE

COMMUNITY GRANT – FINAL

INDEX

- 1. INTRODUCTION**
- 2. KEY LIVELIHOOD INTERVENTIONS**
- 3. OBJECTIVES**
- 4. COMMUNITY DRIVEN DEVELOPMENT APPROACH**
 - **4.1 SUPPORT TO VILLAGE MANGROVE COUNCILS, VILLAGE MARINE CONSERVATION AND ECO DEVELOPMENT COMMITTEES (VMC–EDCs–VFC)**
 - **4.2 PARTICIPATORY PLANNING**
- 5. INSTITUTIONAL STRUCTURE**
 - **5.1 INSTITUTIONAL OVERSIGHT**
- 6. TARGET COMMUNITIES**
- 7. FORMATION OF VILLAGE LEVEL INSTITUTIONS**
 - **7.1 CONSTITUTION**
 - **7.2 FORMATION OF COMMITTEE**
 - **7.3 COMPOSITION & MEMBERSHIP**
 - **7.4 REGISTRATION**
 - **7.5 BYLAWS**
 - **7.6 MEETINGS**
 - **7.7 MICRO PLAN**
- 8. EXECUTIVE COMMITTEE**
- 9. SELECTION OF BENEFICIARIES**
 - **9.1 MICRO CREDIT / REVOLVING FUND**
 - **9.2 COMMUNITY GRANTS**
- 10. TECHNICAL SUPPORT**
- 11. ELIGIBILITY**
 - **11.1 ELIGIBILITY CRITERIA COMMUNITY GRANTS**

- **11.2 ELIGIBILITY CRITERIA MICRO CREDIT / REVOLVING FUND**
- 12. FINANCIAL MANAGEMENT CHANNELS FOR COMMUNITY GRANT AND MICRO-CREDIT / REVOLVING FUND**
 - **12.1 PURPOSE**
 - **12.2 FUND FLOW MECHANISM**
 - **12.3 ACCRUAL OF INTEREST**
 - **12.4 COMMUNITY GRANT FINANCE MANAGEMENT CHANNEL**
 - **12.4.1 ACCOUNT STRUCTURE**
 - **12.4.2 FINANCIAL CONTROLS**
 - **12.4.5 TYPES OF ASSISTANCE FOR GRANTS**
 - **12.4.6 CONTRIBUTION REQUIREMENTS**
 - **12.5 MICRO-CREDIT / REVOLVING FUND FINANCE MANAGEMENT CHANNEL**
 - **12.5.1 ACCOUNT STRUCTURE**
 - **12.5.2 FUND FLOW**
 - **12.5.3 LOAN MANAGEMENT**
 - **12.5.4 REPAYMENT & REFLOW MANAGEMENT**
 - **12.5.5 FUND MANAGEMENT OF MICRO CREDIT**
- 13. FUND DEPOSIT**
- 14. FUND USAGE**
- 15. FUND AND GRANT RELEASE & UTILIZATION**
- 16. ACCOUNTING**
- 17. AUDIT & COMPLIANCE**
- 18. MONITORING AND EVALUATION**
- 19. PROHIBITED USES**
- 20. PENALTIES**
- 21. REVISION**
- 22. KEY INDICATIVE LIVELIHOOD VALUE – CHAIN FRAMEWORKS**
- 23. CONCLUSION**

1. INTRODUCTION:

The Tamil Nadu Sustainably Harnessing Ocean Resources and Blue Economy (TN-SHORE) Project is an integrated initiative of the Government of Tamil Nadu aimed at enhancing the resilience of coastal communities against the adverse impacts of climate change, sea-level rise, coastal erosion, and degradation of marine and coastal ecosystems.

To realize its vision of inclusive and sustainable coastal development, the project adopts a comprehensive livelihood enhancement approach that emphasizes income diversification, employment generation, skill development, and community-led enterprise promotion. Special priority is accorded to women and vulnerable groups to ensure equitable access to financial resources, institutional support, and decision-making processes, thereby fostering long-term economic resilience, social inclusion, and responsible stewardship of coastal and marine resources.

The TN-SHORE Community Grant Manual serves as the principal operational framework governing the planning, disbursement, utilization, monitoring, and audit of community-level grants and micro-credit support under the TN-SHORE Project. The manual provides structured guidance for extending financial assistance to individual entrepreneurs, enterprise groups, and producer collectives to promote livelihood diversification and enterprise development in coastal villages. It further aims to strengthen and empower **grassroots Village Level Institutions such as Village Mangrove Councils (VMCs), Village Forest Councils (VFCs), Eco-Development Committees (EDCs), and Self-Help Groups (SHGs)** through the provision of micro-credit and revolving funds.

2.KEY LIVELIHOOD INTERVENTIONS:

In line with the objectives of the TN-SHORE Project, the Community Grant framework supports a range of livelihood interventions aimed at improving incomes while protecting coastal and marine resources. These interventions are designed to promote sustainable development and social inclusion and include the following:

- (i) Sustainable Enterprise Development: Support for income-generating activities that also contribute to marine and coastal conservation, such as sustainable fisheries, aquaculture, ecotourism, and ICE related activities.
- (ii) Employment through Conservation Activities: Creation of self-employment and wage employment opportunities through coastal protection, marine conservation, mangrove restoration, and ecotourism-related activities.
- (iii) Skill Development for Women and Youth: Implementation of skill development and capacity-building programmes for women and youth to improve employability, increase incomes, and encourage participation in coastal protection and marine conservation efforts.
- (iv) Microcredit and Financial Support: Provision of microcredit and other financial assistance to vulnerable groups, particularly women, to help them start or expand small enterprises and improve household incomes.

The Community Grant Manual serves not only as a financial and operational guide but also as a framework for partnership between the TN-SHORE Project and coastal communities. It emphasizes transparency, inclusiveness, accountability, and environmental responsibility, and promotes community participation in achieving sustainable and resilient coastal livelihoods.

3. OBJECTIVES:

The Community Grant initiative has overarching objectives such as:

Entrepreneurial ventures: Entrepreneurial ventures that boost incomes while contributing to marine conservation, such as sustainable fisheries, aquaculture, ecotourism, and ICE related activities.

Financial Support for Coastal Livelihoods: Grants provide seed capital and working funds for micro, small, and medium enterprises (MSMEs) engaged in coastal resource-based activities such as aquaculture, seaweed farming, shell jewellery, seafood processing etc.,

Skill development: Skill development initiatives for women and youth aimed at enhancing their skills, increasing incomes, and fostering active participation in coastal protection and marine conservation efforts.

Strengthening Community Institutions: By channelling micro credit through VILs, the program strengthens grassroots institutions, enabling them to act as custodians of coastal resources.

Ensuring Transparency and Accountability: The revolving fund model ensures that loans are repaid and reinvested, creating a culture of responsibility and financial sustainability.

Strengthen marine resources: Strengthen marine biodiversity conservation by fostering sustainable livelihood opportunities in eco tourism, ICE related activities etc.,

These objectives align with TN-SHORE's broader mission of climate resilience, biodiversity conservation, and community-driven development.

4. COMMUNITY-DRIVEN DEVELOPMENT APPROACH:

The implementation of community grants under the TN-SHORE Project will follow a Community-Driven Development (CDD) approach, wherein beneficiary communities are entrusted with direct control over development resources. This approach promotes sustainability and improves the effectiveness of interventions by enabling communities to plan and implement activities based on their local needs and priorities.

The CDD approach provides the necessary flexibility and adaptability for effective grant implementation and builds on knowledge and best practices gained from successful initiatives, including the **Tamil Nadu Rural Transformation Project (P157702)**, the **UNDP-funded Coastal Biodiversity Project of the Gulf of Mannar Biosphere Reserve Trust (GoMBRT)**, the **Tamil Nadu Biodiversity Conservation and Greening Project**, and the **Tamil Nadu State Rural Livelihood Mission**.

4.1 Support to Village Level Institutions(VMC–VFC–EDC-SHG):

In addition to individual entrepreneurs, enterprise groups, and producer collectives, **Village Mangrove Councils (VMCs)**, **Village Forest Councils (VFCs)**, and **Eco-Development Committees**

(EDCs) are eligible to seek financial support under the TN-SHORE Project. These community institutions may directly apply to the concerned **authority** for assistance.

*****Village Mangrove Councils (VMCs), Village Forest Councils (VFCs), and Eco-Development Committees (EDCs), Self Help Groups (SHGs) shall hereinafter be collectively referred to as Village Level Institutions (VLIs) for the purpose of this Community Grant Manual.***

The support enables the planning and implementation of community-level livelihood initiatives such as vocational training programmes, ecotourism activities, community-led ecosystem conservation efforts, and knowledge-sharing initiatives among coastal communities.

The Village Level Institutions may also seek funding for the creation of infrastructure that enhances coastal resilience and supports sustainable income-generating activities, including tourism, fisheries, seaweed cultivation, and aquaculture. Eligible infrastructure may include basic facilities, cold-chain and transportation infrastructure, and sorting or retail centres.

Upon approval and release, the funds shall form part of the **Revolving Fund** of the respective Village Level Institutions. All supported activities must be in conformity with the approved **Micro-Plan** of the concerned institution. On completion of the activities, the Village Level Institutions shall submit completion reports and utilization certificates to the project implementing agencies and subsequently to **TN-SHORE**. All procurement shall be carried out in accordance with the **Community-Driven Procurement Procedures** prescribed in the Community Procurement Manual (Annexure — of the Project Procurement Manual).

4.2 Participatory Planning:

- The Group 1 / Group 1A, and other Officers concerned from the PEAs other than Forest Department, shall conduct Participatory Rural Appraisal (PRA) exercises with the members of the Village Level Institutions.
- The Forester/ Ranger/ District Forest Officer / Divisional Forest Officer concerned will explain the concept of Village Level Institutions to the villagers and motivate the maximum number of people to become members.
- Based on the PRA, the priority thrust areas and management interventions of the Management Unit shall be finalized in consultation with the Committee members.

5. INSTITUTIONAL STRUCTURE:

The institutional framework ensures that responsibilities are clearly defined:

TN-SHORE State Project Monitoring Unit (SPMU): Provides overall guidance, policy direction, and monitoring.

District PEA: Acts as the operational hub, overseeing fund release, compliance, and recovery.

Village Level Institutions (Community Participation): Serve as intermediaries between beneficiaries and the project, ensuring fair distribution and local accountability.

Beneficiary Groups: Individuals, SHGs, enterprise groups, and producer collectives who directly utilize the funds for enterprise development.

5.1. Institutional Oversight:

To strengthen accountability and streamline fund management under Component 3 - Improving Livelihood, the following institutional hierarchy is proposed:

TN-SHORE PMU (Project Monitoring Unit):

- Serves as the apex authority for financial governance.
- Approves fund release ceilings, interest rate modifications, and compliance standards.
- Directly supervises District PEAs to ensure uniformity across districts.

District PEA (Project Executing Agency):

- Operates under the purview of the TN-SHORE PMU.
- Responsible for sanctioning loans, monitoring recovery, and ensuring adherence to procurement and accounting guidelines.
- Acts as the primary interface between community Village Level institutions and the PMU.

6. TARGET COMMUNITIES:

The program focuses on coastal and fishing villages in Tamil Nadu that depend on marine and coastal resources for livelihoods. A key project indicator is women's participation (30%), with strong encouragement for their involvement in mangrove plantation and coastal livelihood activities.

- The micro-credit program will be implemented through village-level institutions including Joint Forest Management Committees (JFMCs) and Eco-Tourism Management Committees (ETMCs).
- Community grants will support enterprises directly linked to coastal and marine resources. Beneficiaries must be members of coastal/fishing villages.

Key target groups:

1. Women-led businesses
2. Self-Help Groups (SHGs)
3. Enterprises led by differently-abled individuals or SHGs
4. Disadvantaged community members (individuals or SHGs)
5. First-generation entrepreneurs
6. Community enterprise groups

7. Producer collectives

7. FORMATION OF VILLAGE LEVEL INSTITUTIONS:

7.1 Constitution:

Village level institutions shall be established and registered under the Tamil Nadu Societies Registration Act, 1975 (Tamil Nadu Act 27 of 1975). The project intends to focus on the strengthening of capacities of the coastal communities, it is advised to form Village Level Institutions in 14 coastal districts in Tamil Nadu.

To control the activities of destructive pressure from priority habitats and over harvesting of marine resources, Village Level Institutions will be formed to implement the eco development activities for each target village (vide Proceedings Ref No. GTM4/1430/2023 , G.O.Ms.No.160 ENVIRONMENT, CLIMATE CHANGE AND FOREST (FR.12) DEPARTMENT-Annexure II , G.O.Ms.No.342 Environment and Forests (FR.VI) Department dated 08.08.1997 and G.O.Ms.No.343 Environment and Forests (FR.VI) Department dated 08.08.1997, along with the amendments incorporated vide document dated 31.08.2005.) (Appendix-Via)

7.2 Formation of Committee:

- In each identified Management Unit, a people's Village Level Institutions shall be constituted.
- The Committee shall be actively involved in planning, execution of works, protection, harvesting, and benefit sharing within the management unit, with special emphasis on degraded forest / mangrove areas.
- The concerned Forester/Range Officer shall initiate and facilitate the process of formation of the Village Level Institutions.

7.3 Composition & Membership :

- The Committee shall have one male and one female member from each household, subject to their willingness to participate.
- The Forester / Ranger / District Forest Officer / Divisional Forest Officer/other concerned shall explain the concept and objectives of VLIs to the villagers and motivate maximum participation in the Committee.
- As part of the TNSHORE project's commitment to women's livelihood enhancement, membership and active participation of women in mangrove plantation activities is strongly encouraged, with a target of ensuring that at least 30% of employees are women.
- Every adult member Male/ Female of the household living in the chosen area and having their livelihood on coastal & marine resources or allied activities is entitled to become a member of the VLIs. Each member shall pay annual non-refundable subscription of Rs.5/- towards membership which will operate in the VLI accounts.

7.4 Bylaws:

- By laws to be created by each district PEA
- To formulate and adopt duties, roles and responsibilities for VLIs
- To conduct of meetings, removal of Presidents, members and dissolution of committees.

7.5 Meetings:

- The General Body of the VLIs shall meet as and when required, but atleast once in 6 months.
- Proceedings of the meetings shall be properly recorded and maintained.

7.6 Micro Plan:

The preparation of comprehensive micro plan shall be done by involving selected NGO's. Experienced Organization / NGO's / Trusts who have experience and expertise on the subject matters in the past. The micro plan shall broadly include the details such as description of works, objectives, involvement of local communities, suitability of area for implementation. The micro plan shall also emphasize on alternate livelihood opportunities for providing revolving funds in the future. The same shall be approved by PEAs and copy shall be forwarded to TNSHORE for further necessary actions.

8. EXECUTIVE COMMITTEE:

- Each Village Level Institutions will elect an "Executive Committee", in such a manner that one hamlet elects at least two members, one of whom is a woman. Each Village Level Institution will elect a minimum of 5 (five) and a maximum of 15 (fifteen) members to the Executive Committee. The Village Panchayat members of the management unit will be co-opted as ex-officio members of the Executive Committee (EC). The members of EC (both elected and ex-officio) will elect its President from among themselves, who will also be ex-officio President of Village Level Institution. The Forest Ranger concerned who will be the Member Secretary of the EC, will also facilitate the election process of the members and President of EC
- If necessary, the District Forest Officer/ Divisional Forest Officer concerned may nominate one representative of a Development Department of the Government and one N.G.O. as member of EC
- The term of Executive Committee, will be three year or till the completion of the project period. The members of the committee shall be eligible for re-appointment.
- It will meet at least once in a month.
- The EC will be responsible for day-to-day activities of the Village Level Institutions.
- Constant efforts will be taken by EC to bring about unanimity in its decisions. However, in case of difference of opinion the decisions of the EC will be taken by, majority vote

of the members present (elected members and ex-officio members).

- The Member Secretary (MS) shall prepare the Micro Plan for the management unit, after consultation with the members of Village Mangrove Councils. After preparation, the micro plan will require formal approval of the EC and then the technical approval of District Forest Officer / Divisional Forest Officer concerned.
- Decisions of EC to be placed before Village Level Institution: The President of EC will inform the Village Level Institutions, the decisions taken/activities undertaken by EC and a general consensus obtained.

9. SELECTION OF BENEFICIARIES:

- Applications are processed by the Executive Committee (EC) of the Village Level Institution (VLIs).
- Approved proposals are submitted to the District Level Officer of the Project Executing Agency (PEA) (e.g., DFO/Wildlife Warden/other concerned officers of equivalence) for evaluation and formal endorsement. Funds are disbursed to the VLI within 45 days, which then transfers the loan amount directly to the applicant's bank account.
- All submissions to the District Level Officer require a formal EC resolution, specifying the applicant, loan amount, purpose, and implementation responsibilities.

9.1 Micro Credit / Revolving Fund:

- Executive Committee assists applicants in improving business plans, market strategies, and the overall quality of applications.
- Repayments are credited to the VLI Revolving Fund, which supports further livelihood activities. Beneficiaries are expected to demonstrate the effective use of repaid funds for at least one new or expanded activity.

9.2 Community Grants:

- Executive Committee assists applicants in refining proposals, strengthening activity plans, and enhancing sustainability and market linkages.
- Community Grants are non-repayable and must be used exclusively for approved activities. Beneficiaries are required to ensure transparent utilization, submit utilization certificates, progress reports, and outcome documentation. The VLI monitors implementation to ensure tangible, sustainable community benefits.

10. TECHNICAL SUPPORT:

- DFO, Forest Range Officers and other concerned Officers may engage NGOs, public, and private entities for technical assistance.
- Support will focus on training and capacity building for project officers and VLIs

Qualified service providers may include:

- Community-based experts
 - Tamil Nadu Skill Development Corporation
 - Tamil Nadu Corporation for Development of Women
 - Vazhndhu Kaattuvom State Society
 - Magalir Thittam (MATHI)- MATHI SIRAGUGAL
 - Private sector experts, firms and NGOs
- Payments will be made directly by the Project Executing Agency to engaged entities, ensuring transparency and accountability.

11. ELIGIBILITY:

The eligibility criteria for accessing livelihood support under the TN-SHORE project ensure that the benefits are directed towards village level institutions, individuals, groups, and collectives actively contributing to sustainable development and marine conservation. The criteria outline specific requirements related to residency, financial status, operational readiness, and group composition to foster transparency and accountability while promoting inclusivity for women, marginalized groups, and first-generation entrepreneurs.

11.1. Eligibility criteria Community Grants:

Key criteria include:

Criteria	Individually Owned Enterprises / Individual Entrepreneurs	Enterprise Groups	Producer Collectives
Age	21 to 60 years	-	-
Residency	Must be a resident of the project implementing area	Must be from the project implementing area	Must be from the project implementing area
Financial Status	Should not be a defaulter of any major financial institution	No major overdue loans from previous borrowings	No major overdue loans from previous borrowings; Board of Directors should not have any adverse credit reports

Criteria	Individually Owned Enterprises / Individual Entrepreneurs	Enterprise Groups	Producer Collectives
Program Participation	Entrepreneurs already benefiting from other subsidy-linked loan programs may be considered on a case-by-case basis	-	-
Enterprise Commitment	Must start or expand an enterprise within six months of receiving the first tranche of funding	Must start or expand an enterprise within six months of receiving the first tranche of funding	Must start or expand an enterprise within six months of receiving the first tranche of funding
Skill Development Commitment	Applicants seeking skill development must be willing to enhance an existing enterprise or self-employment opportunity within six months of receiving the first tranche of funding	-	-
Group Membership Size	-	12 to 15 active members	At least 100 members (flexibility for remote locations)
Operational Period	-	Must be active for at least 6 months in the group's business or related activities.	Must have been active for at least 1 year at the time of application
Book of Record Maintenance	2 years	1-2 years	3 years
Banking Requirements	Must have a personal bank account for fund transfers	Must have an operational bank account in the group's name	Must have an operational bank account in the collective's name

Criteria	Individually Owned Enterprises / Individual Entrepreneurs	Enterprise Groups	Producer Collectives
Capital Collection	-	-	Must have collected share capital from at least 50% of its members
Legal Compliance	-	-	Must comply with legal requirements relevant to its legal form
Preference	-	-	Collectives promoted by institutions such as Fisheries Department, TN State Rural Livelihood Mission, NABARD, and NGOs will be given preference

- **Group Criteria:** Preference is given to SHGs, producer collectives, and enterprise groups that demonstrate cohesion and accountability.
- **Eligibility Screening and Selection:** Sub-projects will be screened and selected in line with the eligibility criteria outlined in the Grants Manual, as well as the environmental and social (E&S) instruments referenced in the ESCP.
- **Exclusion of Non-Compliant Activities:** No sub-project shall include or support activities that are excluded under the ESCP or any associated environmental and social instruments.
- **Community Grant Agreement:** The Project Executing Agency (PEA) will provide funding only through a Community Grant Agreement(Annexure – Ref), using the prescribed template and adhering to all conditions specified therein.
- Special emphasis is placed on women, differently abled individuals, and first-generation entrepreneurs, ensuring inclusivity and equity

11.2. Eligibility Criteria – Micro Credit / Revolving Fund of SHGs

Key criteria include:

- Registered Self-Help Groups (SHGs)
- Individual members of the VLI (with SHG or community endorsement)
- Age of individual shall be not less than 21 years and not more than 60 years

- Priority to women, SC/ST, and youth
- Should not be a defaulter of any major financial institution
- Must have an operational bank account in the group's name

Additional Provisions

- Group Criteria: Preference is given to SHGs that demonstrate cohesion, accountability, and strong internal governance.
- Eligibility Screening and Selection: Sub-projects will be screened and selected in line with the eligibility criteria outlined in the Micro Credit/Revolving Fund Manual, as well as the environmental and social (E&S) instruments referenced in the ESCP.

12. FINANCIAL MANAGEMENT CHANNELS FOR COMMUNITY GRANT AND MICRO-CREDIT / REVOLVING FUND

12.1 Purpose

To ensure transparency, accountability, and effective utilization of project resources, separate financial-management channels shall be maintained for:

1. **Community Grants**, and
2. **Micro-Credit / Revolving Fund** operations.

This separation prevents fund-mixing, supports accurate tracking of financial flows, and enables proper auditing under the TN Shore.

Both Community Grant and Micro credit / Revolving fund, will have separate

- Accounts
- cash books
- Bank passbooks and
- Register maintenance.

12.2 FUND FLOW MECHANISM

- **Accounting Year**

The accounting year shall be from **FY April to FY March** of every year. All financial transactions and reporting shall follow financial year.

- **Release of Funds**

In accordance with the approved **Micro Plan**, the **EXECUTING COMMITTEE / PEA** shall intimate the funding agency (TN SHORE) well in advance for fund requirements. Funds shall be released at appropriate intervals based on project needs and utilization for micro-credit and as single tranche for Community grants.

- **Depositing of Funds**

The Village Level Institutions shall maintain a Savings Bank Account in any Regional Rural Banks / nationalized bank, opened in the name of specific Village Level Institution.

All project funds shall be deposited into this account.

12.3 Accrual of Interest

Any interest accrued on the project funds deposited in the bank accounts shall be accounted separately. Interest shall be remitted half-yearly to the designated revolving fund account, as per stipulated guidelines, through Demand Draft or approved banking mode.

12.4 COMMUNITY GRANT FINANCE MANAGEMENT CHANNEL

12.4.1 Account Structure

- A **dedicated Community Grant - Bank Account** must be opened at the village level institution / community-based organization
- This account shall **not** be used for revolving fund or income-generating loans.

12.4.2 Financial Controls

- Payments must be authorized by at least two signatories- president and Member Secretary (Ex-officio)
- All expenditures must follow community **procurement norms** (Annexure – via) of the TN Shore program.
- Cash payments should be minimized; digital payments are preferred.

12.4.3 Types of assistance for grants:

The program supports diverse livelihood activities:

- **Individual Loans:** Up to ₹10 lakh for micro-enterprises.
- **SHG/Group Loans:** Up to ₹50 lakh for collective ventures.
- **Producer Collective Loans:** Up to ₹1 crore for large-scale initiatives.
- **Coastal MSME Options:** Aquaculture, shell jewellery, seafood pickles, mangrove nurseries, Cold Storage Units to save perishable sea foods and seaweed value chains.

By diversifying assistance, TN-SHORE ensures that communities can pursue both traditional livelihoods and modern value-added enterprises.

12.4.4 Contribution requirements:

The contribution for the applicants as follows:

- Individually Owned Enterprises/Individual Entrepreneurs: 20% of the total proposed cost

- Enterprise Groups/Self-Help Groups (SHGs): 30% of the total proposed cost
- Producer Collectives: 40% of the total proposed cost

However, this contribution may be reduced or waived at the discretion of the PEA, or the district level official in charge of VLIs in coastal districts based on the socioeconomic position of the applicant.

This framework aims to provide financial assistance that is both inclusive and responsive to the needs of vulnerable groups, while promoting ownership and accountability among beneficiaries

12.5 MICRO CREDIT / REVOLVING FUND - FINANCE MANAGEMENT CHANNEL

A Joint Account in the name of the VLI will be opened in a local or nearest bank or post office with the President and Member-Secretary as signatories.

Dedicated VLIs bank account must be maintained.

The President and Member Secretary will together be responsible and accountable to the VLIs for all financial transactions.

The Member-Secretary will be specifically responsible for the proper maintenance of accounts and shall have in his/her possession all records relating to finance.

The records include Cash Book, Accounts Register, Pass Book. Cheque Book and a Record of harvest, sale and share of produce to the VLI with a list of beneficiaries.

All transactions shall be strictly through VLI bank-to-bank transfers.

Cash transactions allowed only below ₹5,000.

Mandatory financial records: Cash books, ledgers, vouchers, bank reconciliation statements.

An annual financial audit of the VMC accounts shall be conducted, preferably by an independent third party.

13. FUND DEPOSITS:

The Funds shall be maintained as a separate account head, into which the amount will be credited,

- Membership money
- Initial expenditure provided from the TN SHORE PROJECT.
- Grants and loans obtained for VLI activities from authorized sources as per the Grant/ Micro Credit / Revolving Fund.
- Money levied as fines and penalties

14.FUND USAGE:

The funds created for VLI will be utilized in the following manner;

- i) For maintenance, protection and improvement of the forest/mangrove area managed by them.
- ii) For extending assistance to forest/mangrove forest dependents and poor for alternate employment and poverty alleviation.
- iii) For community asset creation which may be applicable under TNSHORE project activities and approved by Executive Committee.
- iv) For meeting any contingent and ancillary expenditure by the Executive Committee.

The accounts of the Funds will be maintained by the Member-Secretary which will be audited by the District / Divisional Forest Officials annually.

15. FUND AND GRANT RELEASE & UTILIZATION:

Funds are released only after micro-plan approval by the District PEA.

- **Multi-Tranche Release:** Funds are disbursed in stages based on milestone achievements.
- **Single-Tranche Release:** Grants are disbursed in SINGLE TRANCHE
- **Procurement Guidelines:** All purchases must follow the TN-SHORE Community Procurement Manual to ensure fairness and cost-effectiveness.
- **Utilization Monitoring:** Beneficiaries must submit utilization certificates (UCs) to confirm proper use of funds.

16. ACCOUNTING & RECORDS:

Village Level institutions must maintain:

- **Cash Book & Ledger:** For daily transactions.
- **Vouchers & Utilization Certificates:** For expenditure tracking.
- **Bank Reconciliation Statements:** To ensure financial accuracy.
- **Monthly Reports:** Submitted to District PEA for review.

Documentation and Record-Keeping:

The VLIs must:

- (i) Maintain copies of all payment receipts and supporting documentation.
- (ii) Ensure vouchers and bills are recorded for all expenditures.

- (iii) Maintain accurate cash books to record receipts and payments, ensuring regular reconciliation with the bank account balance.

A monthly report must be submitted to the PEAs at District Level that includes:

- (i) Copies of the cash book.
- (ii) Monthly expenditure statements.
- (iii) Utilization certificates for the funds received and disbursed.
- (iv) Copies of Vouchers

Proper record-keeping builds trust and enables **auditable transparency**.

17. AUDIT & COMPLIANCE:

Auditing is a cornerstone of accountability:

- **Annual Audit:** Conducted by Chartered Accountants.
- **Compliance with ESCP:** Ensures environmental and social safeguards as mentioned in ESCP.
- **Resolution Timeline:** Audit findings must be addressed within 30 days.
- **Special Audits:** TN-SHORE reserves the right to conduct surprise audits.
- **Periodic Reports:** Mandated as per the ESCP and other World Bank Guidelines.

This framework ensures that funds are used responsibly and in line with project goals.

18. MONITORING AND EVALUATION:

The SPMU-TNSHORE shall constitute external monitoring and evaluation party for monitoring the implementation of the Community Grants in 12 coastal districts other than Ramanathapuram and Tutucorin, wherein, these two district are monitored by a structured body – Gulf of Mannar Biosphere Reserve Trust (GOMBRT).

- Functions as an independent body and will set up third-party monitoring body during the operational phase.
- Conducts financial audits, compliance checks, and impact assessments of livelihood enhancement activities.
- Provides early-warning signals on risks such as defaults, misuse, or systemic inefficiencies.
- Monitoring and evaluation could be done using consultants, NGOs & external evaluators or Social Consultant from external agency

19. PROHIBITED USES

This list specifies activities that are ineligible for financial and/or technical assistance under the project due to their potential harm to society or the environment. The **VLLs** should prominently display this list in their offices to create awareness among target beneficiaries.

Prohibited Activities:

1. Manufacturing & sale of plastics or polythene materials except fishing nets, fishing cages, crab fattening boxes, etc. used directly for fishery activities
2. Manufacturing or sale of intoxicant items like Beedi/Pan/Cigar/Cigarette, etc.
3. Trade in wildlife or wildlife products regulated under CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora)
4. Production or trade in wood or other forestry products from unmanaged forests
5. Activities involving child labour
6. Production or trade in ozone depleting substances
7. Production & trade of substances causing or likely to cause marine pollution
8. Production or trade in radioactive materials
9. Production or trade in or use of un-bonded asbestos Fibers
10. Purchase of logging equipment for use in primary tropical moist forest
11. Commercial fogging operations for use in primary tropical moist forest
12. Production or trade in weapons or ammunitions
13. Production, trade, storage, or transport of significant volumes of hazardous chemicals
14. Purchasing of land
15. Any kind of activities against law of Country.

These prohibitions align with TN-SHORE's commitment to sustainability and ethical practices.

20. PENALTIES:

To be followed and issued according to the By Laws.

21. REVISION:

The manual may be updated periodically by the TN-SHORE SPMU to reflect evolving needs, policies, and best practices.

22. KEY INDICATIVE LIVELIHOOD VALUE-CHAIN FRAMEWORKS:

22.1 Eco Development Activities

- **Stages:** Infrastructure like boat, snorkelling activities, interpretation centres, upgradation of fishing landing centres, materials to start etc.,

22.2 Aquaculture Value Chain (to follow community procurement strategy) :

- **Stages:** Input sourcing, production, harvesting, processing, marketing.
- **Investments:** Aerators, nets, feed storage, water testing kits etc.,
- **Opportunities:** Export markets, value-added seafood products.

22.3 Shell Jewellery Making

- **Stages:** Raw material collection, processing, design, packaging, retail.
- **Investments:** Polishing tools, drills, design training etc.,
- **Opportunities:** Online sales, eco-tourism markets.

22.4 Prawn & Fish Pickle Production

- **Stages:** Procurement, pre-processing, cooking, bottling, distribution.
- **Standards:** FSSAI compliance, hygiene certification etc.,
- **Opportunities:** E-commerce, niche gourmet markets.

22.5 Dried fish & allied product Production

- **Stages:** Procurement, pre-processing, cooking, packaging , distribution.
- **Standards:** FSSAI compliance, hygiene certification etc.,
- **Opportunities:** E-commerce, niche gourmet markets.

22.6 Mangrove Nursery, Herbal nurseries and Medicinal & Aromatic plant cultivation/collection and processing (to follow community procurement strategy)

- **Stages:** Propagule collection, nursery preparation, sapling maintenance, supply.
- **Investments:** Nursery trays, soil mix, irrigation systems etc.,
- **Opportunities:** Restoration projects, CSR partnerships.

22.7 Native Seaweed Cultivation (to follow community procurement strategy):

- **Stages:** Seed treatment, cultivation, drying, processing, value addition, market linkage.
- **Outputs:** Cosmetics, nutraceuticals, food supplements etc.,
- **Opportunities:** High-value global markets.

22.8 Creation of Mobile Cold Storage (to follow community procurement strategy):

- **Reduce wastage:** Perishable items like fresh catch fishes,prawns,crabs, vegetables, fruits, and dairy often spoil quickly; cold storage extends self life.
- **Boost income:** Farmers and SHGs can sell produce at better prices by avoiding distress sales.

- **Empower women:** SHGs, often women-led, gain control over value chains and market linkages.
- **Community resilience:** Shared infrastructure strengthens collective bargaining and local food security.

23. CONCLUSION:

The TN-SHORE Community Grant Manual is more than a financial guideline—it is a blueprint for sustainable coastal development, Livelihood upliftment, standard of living, entrepreneurship. By combining financial discipline, institutional strengthening, and livelihood diversification, the program empowers communities to become custodians of coastal ecosystems while improving their economic resilience.

This expanded manual provides clarity, detail, and practical guidance, ensuring that stakeholders at every level—from grassroots beneficiaries to district administrators—can implement the program effectively and transparently.

APPLICATION Form

சரிபார்க்கும் படிவம் – Check List

தமிழ்நாடு அரசு

தமிழ்நாடு நெய்தல் மீட்சி இயக்கம் (TNSHORE)

சுயஉதவிக் குழுக்களுக்கு கடன் வழங்கும் முன்பாக, குழுக்களின் செயல்பாடுகளையும், ஆவணங்களையும் சரிபார்க்கும் படிவம்

(பூர்த்தி செய்யும் முன்பு, திட்டக்களப் பணியாளர்கள். கவனமாகப் படித்துப் பார்த்து, பின்பு பூர்த்தி செய்யவும்)

மண்டலம்.....

துணை

மண்டலம்.....

திட்டக்

கிராமம்.....

வ. எண்.	விவரம்	பதில்/குறிப்பு
1	சுயஉதவிக்குழுவின் பெயர் (இப்போதுள்ள)? ஆம் எனில் குழு தொடங்கிய நாள் மற்றும் உறுப்பினர்களின் எண்ணிக்கை	
2	குழு புதிதாக தொடங்கப்பட்டதா? ஆம் எனில் குழு தொடங்கிய நாள் மற்றும் உறுப்பினர்களின் எண்ணிக்கை	
3	சுயஉதவிக்குழுவில் குடும்பத்திற்கு ஒருவர் மட்டுமே உறுப்பினர்களாக உள்ளார்களா? இல்லை எனில் அதன் விவரம்	
4 (அ)	தற்போது உள்ள உறுப்பினர்களின் எண்ணிக்கை	
(ஆ)	குழு தொடங்கிய போது உள்ள எண்ணிக்கைக்கும் தற்போதைய எண்ணிக்கைக்கும் வித்தியாசம் இருந்தால் அதற்கான தீர்மான நகல் இணைக்கப்பட்டுள்ளதா? ஆம் எனில் அதன் விவரம்	
5	உறுப்பினர்கள் மற்ற சுய உதவிக்குழுக்களில் அங்கத்தினர்களாக உள்ளார்களா? ஆம் எனில் அதன் விவரம்	
6	குழுவினர் கணக்கு வைத்துள்ள வங்கியின் பெயர், கணக்கு எண். மற்றும் இன்றைய தேதிப்படி, வங்கியில் உள்ள பண இருப்பு எவ்வளவு? (சம்பந்தப்பட்ட பாஸ் புத்தக நகல் இணைக்க வேண்டும்)	
7	நிறுவனத்தில் கடன் வாங்கி உள்ளார்களா? ஆம் எனில் கடன் பெற்ற வங்கி /நிறுவனம், கடைசியாகப் பெற்ற லோன் மற்றும் இன்றைய தேதியில் கட்டாமல் உள்ள பாக்கித் தொகை (பாஸ் புத்தக நகல் இணைக்கப்பட வேண்டும்)	
8	உறுப்பினர்கள் தனிநபர் கடன் பெற்றுள்ளார்களா? ஆம் எனில் உறுப்பினர் பெயர், வங்கியின் பெயர், கணக்கு எண், பெற்ற கடன் மற்றும் இதுவரை செலுத்தாமல் உள்ள பாக்கி முதலியவற்றைக் குறிப்பிடவும்.	
9	இதே குழுவினர் வேறு ஏதேனும் வங்கியில் குழுக்கணக்கு வைத்துள்ளனரா? ஆம் எனில் அதன் விவரம்.	

2. திட்டக்களப் பணியாளர்களின் ஆண்டுச் செயல் திட்டம்.....முதல்.....
தேதிவரை

சமூகப்பணி		பொருளாதாரப் பணி			சுற்றுச்சூழல் பணி		முக்கிய தினங்கள்	
தனிநபர் சார்ந்த பணி (1)	சமூகம் சார்ந்த பணி SHG/EDC மூலம் செய்தர் (2)	இதுவரை வழங்கப்பட்ட கடன் (3)	முடிவுற்றது (4)	புதிய கடன் விண்ணப்பம் சமர்ப்பித்தது (5)	கடலோர பாதுகாப்பு (6)	கடலோர மாகக் கட்டுப்பாடு (6)	தேசிய (7)	சர்வ தேச (8)

3. கடன் வசூல் (சென்ற மற்றும் நடப்பு நிதியாண்டு)

நதி ஆண்டு (1)	EDC பெயர் (2)	SHG பெயர் (3)	கடன் தொகை (ரூ) (4)	வசூல் (ரூ) (5)	சதவீதம் (% of Recovery) (6)	குறிப்பு (7)

4. EDC கணக்கு மற்றும் பதிவேடுகள் பராமரித்தல்

கணக்குப் புத்தகம்	ரஃது புத்தகம்	சந்தா புத்தகம்	திரும்பச் செலுத்தும் அட்டை	தீர்மானப் புத்தகம்	மாதாந்திர நாட்குறிப்பு	கடன் விண்ணப்பம்	தினசரி காசோலை விடுவிக்கும் பதிவேடு	குழுவின் பதிவேடுகள்
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

ஆ) சுயஉதவிக் குழுவின் செயல்திறன்:

1. மாதாந்திர குழுக்கூட்டங்களின் எண்ணிக்கை :

2. SHG காப்பீடு

	4	3	2	1
காப்பீட்டு நிறுவனத்தின் பெயர்	காப்பீடு செய்த காலம்	காப்பீடுத் தொகை	ரஃது எண்./நாள்	
(1)	(2)	(3)	(4)	

3. குழுவின் சமூகப்பணி
முதல் தேதி
 வரை

சமூகம்		சுற்றுச்சூழல்		முக்கிய தினங்கள் கொண்டாடுதல்		புதுமையான பணிகள் (innovative activities)	உள்ளாட்சி/பிற தேர்தல்களில் பங்கேற்றல்
பணி	மேம்பாட்டுப் பணி	கடல் வளப் பாதுகாப்பு	கடலோர மாகக் கட்டுப்பாடு	தேசிய	சர்வதேச		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

III. பொருளாதார நம்பகத்தன்மை :

1. எத்தனை முறை இதே குழுவிற்கு கடன் வழங்கப்பட்டுள்ளது? :

தடவை	I	II	III	IV	V	VI	VII	VIII	IX	X
கடன் தொகை										

2. இதே குழு ஏற்கனவே பெற்ற கடன்களை திரும்பச் செலுத்தியது

எத்தனை முறை கடன் வழங்கப் பட்டது?	திரும்பச் செலுத்தியது		குறிப்பு
	தொடர்ச்சியாக 10 மாத தவணைக்குள்	10 மாத தவணைகளுக்கு மேல்	
(1)	(2)	(3)	(4)

3. சராசரி மாத வருமானம்:

குழுவிற்கு	உறுப்பினர்களுக்கு

IV. நிர்வாக விவரங்கள்:

1. EDC

வங்கியிருப்புத் தொகை:

விவரம்	விண்ணப்பிக்கும் EDC – ன்		விண்ணப்பிக்கும் கடன் தொகை	மீத வங்கி இருப்புத் தொகை
EDC கணக்கு எண்.	தேதி	வ. தொகை		
(1)	(2)	(3)	(4)	(5)

2. குழு புகைப்படத்தில் உறுப்பினர்களின் எண்ணிக்கை

குழு புகைப்படத்தில் உறுப்பினர்களின்				வித்தியாசத்திற்கான காரணம்
பெயர் கொடுக்கப்பட்டுள்ளதா?		எண்ணிக்கை		
ஆம்	இல்லை	திட்டக்களப் பணியாளருடன்	ம.அ/ து.ம.அ. - உடன்	
(1)	(2)	(3)	(4)	(5)

3. SHG வங்கியிருப்புத் தொகை

விவரம் SHG கணக்கு எண்	விண்ணப்பிக்கும்		செலுத்த வேண்டிய தவணை		வங்கி இருப்புத் தொகை	தவணையில் 1 மடங்கு	வங்கியில் செலுத்த வேண்டிய மீதத் தொகை
	தேதி	கடன் தொகை	அசல்	வட்டி			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

4. குழுவின் சேமிப்பு மற்றும் சந்தா

கடன் தொகை	சேமிப்பு		சந்தா	
	செய்ய வேண்டிய சேமிப்பு	தற்போதைய சேமிப்பு	வசூலிக்க வேண்டிய சந்தா	தற்போதைய சந்தா
(1)	(2)	(3)	(4)	(5)

5. EDC தலைவர் / குழு ஊக்குநர்/பிரதிநிதி மாற்றம்

பதவி	தேர்வு செய்ய வேண்டிய தேதி	தேர்வு செய்த தேதி	தேர்வு செய்யப்பட வேண்டிய தேதி
(1)	(2)	(3)	(4)
EDC தலைவர்			
குழு ஊக்குநர்			
குழு பிரதிநிதி			

6. கூட்டங்கள் மற்றும் தீர்மான விவரம்

I. நிறைவேற்றிய EDC தீர்மானம்				II. குழுத் தீர்மானம்			
பொதுக்குழு		மொத்த செயற்குழு உறுப்பினர்களின் எண்ணிக்கை	கூட்டத்தில் கலந்து கொண்ட உறுப்பினர்களின் எண்ணிக்கை	தீர்மானம்		கலந்து கொண்டவர்கள்	
தீர்மான எண்	நாள்			எண்	நாள்	மொத்த உறுப்பினர்கள்	கலந்து கண்டவர்கள்
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

7. விண்ணப்பிக்கும் தொகை

தொழில்	உறுப்பினர்களின் எண்ணிக்கை		இதற்கு முன் பெற்ற கடன் தொகை	தற்போது கோரும் தொகை	எத்தனை % அதிகம்	காரணம்
	சென்ற முறை கடன் பெறும் போது	தற்போது				
(1)	(2)	(3)	(4)	(5)	(6)	(7)

8. திரும்பக் கட்டும் மாதாந்திர தவணைத் தொகை (EMI)

கேட்பு வரைவோலை/ காசோலை விபரம்

இதன் 1வது இலக்க நபராகிய நான் காசோலை எண் _____ நாள்-----
-----தொகை ரூ-----மட்டும் (ரூபாய் _____ நாள்
.....மட்டும்) பெற்றுக்கொண்டேன். அதற்கு மாதம் 1க்கு ரூ.100க்கு 55 பைசா வீதம் ஆகக் கூடும்
வட்டியையும், அசலையும் _____ மாதங்களுக்கு மொத்தமாக
கணக்கிடப்பட்டு பின் அதனை _____ தவணைகளுக்கு கணக்கிட்டு, ஒவ்வொரு தவணைத்
தொகையினை கடன் வாங்கிய மறு மாதத்திலிருந்து, மாதாமாதம் செலுத்தி கடனுக்கான அசலையும்,
வட்டியையும் மேற்படி கெடுவிற்குள் செலுத்தி விடுகிறோம். அப்படி கெடுவிற்குள் செலுத்தத்
தவறினால், உடனே எங்களின் இந்த கடன் கணக்கினை நேர்செய்து, அப்படி நேர்செய்த தேதி முதல்
கடன் தொகைக்கு வசூலாகும் தேதி வரையும் உள்ள காலத்திற்கு கூடுதலாக 2% வீதம் அபராத வட்டி
கணக்கிட்டு வசூல் செய்யப்படும். அதனையும் சுய உதவிக்குழு செலுத்தத் தவறினால், எங்கள்
சொத்துக்கள் மீது சட்டப்படி நடவடிக்கை மேற்கொண்டு வசூல் செய்துகொள்ள
ஒப்புக்கொள்கிறோம்.
இதன்பேரில் நாங்கள் இப்போது நடைமுறையில் உள்ள கிராம கடல்பாதுகாப்பு மற்றும் சுற்றுச்சூழல்
மேம்பாட்டுக்குழு விதிகளுக்கும் அவ்வப்போது தீர்மானிக்கப்படும் கிராம கடல் பாதுகாப்பு மற்றும்
சுற்றுச்சூழல் மேம்பாட்டுக்குழு புது விதிகளுக்கும், அறக்கட்டளை சட்ட திட்டங்களுக்கும்
திருத்தங்களுக்கும் கட்டுப்படுகிறோம் என்று சுயநினைவோடு ஒப்புக்கொள்கிறோம்.

கடன் பெறும் சுய உதவிக்குழு
உறுப்பினர்கள்

சாட்சிகள்:

- 1)
- 2)
- 3)
- 4)

TN SHORE

FORMAT FOR LOAN SANCTION TO SHGs

1. Name of the EDC/SHG :

2. Risk Category :
(Dependency/High threat)

3. Name of the SHG :

4. Total No. of Members :

Male :

Female :

5. Loan Amount Required :

6. SHG applying for the Ist time

7. Name of the economic :

activity for which micro –

credit is required now

8. Has previous loan amount :

sanctioned to this SHG fully

repaid

9. Recommendation of the Field :

Project Worker with name

and signature

10 Remarks of the Member :

Secretary

Ref. No. _____
Date _____ Rs. _____
(Rupees _____
only was released, Cheque No _____
Date _____.

Member Secretary

தமிழ்நாடு நெய்தல் மீட்சி இயக்கம் (TNSHORE)

_____ மண்டலம்

சுயஉதவிக்குழுக்களுக்கு வழங்கிய கடனைத் திரும்பச் செயலுத்திய விபரம்

1. சுய உதவிக்குழுவின் பெயர்:

4. கடன் வழங்கிய தொகை:

3. குழுவினரின் வங்கியில் பணம் பெற்ற நாள்:

(குழுவின் பாஸ் புத்தகத்தைப் பார்த்து தேதியினைப் பூர்த்தி செய்ய வேண்டும். அதன் நகலை இணைக்கவும். குழுவினருக்கு அறக்கட்டளை காசோலை வழங்கிய தேதியினைக் குறிப்பிடக் கூடாது).

தவணை எண்.	திரும்பச் செலுத்திய விபரம்				மொத்தம்	FPW ஆல் வங்கியில் செலுத்திய நாள்	கணக்குப் புத்தகத்தின் பக்க எண்.	குறிப்பு
	தேதி	இரசீது எண்	அசல்	வட்டி				
1	2	3	4	5	6	7	8	9
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
தாமத வட்டி								
		மொத்தம்						

குறிப்பு: மேற்காண் விபரங்கள் EDC-யின் வங்கிக் கணக்கு புத்தகத்தின் அடிப்படையில் பூர்த்தி செய்யப்பட வேண்டும். மேலே கொடுக்கப்பட்ட விபரங்கள் அனைத்தும் சரியே எனச் சான்றளிக்கின்றேன்.

திட்டக் களப்பணியாளர்.

துணை மண்டல அலுவலர்.

மேலொப்பம்

மண்டல அலுவலர்.

ஒப்பந்தப் படிவம்

கிராம கடல் பாதுகாப்பு மற்றும் சுற்றுச்சூழல் மேம்பாட்டுக்குழு

மாவட்டம் _____ வட்டம் _____ ஊராட்சி _____
 ஒன்றியம் _____ கிராமத்தைச் சேர்ந்த கீழ்க்கண்ட விலாசத்தில் வசித்து வரும்
 1. ஊக்குநர் _____ த/க/பெ _____
 முகவரி _____

வாழ்வாரா மேம்பாடு _____ தொழிலுக்கு
 ரூ. _____ (ரூபாய் _____ மட்டும்)
 இன்று _____ காசோலை எண். _____ நாள் _____ மூலம்
 பெற்றுக்கொண்டோம். மேற்கண்ட தொகையை வருடத்திற்கு _____ வட்டியும் சேர்த்து _____
 மாதங்களில் முழுத்தொகையையும் திரும்பச் செலுத்திவிடுகிறோம் என்று உறுதியளிக்கிறோம்.
 அத்துடன்

1. உதவித் தொகை ஒரு பொருள் வாங்குவதற்காயிருந்தால் அப்பொருளை கிராமக் கடல்பாதுகாப்பு மற்றும் சுற்றுச்சூழல் மேம்பாட்டுக்குழு மூலம் வாங்கிக்கொடுப்பதற்கும்,
2. முழுத்தொகை அடைக்கும் வரையில் அப்பொருள் கிராம கடல்பாதுகாப்பு மற்றும் சுற்றுச்சூழல் மேம்பாட்டுக் குழுவிற்கே சொந்தம் என்பதற்கும்.
3. முழுத்தொகையை அடைப்பதற்கு முன்பாக அப்பொருளை விற்கவோ, அடமானம் வைப்பதற்கோ, மாற்றவோ மாட்டோம் என்பதற்கும்.
4. கிராமக் கடல்பாதுகாப்பு மற்றும் சுற்றுச்சூழல் மேம்பாட்டுக் குழுவிற்குத் தெரியாமல் அப்பொருளை இடமாற்றம் செய்ய மாட்டோம் என்பதற்கும்.
5. கிராமக் கடல் பாதுகாப்பு மற்றும் சுற்றுச்சூழல் மேம்பாட்டுக்குழு மேற்படி பொருளை, தொழிலை பார்வையிடவும், சோதனை செய்யவும், நிலைமையை அறியவும் எந்த நேரத்திலும் அனுமதிப்போம் என்பதற்கும்,
6. பணம் திரும்ப செலுத்தும் தவணைகளில் தாமதம் ஆனாலும் காலம் கடந்தாலும் இடையில் செலுத்தாமல் விட்டுவிட்டாலும் பொருளை கிராமக் கடல்பாதுகாப்பு மற்றும் சுற்றுச்சூழல் மேம்பாட்டுக்குழு திரும்ப கைப்பற்றுவதற்கும், அதன்பிறகு நீதிமன்ற நடவடிக்கை எடுப்பதற்கும்.
7. மன்னார் வளைகுடா அறக்கட்டளையின் சட்ட திட்டங்களுக்கும், VMC & EDCயின் சட்டதிட்டங்களுக்கும் கட்டுப்படுவதற்கும்
8. மன்னார் வளைகுடா கடல் வள பாதுகாப்பிற்கு அழிவு தரக்கூடிய நடவடிக்கைகளில் பங்கெடுக்கமாட்டோம் என்பதற்கும், அரிய தடை செய்யப்பட்ட கடல்வாழ் உயிரினங்களை துன்புறுத்தமாட்டோம் என்பதற்கும். அழிக்கமாட்டோம் என்பதற்கும்.
9. மன்னார் வளைகுடா அறக்கட்டளை மற்றும் VMC & EDC யின் செயல்பாட்டிற்கு முழுமையான ஒத்துழைப்பு அளிப்போம் என்பதற்கும்,
10. பணம் கடைசி தவணை முடிய முழுவதும் செலுத்திய பிறகே பொருள் செலுத்தியவர்க்கு சொந்தமாகும் என்பதற்கும் நாங்கள் சுயநினைவோடு முழுமையாக சம்மதிக்கிறோம்.

தலைவர்/செயலாளர் _____ சுயஉதவிக்குழு ஊக்குநர். _____ முதல் பிரதிநிதி,
 EDC உறுப்பினர் சந்தா வசூல் செய்த விவரம்
 (சரிபார்க்கும் படிவத்துடன் இணைக்கப்பட வேண்டும்)

EDC-யின் பெயர்:

குழுவின் பெயர்:

விண்ணப்பிக்கும் கடன் தொகை :

குழு தொடங்கிய ஆண்டு :

வ. எண்	உறுப்பினர் பெயர்	உறுப்பினராக சேர்ந்த நாள்	தற்போது வரை வசூல் செய்ய வேண்டிய சந்தா		இதுவரை வசூல் செய்தது			மீதம் வசூலிக்க வேண்டியது		
			நிதியாண்டு களின் எண்ணிக்கை	தொகை	நிதியாண்டுகளின் எண்ணிக்கை	இயச்சு	தொகை	வசூல் செய்ய வேண்டிய நிதியாண்டுகள் எண்ணிக்கை	இருத்து	தொகை
1.										
2.										

3.										
4.										
5.										
6.										
7.										
8.										
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திட்டக்களப்பணியாளர்

துணை மண்டல அலுவலர்

மண்டல அலுவலர்

**சுய உதவிக்குழு கடன் விண்ணப்பம்
தமிழ்நாடு நெய்தல் மீட்சி இயக்கம் (TNSHORE)**

- _____, கிராம கடல் பாதுகாப்பு மற்றும் சுற்றுச்சூழல் மேம்பாட்டுக்குழு

அனுப்புநர்:

ஊக்குநர்
முதல் பிரதிநிதி
ஆண்கள்/பெண்கள்

சுய உதவிக்குழு	_____
திட்ட கிராமம்	_____
திட்ட மண்டலம்	_____
திட்ட துணை மண்டலம்	_____

பெறுநர்:

EDC தலைவர்
கிராம கடல் பாதுகாப்பு மற்றும்

திட்ட கிராமம்	_____
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ஐயா:

மேலே கண்ட எங்களது _____ நெய்தல் SHG நெய்தல் மீட்சி இயக்கம் வாழ்வாதார மேம்பாட்டுக்குழு ஆண்கள்/பெண்கள் சுய உதவிக்குழுக்கள் சிறு தொழில் தொடங்க நமது கிராம கடல் பாதுகாப்பு மற்றும் சுற்றுச்சூழல் மேம்பாட்டுக்குழு ரூ _____/- ரூபாய். _____

_____ மட்டும்) தந்து உதவும்படி கேட்டு எங்கள் கிராம கடல் பாதுகாப்பு மற்றும் சுற்றுச்சூழல் மேம்பாட்டுக்குழு _____ தேதி தீர்மானம் நிறைவேற்றப்பட்டுள்ளது. மேற்படி தீர்மானத்தின் நகல் இத்துடன் இணைத்துள்ளோம்.

ஆகையால் மேற்படி ரூ _____..கடனுதவி தந்து உதவுமாறு கேட்டுக்கொள்கிறோம். இது சம்மந்தப்பட்ட அனைத்து விதிகளுக்கும் நாங்கள் கட்டுப்படுகின்றோம்.

தங்கள் உண்மையுள்ள,

ஊக்குநர்

ஆண்கள் / பெண்கள் கிராம கடல் பாதுகாப்பு
மற்றும் சுற்றுச்சூழல் மேம்பாட்டுக்குழு உறுப்பினர்கள்

நாள்:

உறுதிமொழிப்பத்திரம்

மாவட்டம் _____

மண்டலம் _____

துணை மண்டலம் _____

திட்ட கிராமத்தில் _____ என்ற பெயரில் சுய உதவி குழு நடத்தி வருகிறோம் எங்கள் குழு உறுப்பினர்கள் _____ கிராம கடல் பாதுகாப்பு மற்றும் சுற்றுச் சூழல் மேலாண்மைக் குழுவில் உறுப்பினர்களாக உள்ளோம். எங்கள் குழு மூலமாக _____ தொழில் செய்வதற்கு ரூ _____ கடனாக பெற்றுள்ளோம். இந்த கடன் தொகையை கடன் பெற்ற நாளில் இருந்து 10 மாத காலத்திற்குள் 10 தவணைகளில் கடன் தொகையை அசல் மற்றும் வட்டியுடன் சேர்த்து குறிப்பிட்ட நாளில் செலுத்தி விடுவோம் என்று உறுதி கூறுகிறோம். இந்த சுய உதவி குழுவில் திரு. _____ த/பெ _____ ஆகிய நான் ஊக்குநராகவும், திரு. _____ த/பெ _____ ஆகிய நான் பிரதிநிதியாகவும் உள்ளோம். எங்கள் குழு பெற்றுள்ளகடனை மாதம் மாதம் தவணை தவறாமல் 10 தவணைக்குள் கட்டி முடித்திட நாங்களே தனிப்பட்ட முறையிலும் குழுவின் பெயரிலும் பொறுப்பு ஏற்றுக்கொள்கிறோம்.

2) கடனை உரிய தவணைக்குள் திரும்பச் செலுத்தாத பட்சத்தில் காவல்துறை மூலமாகவும், இதர சட்ட திட்டங்களின்படியும் மன்னார் வளைகுடா உயிர்க்கோள காப்பக அறக்கட்டளை மூலமாகவும் _____ கிராம கடல் பாதுகாப்பு மற்றும் சுற்றுச்சூழல் மேலாண்மைக்குழு மூலமும் எடுக்கப்படும் எல்லாவிதமான சட்ட நடவடிக்கைக்கும் நாங்கள் கட்டுப்பட்டவர்கள் ஆவோம் என்பதைத் தெரிந்துகொண்டு இதனடியில் நாங்கள் கையொப்பம் இட்டுள்ளோம்.

3) குழு உறுப்பினர்களில் எவரேனும் தவணைத் தொகையினை செலுத்தத் தவறினால், மற்ற உறுப்பினர்கள் அனைவரும் அதனை ஈடு செய்து, அந்தந்த தவணைக் காலத்திற்குள்ளாகவே செலுத்தி விடுவோம் என்று உறுதி கூறுகிறோம்.

சுய உதவி குழு
ஊக்குநர்/பிரதிநிதி

சாட்சிகள் :

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என் முன்னிலையில் கையொப்பம்
பெறப்பட்டது
(திட்டக்களப்பணியாளர்

என்னால் சரிபார்க்கப்பட்டது துணை
மண்டல அலுவலர்

என்னால் ஆய்வு செய்யப்பட்டது.
மண்டல அலுவலர்

GUIDELINES FOR FORMATION & FUNCTIONING OF VILLAGE MANGROVE COUNCILS (VMC) UNDER THE TNSHORE PROJECT

ABBREVIATIONS

<i>Sl.No.</i>	<i>Abbreviation</i>	<i>Full Form</i>
1	ATR	Action Taken Report
2	CSR	Corporate Social Responsibility
3	DFO	District Forest Officer
4	EC	Executive Committee
5	GIS	Geographic Information System
6	GOMBRT	Gulf of Mannar Biosphere Reserve Trust
7	IEC	Information, Education and Communication
8	IGA	Income Generating Activity
9	JFM	Joint Forest Management
10	KPI	Key Performance Indicator
11	MIS	Management Information System
12	MoU	Memorandum of Understanding
13	MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
14	MSME	Micro, Small and Medium Enterprises
15	NGO	Non-Governmental Organization
16	NRLM	National Rural Livelihood Mission
17	NWFP	Non-Wood Forest Produce
18	PAD	Project Appraisal Document
19	PEA	Project Executing Agency
20	PDO	Project Development Objective
21	PRA	Participatory Rural Appraisal

<i>Sl.No.</i>	<i>Abbreviation</i>	<i>Full Form</i>
22	SC/ST	Scheduled Caste / Scheduled Tribe
23	SHG	Self-Help Group
24	SPV	Special Purpose Vehicle
25	tCO ₂ e	Tonnes of Carbon Dioxide Equivalent
26	TN-SHORE	Tamil Nadu Sustainably Harnessing Ocean Resources and Blue Economy
27	VFC	Village Forest Committee
28	VMC	Village Mangrove Council
29	WLW	Wildlife Warden

LIST OF ANNEXURES

<i>Sl. No.</i>	<i>Annexure No.</i>	<i>Title of Annexure</i>
		Formation of Village Mangrove Council – Membership
1	Annexure – 1	Application Form
2	Annexure – 2	Memorandum of Understanding (MoU) between Forest Department and Village Mangrove Council
3	Annexure – 3	Format of Receipt for Membership Fees or Other Income
4	Annexure – 4	Format for Proceedings Register
5	Annexure – 5	Format for Letter from District Forest Officer regarding Registration of Committee
6	Annexure – 6	Environment and Forest Department Secretariat Letter on Revolving Fund and Interest Rate

CONTENTS

S. No	ITEM	PAGE NO
1	INTRODUCTION	5
2	PURPOSE OF GUIDELINES	6
3	OBJECTIVES OF VILLAGE MANGROVE COUNCILS	6
4	COVERAGE AND APPLICABILITY	6
5	SELECTION OF AREA	6
6	FORMATION OF VMC	7
7	INSTITUTIONAL STRUCTURE	9
8	SELF HELP GROUPS (SHG)	13
9	MICROPLAN PREPARATION	13
10	BENEFIT SHARING	14
11	VILLAGE DEVELOPMENT	15
12	ROLE AND RESPONSIBILITIES	18
13	TECHNICAL SUPPORT	19
14	FINANCIAL MANAGEMENT	19
15	INDEPENDENT FINANCIAL AUDIT	21
16	TRANSPARENCY AND SOCIAL AUDIT	22
17	KEY PERFORMANCE INDICATORS (KPI)	24
18	MODALITIES FOR DECENTRALIZATION	26
19	CAPACITY BUILDING	27
20	DIGITALIZATION	28
21	CONFLICT RESOLUTION	28

GUIDELINES FOR FORMATION & FUNCTIONING OF VILLAGE MANGROVE COUNCILS (VMC) UNDER THE TNSHORE PROJECT

1. INTRODUCTION

The National Forest Policy 1988, National Agroforestry policy 2014 and Tamil Nadu State Forest Policy 2018 emphasizes the protection, conservation, and sustainable management of forest resources through active participation of local communities. Recognizing that the forest-dependent communities are key stakeholders in conservation; the formation of VMC/VFC is committed to involve local communities in protection, restoration of degraded habitats, afforestation, and sustainable forest management.

The Tamil Nadu Sustainably Harnessing Ocean Resources and Blue Economy (TN- SHORE) Project is a major coastal restoration initiative aimed at strengthening coastal resilience, protecting marine biodiversity, restoring mangroves and seascapes, and enhancing livelihoods of coastal communities. The programme is being implemented with an investment of approximately ₹1,675 crore with support from the World Bank and the Government of Tamil Nadu.

Mangrove ecosystems play a critical role in protecting coastal areas from erosion, storm surges, and sea-level rise while supporting fisheries, biodiversity, and carbon sequestration. Community participation is vital for the sustainable management and restoration of mangrove ecosystems.

Village Mangrove Councils (VMCs) under the TNSHORE project are proposed as community-based institutions at the village level to facilitate participatory mangrove conservation, livelihood enhancement, and climate-resilient coastal management. These committees will actively participate in protecting natural areas such as coral reefs, seagrass meadows, mangrove patches and its associates, supporting natural regeneration and plantation activities, preventing forest degradation, and ensuring sustainable use of forest resources.

To achieve this vision of inclusive and sustainable protection and enhancement of natural resources, and strengthening livelihood; the project adopts a comprehensive approach by increasing community incomes through diversification, job creation and enhanced livelihood opportunities for vulnerable populations, particularly women.

2. PURPOSE OF GUIDELINES

These guidelines provide operational and structural framework for the formation and functioning of Village Mangrove Councils (VMCs), under the Tamil Nadu Coastal Restoration Mission (TN-SHORE) Project, and define their roles and responsibilities thereby ensuring, transparency, accountability and effective community participation

3. OBJECTIVES OF VILLAGE MANGROVE COUNCILS

The main objectives of VMCs are to:

- Promote restoration of degraded mangrove ecosystems.
- Strengthen coastal resilience to climate change, cyclones, and storm surges.
- Establish institutional mechanisms for community participation in habitat restoration and mangrove conservation.
- Enable transparent governance and equitable benefit sharing.
- Support sustainable livelihood opportunities for coastal communities.
- Facilitate participation in future ecosystem service markets, including blue carbon finance.

4. COVERAGE AND APPLICABILITY

These guidelines apply to coastal villages located near mangrove ecosystems or potential restoration areas in the 14 coastal districts of Tamil Nadu including Chennai, Tiruvallur, Chengalpattu, Villupuram, Cuddalore, Mayiladuthurai, Nagapattinam, Tiruvarur, Thanjavur, Pudukkottai, Ramanathapuram, Thoothukudi, Tirunelveli, and Kanniyakumari.

5. SELECTION OF AREA

- The unit of management under Village Mangrove Council shall be a hamlet, a group of hamlets, or an entire village, depending on coastal resources for the sustainable livelihood.
- The management unit shall include coastal areas, as well as community and private lands (agroforestry), to ensure a cohesive and manageable unit.

- Villages shall be identified based on proximity to mangrove ecosystems, potential for ecological restoration, dependency of local communities on coastal resources, and vulnerability to coastal hazards such as cyclones, erosion, and saline intrusion.

The area covered under each management unit shall be determined by the District/Divisional Forest Officer/Wildlife Warden, in consultation with the local communities

6. FORMATION OF VMC

6.1 Constitution and Legal Status

Legal hierarchy and governance framework is explicitly defined as follows:

- Village Mangrove Councils (VMCs) shall be constituted as independent legal entities registered under the Tamil Nadu Societies Registration Act, 1975. The provisions of the Act shall prevail in matters relating to legal status, governance, financial management, and dispute resolution. The Joint Forest Management (JFM) guidelines shall serve as a guiding framework for participatory resource management, to the extent that they are consistent with the objectives of the TN-SHORE Project and do not conflict with statutory provisions.
- Further, the governance structure delineates the following roles:
 - *VMC General Body & Executive Committee*: Primary decision-making authority on, planning, implementation, and benefit sharing
 - *Forest Department*: Technical support, regulatory oversight, & approval of ecological aspects
 - *TN-SHORE Authorities*: Funding, coordination, monitoring, and policy guidance
- This legal hierarchy and governance framework will ensure that VMCs function as empowered community institutions with legal certainty; while still benefiting from the institutional experience and safeguards of the JFM framework.

6.2 Functioning of VMC

- The councils shall function as community-based coastal ecosystem governance institutions under the TN-SHORE Project framework with delegated authority (as per JFM principle) for mangrove restoration, blue carbon management, shoreline protection by means of Bio shields, climate resilience planning, and sustainable livelihood enhancement.

- The VMC shall be recognized as a community-based natural capital management institution, integrating ecological restoration, coastal disaster preparedness, and ecosystem service valuation.
- The VMC shall operate in coordination with the relevant Government departments including the Forest Department, Fisheries Department, Environment Department, and local bodies.

6.3 Participatory Rural Appraisal

- Community consultations shall be conducted to mobilize villagers and explain the objectives of the TN-SHORE Project.
- The Forester / Ranger / District Forest Officer / Divisional Forest Officer / Wildlife Warden concerned shall explain the concept and objectives of VMC to the villagers and motivate maximum participation in the Committee.
- Participatory Rural Appraisal (PRA) methods may be used to identify local priorities and ecological restoration needs.
- Based on the PRA, the priority thrust areas and management interventions of the Management Unit shall be finalized in consultation with the Committee members.

6.4 Formation of VMC

- In each identified Management Unit, a representative body of the local community namely Village Mangrove Council (VMC) shall be constituted.
- The VMC shall be actively involved in planning, execution of works, protection, harvesting, and benefit sharing within the management unit, with special emphasis on degraded habitat, mangrove areas and their associates.
- The concerned Forester/Range Officer shall initiate and facilitate the process of formation of the VMC.

6.5 Composition & Membership

- Every adult member Male/ Female of the household living in the chosen area, dependant on coastal & marine resources or allied activities is entitled to become a member of the VMC. The Committee shall have one male and one female member from each household, subject to their willingness to participate.
- Each member shall pay annual, non-refundable subscription of Rs.5/- towards membership, which will operate in the VMC accounts.

- Special efforts shall be made to ensure participation of women, fishermen communities, and other vulnerable groups.
- Active participation of women in mangrove plantation and other activities is strongly encouraged, with a target of at least 30% of employees as women.

6.6 Forms and documents related to membership and registration

The following forms and documents shall be utilized,

- **Membership:**

Every individual willing to enroll with VMC shall be registered using the Membership Form given in Annexure – 1. A Register of all the members of the VMC shall be maintained.

- **Memorandum of Understanding:**

Once VMC is formed, the District Forest Officer/Divisional Forest Officer / Wildlife Warden representing the Forest Department shall enter into an MoU with the VMC in the template attached as Annexure - 2.

- **Receipt book:**

Receipts should be given for membership fee collected as well as for any other money charged from the members by the VMC. A format for the receipts is attached (**Annexure - 3**).

7. INSTITUTIONAL STRUCTURE

The institutional structure of the VMC shall consist of:

- I. General Body
- II. Executive Committee
- III. Thematic sub-committees (where ever required) – (Eg: Women Sub Committee in EDC)

7.1 General Body

- The General Body shall consist of all registered members of the VMC.
- It shall meet at least twice a year to review progress, approve micro-plans, and review financial statements.

7.2 Executive Committee

The Executive Committee is entrusted with overseeing the overall operations of the VMC. Its members must be elected prior to the registration of the VMC under the Tamil Nadu Societies Registration Act, 1975. The election of Executive Committee members shall be conducted through a democratic process involving all VMC members.

- The Executive Committee shall be elected by the General Body and consist of 5–15 members including President. At least 50% of members should be women; with mandatory inclusion of one SC/ST member (where ever applicable), one traditional fisher representative, and one youth member.
- Each VMC will elect an "Executive Committee", in such a manner that one hamlet elects atleast two members, one of whom is a woman. Each VMC will elect a minimum of 5 (five) and a maximum of 15 (fifteen) members to the Executive Committee. The Village Panchayat members of the management unit will be co-opted as ex-officio members of the Executive Committee (EC). The elected members of EC will elect its President from among themselves, who will also be the ex-officio President of the VMC. The Forest Ranger/ Forester concerned who will be the Member Secretary of the EC, will also facilitate the election process of the members and the President of the EC.
- If necessary, the District Forest Officer/ Divisional Forest Officer / Wildlife Warden concerned may nominate one representative of a Development Department of the Government and one N.G.O. as ex-officio member of EC.
- The term of Executive Committee will be five years or till the completion of the project period. It will meet at least once in a month
- The EC will be responsible for day-to-day activities of the VMC.
- Constant efforts will be taken by the EC to bring about unanimity in its decisions; however, in case of difference of opinion the decisions of the EC will be taken by, majority vote of the members present (elected members and ex-officio members).
- Decisions of EC to be placed before VMC: The President of the EC will inform the VMC, the decisions taken/activities undertaken by EC.

7.3 Meetings

- The General Body of the VMCs shall meet at least once in 6 months and EC at least once in a month.

- Proceedings of the meetings shall be properly recorded and maintained.

7.4 Mandatory Quorum for Village Mangrove Council (VMC)

The quorum is essential to ensure that decisions are representative, participatory, and legitimate.

i) General Body Quorum:

A minimum of 50% of the total registered members of the VMC shall constitute the quorum for any General Body meeting. Within this, it is recommended that:

- At least one-third (33%) of the members present are women, and
- Adequate representation of vulnerable groups (such as fishermen communities and SC/ST households) should be ensured.

If quorum is not met, the meeting shall be adjourned and reconvened within 7–15 days after due prior notice, where decisions may be taken with the members present.

ii) Executive Committee (EC) Meeting Quorum:

For Executive Committee meetings, the quorum shall be:

- At least 50% of the total EC members, including
- Presence of the President, and at least one-woman member.

iii) Documentation:

- Attendance must be recorded with name/designations, signatures/thumb impressions.
- Quorum compliance should be certified in the meeting minutes.

7.5 Voting Procedure

Decision-making in VMCs should be participatory, transparent, and primarily based on consensus. Voting is to be used only when consensus cannot be reached after adequate discussion.

- *Eligibility to Vote:* All registered members of the VMC General Body have the right to vote, with each member having one vote. Voting must be done in person, and proxy voting is not permitted.

- *Types of Voting:* Voting may be conducted through show of hands or voice vote for routine matters, while secret ballot may be used for elections and sensitive issues such as conflicts or disputes.
- *Majority Requirements:* Any decisions shall be made by simple majority.
 - All decisions shall be taken by simple majority (more than 50%) of members present.
- *Quorum Requirement:* Voting is valid only when the prescribed quorum is met, typically 50% of members for both General Body and Executive Committee meetings.
- *Role of Chairperson:* The President presides over meetings, ensures fair conduct of voting, and has a casting vote in case of a tie.
- *Recording of Voting:* All voting outcomes must be documented in the meeting minutes, including the number of members present, votes cast, and method of voting, while maintaining confidentiality in case of secret ballots.
- *Transparency and Disclosure:* Voting results should be publicly announced during meetings and displayed in community spaces to ensure transparency.
- *Conflict of Interest:* Members with personal or financial interests in a matter must disclose their interest and abstain from voting.
- *Legal Validity:* Decisions taken following proper quorum and voting procedures are legally valid, while those taken without adherence to these norms are considered invalid.
- *Inclusiveness:* Efforts must be made to ensure participation of women, SC/ST communities, and fishermen groups, and decisions affecting these groups should not be taken without their involvement.

7.6 Removal of Executive Committee Members

The VMC can itself decide the procedure for removal of a member due to reasons mentioned below,

- Engaging in forest crimes / illegal activities.
- Regular absence from meetings
- Working against the interests of VMC
- Bankruptcy or mental retardation
- Conviction by Court.

In all situations, a chance of hearing should be given to the concerned person and notice given before action.

8. SELF HELP GROUPS (SHG)

The primary objectives of SHGs include promoting savings and credit activities, skill development, income generation, social empowerment, and community development.

- *Legal Framework:* Though the SHGs are independent organizations at the community level, they will be part of VMC under TN-SHORE mainly constituting women SHGs.
- *Structure:* They would typically consist of 10 to 15 members, predominantly women, although men can also be part of SHGs. Members usually belong to similar socio-economic background and may share common interests or livelihood activities.
- *Governance:* SHGs typically operate on a democratic basis, with members electing leadership positions from among themselves (president, secretary, treasurer, and other committee members) responsible for functions such as finance, record-keeping, and liaison with external agencies. Decision-making within SHGs is often participatory, with all members having a voice in the group's activities and resource allocation.
- *Functions:* SHGs undertake various activities to achieve their objectives, including:
 - Income Generation
 - Skill Development and Training
 - Social Empowerment
 - Savings and Credit
- *Funding and Support:* Apart from the support from the VMC, the Women Development Corporation in Tamil Nadu has established a standardized procedure to form, nurture and link them with mainstream financial institutions and line departments for revolving funds and welfare programs.

9. MICROPLAN PREPARATION

- Each VMC shall prepare a participatory micro-plan outlining restoration targets, livelihood activities, disaster risk reduction strategies, and monitoring indicators.
- The Member Secretary (MS) shall prepare/ assist in the preparation of the micro-Plan for the management unit, after consultation with the members of Village Mangrove Councils. After preparation, the micro plan will require formal approval of the EC and then the technical approval of District Forest Officer / Divisional Forest Officer /

Wildlife Warden concerned after due scrutiny as per the existing laws, JFM guidelines, management plan / working plan.

10. BENEFIT SHARING

The VMC Guidelines define benefits as all sustainable outputs flowing from the management unit, which includes mangrove forests/patches, degraded forests, Government lands, and community lands.

Sharing the sustainable benefits from the mangrove forests/patches, degraded forests, Government lands in concurrence with land owning department and community lands lying within the management unit, with the members of VMC and among them is the most important component of Joint Forest Management. The guiding principle of this benefit sharing will be equitable distribution and sustainable utilization. The beneficiaries will be decided by the EC.

- Suggested allocation may include household benefits, village mangrove development fund, women livelihood fund, and climate resilience fund.
- All Non-Wood Forest Produce (Minor Forest Produce) for domestic consumption/ Bonafide use will be given free of cost to the members of VMC subject to availability and within the ambit of rules and regulations (applicability of sec 29 of WLPA in PAs).
- Sustainable harvest levels and NWFP available in the Management Unit will be decided by District/Divisional Forest Officer/Wildlife Warden through participatory ecological assessment (or Thematic Committee constituted for the purpose) validated by technical experts but approved by the VMC General Body and the sale/disposal of any surplus quantity shall be decided by District/Divisional Forest Officer/Wildlife Warden and the EC.
- The sale proceeds so received will be distributed equitably among the members of the VMC by the EC as per the suggested revenue allocation below:
 - Household Distribution – 50%
 - Village Mangrove Development Funds – 25%
 - Women’s Livelihood Fund – 15%
 - Climate Resilience Fund – 10%
- Surplus benefits likely to be available from the management unit can be extended to others by the District/ Divisional Forest Officer/Wildlife Warden in consultation with VMC.

11. VILLAGE DEVELOPMENT

The village development under TN-SHORE requires an integrated approach that combines livelihood enhancement, ecosystem restoration, and community infrastructure development to improve socio-economic resilience while conserving fragile coastal ecosystems. The focus should be on strengthening the income base of coastal households- particularly fishermen, women, and vulnerable groups- while simultaneously investing in community assets that enhance quality of life and climate resilience.

11.1 Income Generation Activities

Income generation activities should be diversified, climate-resilient, and aligned with local resource availability, particularly mangrove and coastal ecosystems. The income generation activities (IGA) can be either individual based or group based (SHG). These activities be either a) Micro-financing or b) Increasing the earning capacity by capacity building. Key activities include but not limiting to the following:

i. Mangrove-Based Livelihoods

- Crab fattening and mud crab culture
- Mangrove honey collection and processing
- Sustainable harvesting of Non-Wood Forest Produce (NWFP)
- Mangrove nursery raising and plantation works

ii. Fisheries and Allied Activities

- Value addition (dry fish, pickles, fish processing units)
- Ornamental fish culture
- Mariculture (where feasible)
- Ice storage and cold chain support

iii. Eco-Tourism and Nature-Based Enterprises

- Community-managed mangrove ecotourism (boat rides, guided tours)
- Homestays and coastal tourism services
- Bird watching and interpretation services
- Sales of local handicrafts and eco-products

iv. Women-Centric Livelihoods

- Self-Help Group (SHG)-based enterprises

- Coir, shell crafts, palm leaf products
- Small-scale food processing units
- Micro-enterprises supported through revolving funds

v. Skill Development and Entrepreneurship

- Training in sustainable fisheries, eco-tourism, and value addition
- Capacity building in financial literacy and enterprise management
- Linkages with Tamil Nadu Skill Development Corporation

11.2. Community Development Works

Community development works should focus on infrastructure creation, climate resilience, and improved service delivery. Following activities are encouraged:

i. Coastal Protection and Ecosystem Restoration

- Mangrove plantation and restoration
- Bio-shield development
- Shoreline stabilization measures
- Wetland and Estuary Restoration

ii. Basic Infrastructure Development

- Drinking water facilities
- Sanitation and waste management systems
- Village roads and connectivity
- Solar lighting and renewable energy solutions

iii. Livelihood Infrastructure

- Fish landing centers
- Storage and processing units
- Community halls and training centers
- Market sheds and value chain infrastructure

iv. Disaster Resilience and Climate Adaptation

- Cyclone shelters and early warning systems
- Elevated platforms and flood protection structures

Disaster preparedness training for communities

11.3 Operational Mechanism

Village Mangrove Councils (VMCs) are responsible for preparing micro-plans, identifying priority activities, ensuring equitable benefit sharing, and monitoring project outcomes, while facilitating convergence with government schemes and stakeholder coordination.

- *Selection Criteria:* Each livelihood option should be assessed based on ecological & technical feasibility, economic viability, risk factors, social acceptance, & potential for scaling/ replication.
- *Process of Identification:* Livelihoods should be identified through participatory approaches such as PRA, resource mapping, market analysis, and community validation, and incorporated into VMC micro-plans for implementation.
- *Implementation Mechanism:* Activities should be implemented through VMCs and SHGs with support for capacity building, financial access, market linkages, and convergence with relevant government schemes.
- *Monitoring and Performance Indicators:* Performance should be tracked through indicators such as income enhancement, participation levels, sustainability of practices, livelihood diversification, and strength of market linkages.

Funding for coastal village development shall be mobilized through multiple sources, including TN-SHORE project funds, convergence with government schemes like MGNREGS and NRLM, CSR contributions, and microfinance mechanisms. Opportunities for accessing ecosystem service payments and carbon finance shall also be explored to ensure long-term financial sustainability.

Terms of the Loan Amount:

- Individual – Upto Rs 25,000
- SHG – Upto Rs 2,00,000
- Rate of Interest – Shall be between 5.5% - 12%** per annum as decided by the Executive Committee

***Rate of Interest for Micro Credit either it will be fixed by the VMC or it should be followed by the Government letter (E&F) No:16120 /FR-5/2001-15 Dated:05.03.2003. with the simple interest of 12 % Per Annum. (Annexure 6)*

- Repayment Period – 10 to 12 months for both Individual and SHG
- Repayment Frequency – Monthly
- Grace Period – Maximum 1 month for seasonal activities
- Security – Execution of Bond with Surety as decided by the VMC

- Penalty on default – Penalty shall be levied at the rate of 2% interest

The application process will involve submission of the loan request form with activity plan to the VMC which will be reviewed by the EC and VMC will pass resolution. Member Secretary will submit to the DISTRICT FOREST OFFICER / DIVISIONAL FOREST OFFICER / WILDLIFE WARDEN for approval and the amount shall be disbursed via bank transfer.

11.4 Expected Outcomes and Strategic Approach

The integrated approach is expected to enhance household incomes, diversify livelihoods, improve infrastructure, and strengthen resilience to climate change while conserving coastal ecosystems. The strategy emphasizes ecosystem-based development, community participation, and climate adaptation to achieve sustainable and inclusive coastal development.

12. ROLE AND RESPONSIBILITIES

12.1 VMC

- The VMC shall be responsible for mangrove protection, restoration activities, monitoring of ecosystem health, prevention of illegal activities, livelihood promotion, and awareness generation.

12.2 TN-SHORE

- TNSHORE and District PEAs will facilitate training/capacity building and technical assistance.
- It will also ensure coordination with different line departments and other partners of the project for effective implementation of various livelihood activities.
- TNSHORE will ensure timely release of funds to the VMCs through the PEAs that are necessary to implement activities envisaged under the Project.

12.3. Project Executing Agencies

- Implement livelihood, conservation, and eco-development activities
- To prepare and implement Micro-Plans
- Maintain records, account, and submit periodic reports
- To follow community procurement guidelines for procurement related activities
- Manage Revolving Fund operations and loan recovery.

13. TECHNICAL SUPPORT

- DISTRICT FOREST OFFICER / DIVISIONAL FOREST OFFICER / WILDLIFE WARDEN, Forest Range Officers or Zonal Officers(GOMBRT) may engage NGOs, public, and private entities for technical assistance.
- Support will focus on training and capacity building for project officers, VMC and beneficiary communities.
- Qualified service providers may include:
 - Community-based experts
 - Tamil Nadu Skill Development Corporation
 - Tamil Nadu Corporation for Development of Women
 - Vazhndhu Kaattuvom State Society
 - Magalir Thittam (MATHI)
 - Private sector experts, firms and NGOs
 - MSME Schemes for Women and Vulnerable Group
 - TBGP
- Payments may be made directly by the Project Executing Agency to engaged entities, ensuring transparency and accountability.

14. FINANCIAL MANAGEMENT

- A Joint Account in the name of the VMC will be opened in a local or nearest bank or post office with the President and Member-Secretary as signatories.
- Dedicated VMC bank accounts must be maintained.
- The President and Member Secretary will together be responsible and accountable to the VMC for all financial transactions.
- The Member Secretary will be specifically responsible for the proper maintenance of accounts and shall have in his/her possession all records relating to finance.
- The records include Cash Book, Accounts Register, Passbook. Cheque Book and a Record of harvest, sale and share of produce to the VMC with a list of beneficiaries.
- All transactions shall be strictly through VMC bank-to-bank transfers.
- Cash transactions allowed only below ₹5,000.
- [Mandatory financial records:](#)

- Cash Book & Ledger: For daily transactions.
- Vouchers & Utilization Certificates: For expenditure tracking.
- Bank Reconciliation Statements: To ensure financial accuracy.
- Monthly Reports: Submitted to District PEA for review.
- An annual financial audit of the VMC accounts shall be conducted by an independent third party with findings presented before the VMC General Body and made publicly accessible.
- A quarterly audit inspection of accounts to be carried out by the District Forest Officer / Divisional Forest Officer / Wildlife Warden
- Mandatory annual social audits shall be conducted to ensure transparency.

14.1. Sources of Funds

The Funds shall be maintained as a separate account head, into which the amount will be credited. Funds may include:

- Membership money
- Fund provided by the TN SHORE PROJECT
- Government Schemes, CSR contributions and Community contributions
- Revenue generated from sustainable livelihood activities
- Grants and loans obtained for VMC activities from authorized sources (Grant/ Micro Credit / Revolving Fund).
- Money levied as fines and penalties

14.2 Fund Utilization

The funds created for VMC will be utilized in the following manner:

- i. For maintenance, protection and improvement of the forest/mangrove area managed by them.
- ii. For extending assistance to forest/mangrove forest dependents and poor for alternate employment and poverty alleviation as approved by the Executive Committee and the DISTRICT FOREST OFFICER / DIVISIONAL FOREST OFFICER / WILDLIFE WARDEN.
- iii. For community asset creation which may be applicable under TNSHORE project activities and approved by Executive Committee.

- iv. For meeting any contingent and ancillary expenditure by the Executive Committee.
- v. Digitalisation and digital payment receipt for livelihood and eco-tourism activities to be assured as far as possible.

The accounts of the Funds will be maintained by the Member-Secretary which will be audited by an independent agency.

15. INDEPENDENT FINANCIAL AUDIT

The annual financial audit of VMCs aims to ensure transparency, accountability, and proper utilization of funds, while detecting irregularities and strengthening institutional credibility, particularly for public and climate finance.

15.1 Scope of Audit & Frequency

- *Scope:* The audit covers all financial transactions, records, fund utilization, procurement processes, and benefit distribution to ensure compliance with guidelines and proper financial management.
- *Internal Audit:* Biannual Internal Audit by a team deputed by DISTRICT FOREST OFFICER / DIVISIONAL FOREST OFFICER / WILDLIFE WARDEN may be carried out.
- *Frequency & Timeline:* Audits are to be conducted annually for each financial year and completed within 3–6 months after the end of the financial year.
- *Selection of Auditor:* Audits should be conducted by independent Chartered Accountants or empanelled audit firms, selected through a transparent process, with periodic rotation to maintain independence.

15.2 Audit Process

The process includes pre-audit preparation, field verification of records and assets, reconciliation of accounts, compliance checks, and an exit meeting to discuss findings with the VMC.

- *Audit Report:* The auditor prepares a detailed report including financial statements, audit opinion, observations, compliance status, and recommendations.
- *Classification of Observations:* Audit findings are categorized into major, moderate, and minor issues to prioritize corrective actions.
- *Disclosure and Transparency:* Audit reports must be presented to the VMC General Body, shared with authorities, and publicly disclosed to ensure transparency.

- *Action Taken Report (ATR):* VMCs must prepare and implement corrective actions within 30–60 days based on audit findings, with follow-up monitoring by authorities.

15.3 Institutional Responsibilities

VMCs are responsible for maintaining records and implementing recommendations, while TN-SHORE and the Forest Department facilitate audits and ensure compliance.

- *Financial Controls and Compliance:* Strict adherence to financial procedures, including bank-based transactions, proper authorization, and record maintenance, is required.
- *Integration with Social Audit:* Financial audit findings should be integrated with social audits to enable community validation and oversight.
- *Use of Digital Tools:* Digital systems and MIS should be used for record-keeping, audit reporting, and compliance tracking to improve efficiency.
- *Penalties and Corrective Measures:* Serious irregularities may lead to fund recovery, suspension of powers, reconstitution of VMC, or legal action.

15.4 Expected Outcomes

- The audit system enhances financial discipline, reduces misuse of funds, strengthens governance, and improves readiness for future funding and climate finance opportunities.

16. TRANSPARENCY AND SOCIAL AUDIT

Social Audit is a community-driven mechanism to review the functioning, transparency, and accountability of Village Mangrove Councils (VMCs), ensuring that decisions, fund utilization, and project activities are carried out in an inclusive and responsible manner.

It aims to promote transparency, verify proper use of funds, strengthen community participation, assess ecological and livelihood outcomes, ensure equitable benefit sharing, and identify gaps or grievances for corrective action.

16.1 Scope & Frequency

- *Scope:* It covers institutional functioning, financial management, implementation of mangrove and livelihood activities, benefit distribution, and compliance with guidelines and approved micro-plans.
- *Internal Social Audit:* Internal Social Audit by team deputed by District/Divisional Forest Officer or Wild Life Warden

- *Frequency:* Social Audits should be conducted at least once annually, preferably before financial audits, with additional audits undertaken if required based on complaints or major interventions.

16.2 Social Audit Process

The process should include preparation, community mobilization, verification of records and field activities, public hearings, documentation of findings, and follow-up corrective actions.

- *Pre-Audit Preparation:* This involves forming a Social Audit team, collecting relevant records, and informing the community in advance about the audit schedule.
- *Community Mobilization:* Efforts should be made to ensure broad participation of all sections of the community, particularly women, fisher groups, and marginalized households, through awareness and engagement activities.
- *Verification Process:* Field verification of works, cross-checking records, and validation of benefits received by households should be undertaken to ensure accuracy and authenticity.
- *Public Hearing:* Findings may be presented in an open forum where community members can raise concerns, provide feedback, and seek clarifications.
- *Documentation and Follow-up:* A Social Audit report should be prepared highlighting findings and recommendations, followed by an Action Taken Report to address issues within a specified timeframe.

16.3 Institutional Arrangements

- An independent Social Audit team will be constituted, with clearly defined roles for VMCs and TN-SHORE authorities will ensure transparency and effective implementation.
- The audit will be guided by principles of transparency, participation, accountability, equity, and independence, using tools like PRA, social mapping, surveys, and public disclosures.

16.4 Indicators, Transparency, and Outcomes

- Performance will be assessed through governance, financial, ecological, livelihood, & inclusion indicators, with transparency ensured through public disclosure and grievance mechanisms, ultimately leading to improved accountability, trust, and sustainability of VMC interventions.

17. KEY PERFORMANCE INDICATORS (KPI)

Key Performance Indicators (KPIs) for TN-SHORE should align with the Project Appraisal Document (PAD) Results Framework, covering Project Development Objective (PDO) indicators, intermediate results, and component-wise outputs to capture ecological, social, and institutional outcomes.

17.1 PDO-Level Indicators – (Annexure via)

These reflect the overall impact of the project:

- Area of mangroves restored or brought under improved management (hectares)
- Share of employees in mangrove plantations that are women (Percentage)
- Improving livelihoods for natural resource dependent communities- Beneficiaries provided with training support on coastal livelihoods (Number)
- Enhance livelihood benefits in targeted coastal communities
- Increase in coastal protection (reduction in erosion/vulnerability index)
- Number of beneficiaries with improved livelihoods (disaggregated by gender)
- Percentage increase in household income in project areas
- Reduction in climate vulnerability of coastal communities
- Carbon sequestration achieved (tCO₂e)

17.2 Intermediate Results Indicators

- *Ecosystem Restoration Indicators:* Indicators focus on the extent and quality of restoration, such as area under mangrove plantation, survival rates, increase in canopy cover, and restoration of wetlands and estuarine ecosystems.
- *Climate Resilience Indicators:* These assess the project's effectiveness in enhancing resilience through measures like number of villages with micro-plans, area protected by bio-shields, reduction in flooding or salinity intrusion, and establishment of early warning systems.
- *Livelihood Indicators:* KPIs track livelihood improvements through the number of activities supported, beneficiaries engaged, increase in household income, and participation of women and vulnerable groups.
- *Institutional Indicators:* These measure governance and functionality of VMCs, including number of councils formed, frequency of meetings, micro-plan preparation, and conduct of social audits.

- *Financial and Governance Indicators:* Indicators include fund utilization efficiency, number of audited VMCs, timeliness of fund disbursement, and effectiveness of grievance redressal mechanisms.

17.3 Additional Strategic Indicators

To strengthen the framework, the following strategic indicators could also be considered:

- *Biodiversity Indicators:* Increase in fish/crab populations (proxy indicators); Number of species recorded in restored areas; and Improvement in habitat quality indices.
- *Social Inclusion Indicators:* Women in leadership positions (%); Participation of SC/ST and fisher communities; and Number of SHGs engaged in project activities.
- *Disaster Risk Reduction Indicators:* Reduction in economic losses from climate events; Number of households covered under preparedness plans; and Response time during emergencies.
- *Market and Economic Indicators:* Value of products/services generated from livelihoods; Number of market linkages established; and Growth in eco-tourism footfall.
- *Blue Carbon Indicators:* Area under blue carbon accounting; Volume of carbon credits generated (tCO₂e); Revenue generated from carbon markets; and Number of VMCs participating in carbon initiatives.

17.4 Monitoring Mechanism

- Monitoring should involve baseline, midline, and endline assessments, use of GIS and remote sensing, community-based monitoring through VMCs, and third-party evaluations.
- Monitoring should be conducted at village, district, and state levels to track mangrove survival rates, restoration area, livelihood outcomes, and community participation.
- All indicators should be disaggregated by gender, social category, livelihood group, and geography, with periodic reporting (quarterly, annual, or project cycle-based).

Strategic Outcome: A robust KPI framework enables effective monitoring, accountability, and evidence-based decision-making, while supporting project evaluation, scalability, and integration with climate finance mechanisms.

18. MODALITIES FOR DECENTRALIZATION

- *Functional Devolution with Defined Roles:* Decentralization should be achieved by clearly assigning responsibilities to VMCs for planning, implementation, and benefit sharing, while the Forest Department provides technical guidance and regulatory oversight, and TN-SHORE authorities handle funding, overseeing, and monitoring. This ensures community autonomy with necessary safeguards.
- *Tiered Decision-Making Framework:* A three-tier system shall be adopted where routine activities are decided by VMCs; key planning and benefit-sharing decisions are taken jointly with departments; and sensitive or high-value matters will require regulatory approval.
- *Financial Autonomy with Safeguards:* VMCs shall have authority to manage funds through designated bank accounts within defined limits, supported by dual signatories, mandatory audits, proper record-keeping, and social audits to ensure financial discipline and transparency.
- *Participatory Planning with Technical Validation:* Micro-plans shall be prepared by VMCs through participatory approaches and validated by technical authorities within a defined timeframe, ensuring both ownership and technical soundness.
- *Transparency and Accountability Mechanisms:* Regular social audits, public disclosure of financial and beneficiary information, and time-bound grievance redressal systems shall be instituted to strengthen accountability. Use of digital tools such as MIS, geo-tagging, and online fund tracking can provide light-touch monitoring while maintaining transparency and efficiency.
- *Phased Decentralization Approach:* A gradual transition from guided decentralization to community-led governance should be adopted, allowing VMCs to build capacity before assuming full autonomy.
- *Alignment with Carbon/SPV Models:* VMCs can play a role in local implementation and monitoring, while higher-level institutions or SPVs handle complex financial and carbon-related functions, ensuring community benefits without exposure to risks.

The approach emphasizes decentralizing implementation while maintaining regulatory oversight and strong accountability, leading to enhanced community participation, transparency, ecological outcomes, and readiness for future climate finance opportunities.

19. CAPACITY BUILDING

Capacity building in VMCs aims to enhance the knowledge, skills, and institutional capabilities of community members so they can effectively manage mangrove restoration, livelihoods, and governance, ultimately making VMCs self-reliant and sustainable.

19.1 Key Areas of Capacity Building

- *Institutional Strengthening*- Roles and responsibilities of VMC members; Governance processes (meetings, quorum, decision-making); and Leadership development and conflict resolution
- *Technical Skills*- Mangrove restoration techniques and nursery management; Coastal ecosystem conservation practices; and Climate change adaptation and disaster preparedness
- *Financial Management*- Bookkeeping and accounting; Fund utilization and financial reporting; and Audit compliance and transparency
- *Livelihood Development*- Skill training for income-generating activities; Value addition and enterprise development; and Market linkage and business planning
- *Social Inclusion and Gender*- Promoting participation of women and vulnerable groups; Gender-sensitive planning and leadership; and Strengthening SHGs and community institutions

19.2 Capacity Building Methods & Plan

- A mix of training workshops, field demonstrations, exposure visits, on-site mentoring, Training-of-Trainers approaches, and use of IEC materials such as manuals and digital tools should be adopted.
- Digital platforms, e-learning modules, and MIS systems can be used for training delivery, record-keeping, and monitoring to improve efficiency and reach.
- An annual capacity building plan should be prepared based on local needs, with scheduled training sessions, identification of target groups, and tracking of participation and outcomes.

19.3 Institutional Arrangements

- TN-SHORE authorities to coordinate capacity building, with technical support from the Forest Department and implementation support from NGOs, research institutions,

and training agencies, along with convergence with skill development and women- focused institutions.

20. DIGITALIZATION

Digitalization of Village Mangrove Councils (VMCs) is an important step towards strengthening community-based natural resource management by enhancing transparency, efficiency, and accountability. By adopting digital tools, routine administrative processes such as member registration, meeting minutes, financial management, and activity monitoring can be streamlined and easily accessed for review.

VMCs may enable digitalization of their functions **as far as possible**, considering local capacities and available infrastructure, to ensure efficiency in fiduciary, effective implementation of activities and transparency in decision-making. Adoption of digital practices will strengthen institutional governance, improve accountability, and support sustainability of community-based mangrove management initiatives.

Digitalization may also include following tools:

- Mobile-based apps for PRA and household surveys.
- Geo-tagging for spatial analysis.
- Digital ledgers linked to VMC accounts.
- Digital transactions for transparency.
- Digital credit registry for SHGs and VMC-linked groups.
- Mobile dashboards to Track loan disbursement, repayment and credit health monitoring

21. CONFLICT RESOLUTION

The conflict resolution mechanism in VMCs is designed to ensure fair, transparent, and timely resolution of disputes related to resource use, benefit sharing, financial management, and governance, thereby maintaining community harmony and effective functioning of the institution.

- *Nature of Conflicts*: Conflicts may arise from issues such as benefit distribution, access to coastal resources, financial irregularities, selection of beneficiaries, leadership disputes, and interactions with external stakeholders.
- *Principles of Resolution*: Conflict resolution shall be guided by principles of equity, transparency, participation, inclusiveness, timeliness, and respect for local customs, with special sensitivity to gender and vulnerable groups.

- *Statutory Support:* In the event of disputes, the provisions of the Tamil Nadu Societies Registration Act, 1975 and JFMC Guidelines shall apply, ensuring statutory support for resolution, accountability, and enforceability
- *Multi-Tier Framework:* A structured multi-tier system will be followed, starting with the Executive Committee, followed by the General Body, and finally to departmental authorities such as the Forest Department for unresolved or serious cases.
- *Process:* The resolution process will include submission and registration of complaints, review and hearing by concerned bodies, decision-making, documentation, communication of outcomes, and follow-up actions.
- *Documentation:* All grievances must be recorded in a register detailing the nature of the complaint, parties involved, actions taken, and resolution status to ensure accountability.
- *Timeframe:* Conflicts shall be resolved within defined timelines: 7-15 days at the Executive Committee level, 15-30 days at the General Body level, and 30-45 days at the Dept. level.
- *Special Provisions:* Sensitive cases involving financial irregularities, vulnerable groups, or serious disputes may require audits, priority handling, or third-party mediation.
- *Transparency Measures:* Decisions should be documented in meeting minutes and communicated to members, with major issues discussed in General Body meetings to ensure openness.
- *Linkage with Social Audit:* Conflict resolution processes and outcomes should be reviewed during social audits to enhance community oversight and accountability.
- *Grievance Redressal Support:* Support systems such as helplines or grievance committees may be established to facilitate effective resolution.

An effective conflict resolution mechanism will reduce disputes, strengthen trust, improve governance, and enhance social cohesion and implementation of project activities.

Annexure 1

1. FORMATION OF VILLAGE MANGROVE COUNCIL

Name:	
Age:	
Gender:	
Primary Occupation:	
Number of years of experience in the activity:	
Any prior experience as an entrepreneur:	Yes / No
Entrepreneur:	
If yes, how many years?	
New Business Idea for the enterprise:	
Occupation Assets (if any):	
Skill Sets:	
Have you availed any bank;	
loan before:	Yes / No

Bank Linkage Details:

Bank Name	Branch	Account No.

Other Sources of Finance, **Yes** or **No**

Annexure 2

MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE FOREST DEPARTMENT AND THE VILLAGE MANGROVE COUNCIL (VMC).....VILLAGE FOR TN SHORE

Vide : 1.....

2.

1. PARTIES:

The following MOU is entered between the two parties viz. District/Divisional Forest Officer / Wildlife Warden representing Forest department and the Village Mangrove Council (VMC) village.

a) FIRST PARTY:

Forest Department represented by the District/Divisional Forest Officer / WLW.....division of circle and his successor in office having the office at

b) SECOND PARTY:

Represented by the President of the Village Mangrove Council (VMC)..... village and his successor in office having the address.....

2. OBJECTIVES:

The MOU is signed on with the following objectives:

- i. To evolve an effective Village Mangrove Council with local communities through Village Mangrove Council (VMC).
- ii. To conserve and develop mangrove forest and activities mentioned in VMC guidelines, in and around the..... village (management unit)through Village Mangrove Council (VMC).
- iii. To involve local people through Village Mangrove council (VMC) in activities mentioned in VMC guidelines.

- iv. Creating public awareness for better rapport and motivation through Village Mangrove Council (VMC).
- v. Promoting mangrove afforestation and community planting through Village Mangrove Council to enhance coastal resilience besides improving people's livelihood and environment.
- vi. To ensure flow of employment generation and benefits to local people living in the management unit.

3. THE AREA OF OPERATION/STATUS :

- a) (The map of the management unit comprising programme village/villages including Reserved Forests. Reserve land, patta and community lands. clearly demarcating each, should be furnished at this para).

- b) Extent of the management unit

Reserve Forest..... ha

Reserve Lands.....ha

Community Lands..... ha

Patta Lands Ha

- c) Boundaries of the management unit to be specified

North Boundary..... South

Boundary..... East

Boundary..... West

boundary.....

4. ORGANISATION AND ACTIVITIES:

The parties agree to abide by the guidelines for implementation of VMC in Tamil Nadu coastal districts as approved by the Government of Tamil Nadu in G.O. (Ms) No.11, dated 10.01.2024 , G.O. (Ms) No.160, dated 19.09.2024. These guidelines are appended in this MoU as Annexure which will form part and parcel of this MoU(both President of VMC and District

Forest Officer / Divisional Forest Officer /WLW should affix their signature in the Annexure as a token of their agreement).

5. RESPONSIBILITY AND ROLE OF THE FOREST DEPARTMENT:

- i. To utilize the co-operation of Non-Governmental Organization (NGOs) and the local community to the best advantage in involving an effective technique in the management unit (programme village /villages)
- ii. To Conduct PRA exercises in the programme village and create awareness among people regarding forests, ecology and environment.
- iii. To provide technical guidance and advise the local community in the implementation of Afforestation through VMC.
- iv. The Forest Ranger (Member Secretary of VMC) will prepare the Micro Plan with the advice of the VMC and get approval from the district /Divisional Forest Officer/WLW concerned. The required funds will be released for the various works prescribed in the Micro Plan.

v. To Exercise disciplinary control over the Executive Committee:

Any misconduct, financial or otherwise on the part of Member Secretary will be dealt with under Tamil Nadu Civil Services (Discipline and Appeal) As per Rules Appropriate action will be taken immediately against the Member – Secretary by the District / Divisional Forest Officer/WLW, if any irregularity in execution of work, both in quality and quantity is brought to his notice.

- vi. The concerned District / Divisional Forest Officer/Wildlife Warden will frequently inspect the works executed and ensure correctness of the quantity and quality of works. The concerned District / Divisional Forest Officer/WLW will also check measure the works as per the norms of the Forest Department. Super checking of works executed will be done by Conservator of Forest as per norms of Forest department.
- vii. The District / Divisional Forest Officer / WLW will closely monitor the involvement and the Co-operation of the VMC in executing the mangrove plantation works,

afforestation, enhancement of livelihood and orient them in the proper way. He will also send a monthly report in this regard to the concerned district PEAs.

- viii. The District / Divisional Forest Officer / WLW shall have the authority to disband the committees which are not discharging their duties properly. He will do so only after giving adequate opportunities to the committee members.
- ix. The District / Divisional Forest Officer / WLW will also lend his advice in the use of the Reserve Fund.

6. RESPONSIBILITIES AND ROLE OF THE VILLAGE MANGROVE COUNCIL:**

** Refer VMC Guidelines

7.PERIOD OF AGREEMENT:

This agreement will be in force for a period of five Years or till the end of the project period

8.IMMUNITY OF BIRTH CIVIL AND CRIMINAL ACTS:

If one party commits any criminal misconduct or tort, that party alone will be liable for such acts and other party will be totally immune from the liability.

9.ABOUT TO SUE OR TO BE SUED:

In the event of any litigation arising from third Parties, the Member Secretary is empowered to sue on behalf of both Parties and can be sued by third parties, and the legal expenses will be borne from the Reserve Fund.

Updated Copy

Annexure 3

3. FORMAT OF RECEIPT FOR MEMBERSHIP FEES OR ANY OTHER INCOME

..... Village Mangrove Council

Receipt number..... Date:.....

Received of Rs..... from Shri/Smt.....

Son/wife

Shri... .. for membership fees / penalty / forest product sales.

Member secretary

.....

Committee must have atleast one-third women members.

Annexure 4

4. FORMAT FOR PROCEEDINGS REGISTER

..... VMC

Name of Beat..... Forest Division.....

Name of Range..... District.....

Date of Proceeding.....Time.....Venue.....

Agenda	Description of Discussion	Decision
1.	1.	1.
2.	2.	2.
3.	3.	3.

Signature

Signatures of Other Member

Signature President

Member Secretary,

Present

Stamp

Annexure 5

5. FORMAT FOR LETTER FROM DFO WITH INFORMATION REGARDING REGISTRATION OF COMMITTEE

From:

DCF,

.....

To

Conservator of Forests,

.....

S. No.....

Date:.....

Subject: Regarding registration of VMC of.....village

Sir,

With reference to the above stated subject, it is to inform you that committee formed by villages of village has been registered in this office with No...

...dt.... This is in line with clause numbers.....of the State Resolution and u/s of State Forest Act.

The work area of the committee falls under the jurisdiction of.....range,.....beat and police station.

DFO/DCF

Date

Copy to, for information:

- Principal Chief Conservator of Forests, office of the PCCF, ...
- Chief Conservator of Forests, ...
- Deputy Collector, ...
- Superintendent of Police
- self help groups

Annexure 6

6. ENVIRONMENT AND FOREST DEPARTMENT SECRETARIAT LETTER ON REVOLVING FUND AND INTEREST RATE

Environment and Forest Department Secretariat Chennai Letter

**Environment and Forest Department
Secretariat Chennai – 600 009**

**Letter No: No:16120 /FR-5/2001-15
Dated:05.03.2003**

From

Thiru Jasbir Singh Bajaj I.A.S
Joint Secretary to Government.

To

The Principal Chief Conservator of forest, Chennai-15
The chief Wildlife Warden, Chennai -15
The Conservator of Forest, Chennai-15
The Field Director and Conservator of Forests, Tirunelveli
The Accountant General, Chennai -15
The Accountant General, Chennai-35.

Sir,

- Sub : FOREST- Wildlife – FREEP- Conservation of
Biodiversity in Kalakad Mundanthurai Tiger
Reserve – Minutes of VIII SPIC Meeting Follow up
action _ amendment Orders _ Issued**
- Ref : 1. G.O.Ms. NO.288 Environment and Forests,
Dated 19.11.96**
2. From the Field Director and Conservator of
Forests, Tirunelveli Letter No.P/5364/2000 Dated:
24.5.2001.
3. From the Principal Chief Conservator of
Forests, Letter No. WL3 /72603/99 Dated: 11.6.2001
4. Government Letter No. 16120/FR.5/01-12.
Dated 29.11.02.
5. From the Principal Chief Conservator of
Forests, Chennai, Letter No. WL3 /72603/99 Dated:
19.12.02

In Partial Modification of the Orders Issued in G.O.Ms.No.288, Environment and forest, dated 19.11.96 to point Annexure-I of the Constitution of the Village Forest Committee the amendment is issued as follows:-

<u>Existing Bylaw</u>	<u>Amendment Proposed</u>
5. Every Village Forest Committee shall have an Executive Committee whose tenure shall be one year	Every Village Forest Committee Shall have an executive committee whose tenure shall be two years one can hold chairmanship for two terms only in order to ensure opportunities to other members to work as chairman as well as graduation of leaders.

In Annexure-II, After para-1 of the G.O the following para shall be inserted under the heading Eco- Development support fund of the constitution of the Village Forest Committee.

“ The funds disbursed for implementing micro-plan provision which are of credit nature and are returned by the beneficiary with a simple interest of 12% Per Annum will be kept with the Village Forest Committee concerned Permanently and managed as Revolving Fund for all times to come in order to give financial sustainability to the project efforts”.

2. This Order is issued with the concurrence of Finance department vide U.o.No. 12152/EAP.II/2003_1, dated 27.02.03.

Yours Faithfully,

For Joint Secretary to Government

Copy to:

Finance (AH&F)EAP.II department , Chennai-600 009.

The chief Internal Auditor and Chief Auditor of Statutory Board, Teynampet, Chennai-18.

SF/SCs.

REF.NO. TAP8/50658/02

Dated: 31.08.2005

Office of the Principal Chief
Conservator of Forests,
Panagal Building, Saidapet,
Chennai-600015.

Dr. Sukh Dev, IFS.,
Principal Chief Conservator of Forests

Sub: Forests - OECF Japan assisted TAP - Implementation of the project from 1997-98 - Through Joint Forest Management - Draft guidelines and Draft Memorandum of Understanding (MOU) approved - Amendments issued from time to time - Incorporated - Regarding.

- Ref: 1) G.O.Ms.No.342 Environment and Forests (FR.VI) Department dated: 08.08.1977.
2) G.O.Ms.No.343 Environment and Forests (FR.VI) Department dated: 08.08.1977.

In the G.O. first cited guidelines for implementation of JFM in Tamil Nadu under TAP has been approved by the Government. In the G.O. second cited, Draft Memorandum of Understanding to be entered into between the Forest Department and the Village Forest Council has been approved.

2) Subsequently, various amendments have been issued by the Government to the above two G.Os from time to time

3) Hence, updated copy of the above G.Os incorporating the amendments (as on 16.08.2005) is enclosed for necessary action. The Conservators of Forests are requested to communicate the same to all the implementing officers for further action, obtain their acknowledgement and file it in the office.

4) The Conservators of Forests are requested to acknowledge receipt of this reference at once.

Encl:

Sd. C.K.Sreedharan
for Principal Chief Conservator of Forests

To

The Conservator of Forests,
Chennai / Vellore / Salem / Dharmapuri / Erode / Coimbatore / Trichy / Dindigul /
Madurai / Virudhunagar / Tirunelveli.

Copy to TAP1 / TAP2 and S.O. I

/true copy / by order/

SUPERINTENDENT

(as amended as on 01.08.2005)

**GOVERNMENT OF TAMILNADU
ABSTRACT**

FORESTS - Overseas Economic Co-operation Fund, Japan assisted "Tamilnadu Afforestation Project" - Implementation of the project from 1997-98 - Draft Guidelines - Approved - Orders - Issued

ENVIRONMENT AND FORESTS (FR. VI) DEPARTMENT

G.O.Ms.No.342

Dated: 08.08.1997.

Read:-

From the Principal Chief Conservator of Forests, Lr.No.VSI(1)/16448/97, Dt. 31.03.97, 02.05.97, 08.05.97, 30.05.97 and 02.06.1997.

-:o:o:-

ORDER:

The Principal Chief Conservator of Forests, in his letters read above, has sent a set of guidelines for approval of the Government towards implementation of the "Tamil Nadu Afforestation Project" through Joint Forest Management concept and formation Village Forest Councils to involve the local people fully in the tree growing activities in degraded forests, Government lands, Community and individual lands, as per the norms approved by the Government of India/Overseas Economic Co-operation Fund Mission.

2. The Government have examined the guidelines carefully and have decided to accept them with slight modifications. The guidelines both in English as well as in Tamil, as approved by the Government are appended to this order. The Principal Chief Conservator of Forests is requested to instruct the subordinate officers suitably to create awareness among the local villagers regarding the objectives, significance of the programmes, the project and modes of implementation as per the approved guidelines.

3. This order issues with the concurrence of Finance Department vide its U.O.No.3776 /FS/P/97, Dt. 31.07.1997.

(BY ORDER OF THE GOVERNOR)

**K.S. SRIPATHI,
SECRETARY TO GOVERNMENT.**

/ true copy /

To

The Principal Chief Conservator of Forests, Chennai-15 (with encl.)

The Chief Conservator of Forests (Planning & Development) / Wildlife / Social Forestry / Territorial / Research / TAP, Chennai-15.

The Accountant General, TamilNadu, Chennai-18/35 (BNC)

The Pay and Accounts Officer, Chennai-9/35 (BNC)

The Commissioner, Government Data Centre, Chennai-25

Copy to

All members of the High Level Empowered Committee.

The Secretary to Government of India, Ministry of Environment and Forests,
Parayavaran Bhavan, C.G.O. Complex, Lodi Road, New Delhi-110 001.

The Secretary to Government of India, Ministry of Finance,
Department of Economic Affairs, Parayavaran Bhavan,
C.G.O. Complex, Lodi Road, New Delhi-110 001.

The Overseas Economic Co-operation Fund(OECF), 2nd Floor,
D.L.F. Centre, Sansad Marg, New Delhi.

The Special Commissioner and Commissioner for Revenue
Administration / Land Administration, Chepauk, Chennai-15.

The Special Secretary to Hon'ble Chief Minister, Chennai-9.

The Senior P.A. to Hon'ble Minister for Forests and Printing, Chennai -9

The Revenue Department, Chennai-9.

The Rural Development Department, Chennai-9.

The Finance (AH&F)/(EAP) Department, Chennai-9.

The Information and Tourism Department, Chennai-9.

// Forwarded - By Order //

sd / x x x

SECTION OFFICER.

GUIDELINES FOR IMPLEMENTATION OF JOINT FOREST MANAGEMENT (JFM) IN TAMIL NADU

(as amended as on 01.08.2005)

Vide: 1. Govt. Lr.No.10960/FR.6/99-2 E&F dt.12.10.1999

2. Govt. Lr.No.11113/FR.6/99-1 E&F dt.03.04.2000

3. G.O.2(D) No.45 E&F (FR.6) dt.11.11.2002)

1. Objective

The National Forest Policy envisages people's involvement in the development and protection of forests. The Government of Tamil Nadu stand committed to involve local people in reforestation and protection of degraded forests and to share with them the sustainable benefits from these forests. This arrangement will be known as "*Joint Forest Management*" and the involvement of people will be ensured through Village Forest Council.

In case the land belongs to Government, the approval of the concerned District Collector shall be obtained and in case of lands within the jurisdiction of the Panchayats, the approval of the concerned Panchayat shall be obtained before implementing the project.

2. Selection of Area

The unit of management under Joint Forest Management will be a hamlet / group of hamlets / entire village, the abuttant degraded forests, community and private lands so as to make it a cohesive and manageable unit. The unit of management will also be on watershed basis. The area covered under each unit of management will be decided by the District/Divisional Forest Officers concerned in consultation with local communities and the local field staff of the Forest Department.

3. Village Forest Council

3.1. In each of the identified Management Unit, the people's representative body called Village Forest Council (V.F.C.) will be formed which will be fully involved in the planning and execution of works, protection, harvesting and benefit sharing in the management unit with focus on the degraded forests. The Forester concerned will initiate the process of formation of V.F.C.

3.2. The V.F.C. will have as its members, one male member and one female member from each household provided that they are willing. The Forester / Ranger / District Forest Officer / Divisional Forest Officer concerned will explain the concept of Joint Forest Management to the villagers and motivate the maximum number of people to become

members of V.F.C. V.F.C. membership annual non-refundable fee will be Re.1/- for SC / ST and Rs.2/- for other categories. Any person who opts out from the membership of V.F.C. will not be entitled for any benefit.

3.3. The Forester / Ranger / District Forest Officer / Divisional Forest Officer concerned will conduct Participatory Rural Appraisal (PRA) exercises with the members of V.F.C. and decide the basic thrust areas of the management unit in consultation with the members of the V.F.C.

3.4. The V.F.C. will meet as and when called for but in any case, atleast once in three months.

3.5. "Every Village Forest Council immediately after its constitution, shall register its name with the Chief Conservator of Forests (Tamilnadu Afforestation Project), after paying a non-refundable fee of Rs.10/- (Rupees ten only), before undertaking works on Tamilnadu Afforestation Project. The Village Forest Councils already constituted shall also register their names with Chief Conservator of Forests (Tamilnadu Afforestation Project) accordingly".

(Para 3.5 added vide Government Lr. No.10960 / FR 6 / 99-2 Dated: 12.10.1999 and Principal Chief Conservator of Forests Ref.No.TAP1 / 24865/99)

4. Executive Committee

4.1. Each V.F.C. will elect an "*Executive Committee*", in such a manner that one hamlet elects atleast two members, one of whom is a woman. Each V.F.C. will elect a minimum of 5 (five) and a maximum of 15 (fifteen) members to the Executive Committee. The Village Panchayat members of the management unit will be co-opted as ex-officio members of the Executive Committee (E.C.). The members of E.C. (both elected and ex-officio) will elect its President from among themselves, who will also be ex-officio President of V.F.C. The Forest Ranger concerned who will be the Member Secretary of the E.C., will also facilitate the election process of the members and President of E.C.

4.1.1. The Block Development Officer under whose jurisdiction the Village Forest Councils fall shall be Ex-Officio Member of the Village Forest Councils.

(Para 4.1.1 added vide G.O (2D) No. 45 Environment and Forest (FR-VI) Department Dated: 11.11.2002 and Principal Chief Conservator of Forests Ref.No.TAP1 / 50658 / 02)

4.2. If necessary, the District Forest Officer/ Divisional Forest Officer concerned may nominate one representative of a Development Department of the Government and one N.G.O. as member of E.C.

7

4.3. "The term of Executive Committee will be ten years or till the completion of the project period. It will meet atleast once in a month"

(Para 4.3 amended vide Government Lr.No.11113 / F26 / 99-1, Dated: 03.04.2000 and Principal Chief Conservator of Forests Ref.No.TAP1 24976 99)

4.4. The E.C. will be responsible for day-to-day activities of the V.F.C.

4.5. Constant efforts will be taken by E.C. to bring about unanimity in its decisions. However, in case of difference of opinion, the decisions of the E.C. will be taken by majority vote of the members present (elected members and ex-officio members).

4.6. The Member Secretary (M.S.) will prepare the Micro Watershed Plan for the management unit, after consultation with the members of Village Forest Council. After preparation, the micro plan will require formal approval of the E.C. and then the technical approval of District Forest Officer/Divisional Forest Officer concerned.

4.7. As per the micro plan so approved, the Member Secretary will prepare the detailed estimates, for various items of works to be executed, based on Forest Schedule of Rates / Public Works Department Standard Schedule of Rates/ Agricultural Engineering Standard Schedule of Rates and get them sanctioned by District Forest Officer/ Divisional Forest Officer or Conservator of Forests, depending on the financial powers vested with District Forest Officer/Divisional Forest Officer and Conservator of Forests.

4.8. For executing the works as per the sanctioned estimates, the Forest Ranger (Member Secretary) will submit fund application to District Forest Officer/Divisional Forest Officer. In the fund application, the signature of the President of the V.F.C. will be obtained by the Member-Secretary in order to keep him informed about the details of the works to be undertaken. District/Divisional Forest Officer will release the funds to the Forest Ranger for taking up the works. Subsequent funds will be released only after the receipt of the accounts for the previous funds released and such accounts should be signed by both the President and M.S. The expenditure incurred for works should be only for those items for which the funds were released by the District Forest Officer/Divisional Forest Officer unless prior written permission of the District Forest Officer/Divisional Forest Officer is taken for the deviation and the amount of money released for each item should not be exceeded without prior written permission of the District Forest Officer/Divisional Forest Officer.

4.9. The execution of works will be done by M.S. with the assistance of the Foresters working under him by engaging local people on Muster Roll. In case, adequate local labour is not available for engaging Muster Roll any other system as prescribed in Tamil Nadu Forest Code/Tamil Nadu Financial Code (petty contract or scheduled contract, etc.) as decided by E.C. / V.F.C. may be followed. In execution of works and in rendering accounts, the M.S. will follow the Tamil Nadu Forest Code, Tamil Nadu Financial Code, Tamil Nadu Accounts Code and the existing rules and regulations in force, in respect of items, which are not specifically mentioned in these guidelines.

4.10. The E.C. can also impose fines against erring individuals/hamlets for illicit removal of firewood or illicit grazing of cattle. The fine amount collected will be credited to the Village Forest Development Fund to be created for the Village Forest Council. If persuasive efforts fail, it may request the District/Divisional Forest Officer concerned to invoke the provisions of Forest Act for protecting the management unit.

4.11. The E.C. will have the right to expel any of its member or member of V.F.C. after providing an opportunity of defence.

4.12. The E.C. if need be, may constitute sub-committees from among its members, for any specific purpose.

5. Benefit sharing

5.1. Sharing the sustainable benefits from the degraded forests, Government lands and community lands lying within the management unit, with the members of V.F.C. and among them is the most important component of J.F.M. scheme. The guiding principle of this benefit sharing will be equitable distribution and the individual beneficiaries will be decided by the E.C. bearing in mind the parameters outlined in paras 5.2.1. to 5.2.4.

5.2.1. District/Divisional Forest Officer will conduct sample survey of the unit of Management and decide about the quantity of firewood available for supply to landless and poor households. Firewood for their own use to the extent possible will be supplied free of cost to poor and landless households, subject to the availability on sustained basis.

5.2.2. Fodder and green leaf manure will be given free of cost to members of V.F.C.

- 9 -

except big farmers, subject to availability. Sustainable quantities of fodder and green leaf manure, etc. available will be decided by the District / Divisional Forest Officer from time to time and will be given free of cost.

5.2.3. Grazing will be allowed free of cost depending on the carrying capacity except in regeneration areas which will be closed for grazing for 3 years. The carrying capacity will be decided by the District Forest Officer.

5.2.4. All Non-Wood Forest Produce (Minor Forest Produce) for domestic consumption will be given free of cost to the members of V.F.C. subject to availability. Any surplus quantity will be sold by E.C. Sustainable N.W.F.P. available will be decided by District/Divisional Forest Officer. Any other sustainable yield from the Management Unit as decided by District/Divisional Forest Officer will be sold by E.C. The sale proceeds so received will be distributed equitably among the members of V.F.C. by the E.C. after remitting 25% (Twenty Five percent) to Village Forest Development Fund.

5.2.5. Surplus benefits likely to be available from the management unit can be extended to others by the District/ Divisional Forest Officer in consultation with V.F.C.

5.2.6. Revenue from forest produce other than Non Timber Forest Produce (NTFP) like timber, poles, bamboo etc. will be shared between the Forest Department and the Village Forest Council (VFC) 90% of such revenue shall be credited into the accounts of the Village Forest Development Fund (VFDF) and the remaining 10% shall be remitted to the Forest Department. The harvesting and extraction of timber, poles, bamboo etc. shall be done by the District Forest Officer concerned as per the existing procedures and rules of the Forest Department with the participation of Executive Committee (EC) Members.

(Para 5.2.6 added vide G.O (2D) No. 45 Environment and Forest (FR-VI) Department Dated: 11.11.2002 and Principal Chief Conservator of Forests Ref.No.TAP1 / 50658 / 02)

6. How are V.F.C. finances managed?

6.1. A Joint Account in the name of the V.F.C. will be opened in a local or nearest bank or post office with the President and Member-Secretary as signatories. All the V.F.C. funds will be kept in this account. The President and Member Secretary will together be responsible and accountable to the V.F.C. for all financial transactions.

The Member-Secretary will be specifically responsible for the proper maintenance of accounts and shall have in his/her possession all records relating to finance. These records include the Cash Book, Accounts Register, Pass Book, Cheque Book and a Record of harvest, sale and share of JFM produce with a list of beneficiaries.

The Village Forest Development Fund shall be maintained as a separate account head, into which will be credited:

- ❖ 25% (Twenty five percent) of sale proceeds realized in accordance with para 5.2.4.
- ❖ Membership money.
- ❖ Initial expenditure provided from the Forest department.
- ❖ Grants and loans obtained for JFM activities from authorized sources as per the MOU.
- ❖ Money levied as fines and penalties.

6.2. The Village Forest Development Fund (VFDF) created for the Village Forest Council (VFC) will be utilized in the following manner:

- i) For maintenance, protection and improvement of the forest area managed by them.
- ii) For extending assistance to forest dependents and poor for alternate employment and poverty alleviation.
- iii) For community asset creation.
- iv) For meeting any contingent and ancillary expenditure by the Executive Committee.

The accounts of the Village Forest Development Fund will be maintained by the Member-Secretary which will be audited by the District / Divisional Forest Officials annually.

(Para 6.2 amended as above vide G.O (2D) No. 45 Environment and Forest (FR-VI) Department Dated: 11.11.2002 and Principal Chief Conservator of Forests Ref.No TAP1 50658 02)

7. Decisions of E.C. to be placed before V.F.C.

The President of E.C. will inform the V.F.C., once in three months, the decisions taken/activities undertaken by E.C. and a general consensus obtained.

8. Monitoring

8.1. The District/Divisional Forest Officer concerned will monitor the functioning of the E.C. of the V.F.C. in his jurisdiction and send monthly report to the Conservator of Forests. He will also have the authority to disband the committees and order for reconstitution if in his view, the committees are not discharging their duties properly. He will do so only after giving adequate opportunities to the committee members, except the Member Secretary, who may be dealt with under disciplinary rules. He will also be the Appellate authority against the orders of E.C. expelling a member of E.C. / V.F.C.

8.2. The Conservator of Forests is the Appellate authority whose decision on the appeals against the District/Divisional Forest Officer's order will be final. The Conservator of Forests will also send monthly report on the working of these committees, benefit sharing system and Village Forest Development Fund to the Chief Conservator of Forests

8.3. The Chief Conservator of Forests (TAP) or any other Chief Conservator of Forests incharge of TAP will take up review, once in three months on the reports of the Conservator of Forests. The Chief Conservator of Forests will have supervisory control and will be empowered to modify any of these guidelines, include or exclude specific items of Non-Wood Forest Produce and other Forest Produce to suit specific local conditions subject to a report to the Government through the Principal Chief Conservator of Forests.

Updated copy

Sd. C.K.Sreedharan
for Principal Chief Conservator of Forests

/true copy /

UN. S. W. M. S. S.
SUPERINTENDENT

31.2.05


31/8/05

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→
(as amended as on 01.08.2005)

GOVERNMENT OF TAMILNADU

ABSTRACT

FORESTS - Overseas Economic Co-operation Fund(OECF) Japan assisted TamilNadu Afforestation Project(TAP) - Implementation of the project from 1997-98 - Draft Memorandum of Understanding (MOU) to be entered into between the Forest Department and Village Forest Council - Approved - Orders _ Issued

ENVIRONMENT AND FORESTS (FR.VI) DEPARTMENT

G.O.Ms.No.343

Dated:8-8-1997.

Read:-

From the Principal Chief Conservator of Forests, Chennai,
Lr.No.VSI(1) / 22442 / 97, Dt. 8.5.97 and 30.5.97.

-:o:0:o:-

ORDER:-

The Principal Chief Conservator of Forests, in his letters read above, has sent a draft Memorandum of Understanding for approval of the Government to be entered into between the Forest Department and Village Forest Council for implementation of the "Tamil Nadu Afforestation Project" through Joint Forest Management concept and formulation of Village Forest Councils to involve the local people fully in the tree growing activities in degraded forests, Government lands, community and individual lands, as per the norms approved by the Government of India/Overseas Economic Co-operation Fund Mission.

2. The Government have examined the Memorandum of Understanding carefully and have decided to accept them with slight modifications. The Memorandum of Understanding both in English as well as in Tamil, as approved by the Government are appended to this order. The Principal Chief Conservator of Forests is requested to take action to constitute Village Forest Council in every programme village and to create awareness among the local villagers regarding the significance of the programmes, objectives of the project and mode of implementation, as per the approved Memorandum of Understanding.

3. This order issues with the concurrence of Finance Department vide its U.O.No.3262/FS/P/97 Dated.14.7.97.

(BY ORDER OF THE GOVERNOR)

K.S. SRIPATHI,

SECRETARY TO GOVERNMENT.

/ true copy /

To

The Principal Chief Conservator of Forests, Chennai-15 (W.E)

The Chief Conservator of Forests(Planning & Development) / (Wildlife) / (Social Forestry) / (Territorial) / Research / TAP. Chennai-15.

The Accountant General, TamilNadu, Chennai-18/35 (BNC)

The Pay and Accounts Officer. Chennai-9/35 (BNC)

The Commissioner. Government Date Centre, Chennai-25.

Copy to

All members of the Empowered Committee.

The Secretary to Government of India, Ministry of Environment and Forests,
Parayavarani Bhavan, C.G.O.Complex, Lodi Road, New Delhi-110 001.

The Secretary to Government of India, Ministry of Finance,
Department of Economic Affairs, Parayavarani Bhavan,
C.G.O.Complex, Lodi Road, New Delhi-110 001.

The Overseas Economic Co-operation Fund (OECF).
2nd Floor, D.L.F. Centre, Sansad Marg, New Delhi.

The Special Commissioner and Commissioner for Revenue
Administration/Land Administration, Chepauk, Chennai-15.

The Special Secretary to Hon'ble Chief Minister, Chennai-9.

The Senior P.A. to Hon'ble Minister for Forests and Printing, Chennai -9.

The Revenue Department, Chennai-9.

The Rural Development Department, Chennai-9.

The Finance (AH&F) / EAP) Department, Chennai-9.

The Information and Tourism Department, Chennai-9.

//Forwarded - By Order//

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SECTION OFFICER.

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**MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE
FOREST DEPARTMENT AND THE VILLAGE FOREST COUNCIL
(VFC) VILLAGE FOR TAMIL NADU AFFORESTATION
PROJECT IMPLEMENTATION.**

(as amended as on 01.08.2005)

Vide: 1.Govt. Lr.No.10960/FR.6 99-2 E&F dt.12.10.1999
2.Govt. Lr.No.11113/FR.6 99-1 E&F dt.03.04.2000)

1. PARTIES:

The following MOU is entered between the two parties viz. Forest Department and the Village Forest Council (VFC) village.

a) FIRST PARTY:

Tamil Nadu Forest Department represented by the District/Divisional Forest Officer division of circle and his successor in office having the office at

b) SECOND PARTY:

Represented by the President of the Village Forest Council (VFC) village and his successor in office having the address

2. OBJECTIVES:

The MOU is signed on with the following objectives:

i) To evolve an effective Joint Forest Management (JFM) system with local communities by the Tamil Nadu Forest Department through Village Forest Council (VFC).

ii) To conserve and develop natural forests with the vast variety of flora and fauna in and around the village (management unit) through Village Forest Council (VFC).

iii) To involve local people through Village Forest Council (VFC) in planning, planting, protection, harvesting, managing and benefit sharing in management unit with focus on degraded forests.

iv) Creating public awareness in the management unit for better rapport and motivation towards JFM through Village Forest Council (V.F.C).

v) Providing incentives for tree cultivation in private lands in the management unit.

vi) Promoting homestead, farmstead and community planting through Village Forest

Council (VFC) to increase the green cover of the State besides improving people's life support and environment.

vii) To ensure flow of employment generation and benefits to local people living in the management unit

3. THE AREA OF OPERATION/STATUS:

a) (The map of the management unit comprising programme village/villages including Reserved Forests, Reserve Land, patta and community lands, clearly demarcating each, should be furnished at this para).

b) Extent of the management unit

Reserve Forest ha.

Reserve Lands ha.

Community Lands ha.

Patta lands ha.

c) Boundaries of the management unit to be specified

North Boundary

South Boundary

East Boundary

West Boundary

4. ORGANISATION AND ACTIVITIES:

Each management unit will have a Village Forest Council and both the parties agree to abide by the guidelines for implementation of J.F.M. in Tamil Nadu as approved by the Government of Tamil Nadu in G.O.Ms.No 342 E & F dept. dt.08.08.1997. These guidelines are appended in this MOU as Annexure which will form part and parcel of this MOU (both President of VFC and DFO should affix their signature in the Annexure as a token of their agreement).

5. RESPONSIBILITY AND ROLE OF THE FOREST DEPARTMENT:

i) To utilize the co-operation of Non-Governmental Organization (NGOs) and the local community to the best advantage in involving an effective Joint Forest Management (JFM) technique in the management unit (programme village/villages).

17

ii) To conduct PRA exercises in the programme village and create awareness among people regarding forests, ecology and environment.

iii) To provide technical guidance and advise the local community in the implementation of Tamil Nadu Afforestation Project.

iv) The Forest Ranger (Member Secretary of VFC) will prepare the Micro Plan with the advice of the VFC and get the approval from the District/Divisional Forest Officer concerned. The required funds will be released for the various works prescribed in the Micro Plan.

v) To exercise disciplinary control over Member Secretary of Executive Committee:- Any misconduct, financial or otherwise, on the part of Member Secretary will be dealt with under Tamil Nadu Civil Services (Discipline and Appeal) Rules. Appropriate action will be taken immediately against the Member-Secretary, by the District/Divisional Forest Officer, if any irregularity in execution of work, both in quality and quantity, is brought to his notice.

vi) The concerned District/Divisional Forest Officer will frequently inspect the works executed by the Member Secretary and ensure correctness of the quantity and quality of works. The concerned District/Divisional Forest Officer will also checkmeasure the works of Member Secretary as per the norms of the Forest Department. Superchecking of works executed by Member Secretary will be done by Conservator of Forests as per norms of Forest department.

vii) The District/Divisional Forest Officer will closely monitor the involvement and the co-operation of the VFC in executing the TAP works and orient them in the proper way. He will also send a monthly report in this regard to the Conservator of Forests.

viii) The District/Divisional Forest Officer shall have the authority to disband the committees which are not discharging their duties properly. He will do so only after giving adequate opportunities to the committee members.

ix) The District/Divisional Forest Officer will also lend his advice in the use of the Reserve Fund.

18

x) The District/Divisional Forest Officer will also be appellate authority against the orders of the E.C. expelling a member of EC/VFC.

6. RESPONSIBILITIES AND ROLE OF THE VILLAGE FOREST COUNCIL:

i) To extend co-operation to the Forest Department in evolving an effective Joint Forest Management (JFM) for the management unit with active participation of the local community.

ii) To actively participate in the afforestation activities by arranging required laborers and protecting the afforested area from cattle grazing, illicit cuttings, forest fire etc.,

iii) To abide by the guidelines for implementation of JFM in Tamil Nadu as approved by Government of Tamil Nadu in G.O.Ms.No. E & F dept., dated .97.

iv) To agree to transfer unspent amount at the close of the financial year to the Forest department account.

v) To agree to produce accounts, vouchers for audit to an officer not below the rank of District Forest Officer or a representative of Overseas Economic Co-operation Fund (O.E.C.F.) Japan.

vi) Members of VFC/E.C. are free to bring to the notice of its President or the District Forest Officer, any irregularity in the execution of works, who will take immediate remedial measures.

vii) The VFC shall have the power to expel the members of VFC/EC if the member is found to be erring from his responsibilities.

viii) The VFC will decide about the sharing of benefits.

ix) The VFC will arrive at a consensus in the utilisation of Reserve Fund for the benefits of the village. It will send the accounts to the District Forest Officer.

x) The VFC will convene the General Body meeting once in three months and the members will be informed about the performances of the VFC.

(xi) Every Village Forest Council immediately after its constitution, shall register its

- 19 -

name with the Chief Conservator of Forests (Tamilnadu Afforestation Project), after paying a non-refundable fee of Rs.10/- (Rupees ten only), before undertaking works on Tamilnadu Afforestation Project. The Village Forest Councils already constituted shall also register their names with Chief Conservator of Forests (Tamilnadu Afforestation Project) accordingly.

(Para 6(xi) added Vide Govt. Lr. No.10960 FR.6.99-2 dt.12.10.1999 and Principal Chief Conservator of Forests Ref. No. TAPI/24865.99)

7. PERIOD OF AGREEMENT:

This agreement will be in force for a period of ten years or till the end of the project period

(Para 7 amended vide Govt. Lr.No.11113 FR.6.99-1 dt.03.04.2000 and Principal Chief Conservator of Forests Ref. No. TAPI 24976 99)

8. IMMUNITY OF BIRTH CIVIL AND CRIMINAL ACTS:

If one party commits any criminal misconduct or tort, that party alone will be liable for such acts and other party will be totally immune from the liability

9. ABOUT TO SUE OR TO BE SUED:

In the event of any litigation arising from third parties, the Member Secretary is empowered to sue on behalf of both parties and can be sued by third parties and the legal expenses will be borne from the Reserve Fund

Updated copy

Sd. C.K.Sreedharan
for Principal Chief Conservator of Forests

/true copy /

31.8.05
SUPERINTENDENT

31/8/05



ABSTRACT

Environment, Climate Change and Forest Department – Sanction of the “Tamil Nadu Sustainably Harnessing Ocean Resources and Blue Economy (TN-SHORE)” Project/Tamil Nadu Coastal Restoration Mission – With World Bank Assistance – Orders Issued.

ENVIRONMENT, CLIMATE CHANGE AND FOREST (EC.4) DEPARTMENT

G.O.(Ms) No.11

Dated: 10.01.2024

சோபகிருது, மார்கழி – 25

திருவள்ளூர் ஆண்டு -2054

Read:

1. G.O.(Ms).No.101, Environment, Climate Change & Forests (EC.2) Department, Dated. 03.11.2021.
2. Budget Speech Announcement for the year 2023-2024.

ORDER:

The Hon'ble Minister (Finance & Human Resources Management), in his Budget Speech in the year 2023-2024, made the following announcement on the floor of the assembly: -

“Due to increasing vagaries of climate change and pressure caused by the burgeoning population, the coastal ecosystem and the livelihood of coastal population are likely to be severely affected in the near future. The Government will implement the “Tamil Nadu Coastal Restoration Mission” with the objective of preventing sea erosion, reducing marine pollution and conserving marine biodiversity. The mission will be implemented with World Bank assistance at an estimated cost of Rs.2,000 crore in the next 5 years.”

2. In accordance with this announcement, this department approached the World Bank and submitted a concept note which was discussed by the World Bank team during their visit in August 2022. The concept note was agreed to by the World Bank and Government of Tamil Nadu was advised to prepare a Preliminary Project Report (PPR) which was prepared and uploaded.

3. The Ministry of Finance, Department of Economic Affairs reviewed this project in their meeting held on 28th April 2023. The Ministry of Finance, Department of Economic Affairs through their letter dated 18th May 2023 approved the project and posed the project proposal of Government of Tamil Nadu to World Bank for funding. The World Bank has provided approval to the project proposal. Details of the project are as below:-

Project Objectives

The “Tamil Nadu Sustainably Harnessing Ocean Resources and Blue Economy (TN-SHORE)” project aims to enhance the resilience and sustainable utilization of coastal resources through a multi-pronged

(P.T.O)

approach. It envisions a holistic integration of various sectors to drive a resilient and circular blue economy, enhance local livelihoods, and capacities for a greener future. To achieve these objectives, the project identifies five thematic prioritized investment areas;-

Component 1: Enhance Coastal Biodiversity

This component focuses on strengthening institutional capabilities for comprehensive Conservation of Coastal and Marine Biodiversity. Key activities include;-

1. Biodiversity Conservation Park at Kadambur, Chengalpattu District
2. Sea Turtle Conservation Centre at Nagapattinam and Chennai
3. International Dugong Conservation Centre at Manora, Thanjavur District
4. Coastal Wetlands (including Pallikaranai) Conservation and Restoration

Component 2: Coastal Protection

This component focuses on establishing a comprehensive coastal protection strategy, with a strong emphasis on the pivotal role of adopting an Ecosystem-based Approach (EbA) and promoting the development of green infrastructure (living shorelines). The strategic implementation of initiatives within this framework encompasses mangrove and seagrass plantation and restoration, coral reef restoration, all directed to effectively mitigate erosion concerns along the entire coastline.

To specifically address erosion, the component advocates for adoption of Green or Hybrid erosion control measures, prioritizing an Ecosystem-based Approach (EbA) that places emphasis on safeguarding coastal wetlands and estuaries. Identified erosion hotspots will receive particular attention for mangrove and seagrass plantation and restoration activities. A Special Purpose Vehicle viz., the “**Tamil Nadu Blue Carbon Agency**” (TNBCA) shall be set up under the project to ensure a dedicated and focused attention on overseeing the preservation and restoration of targeted coastal ecosystems, including mangroves, seagrass, and salt marshes. This initiative will not only enhance ecosystem services but will also create a framework for trading of carbon credits. Key activities under this component will include;-

1. Enhancing Coastal Resilience: Mangroves, Seagrass, and Blue Carbon solutions
2. Erosion control and Coral restoration at Kariyachalli Islands, Gulf of Mannar ecosystems
3. Strengthening Coastal Management through Integrated Coastal Zonal Management (ICZM), Marine Spatial Planning (MSP), Coastal Management Plan (CMP) for Critically Vulnerable Coastal Areas (CVCA), Integrated Management Plan (IMP) and Valuing Ecosystem Services with Capacity Building and Outreach Initiatives.

Component 3: Improving livelihoods

This component centers around enhancing livelihoods by endorsing

initiatives that promote alternative and sustainable means of living for coastal communities. These initiatives encompass strategic investments in the establishment of blue flag beaches, eco-tourism centres, preservation of heritage sites and creation of mangrove boardwalk etc. Key activities within this component involve:

1. Blue Flag Beaches
2. Sustainable Tourism
3. Diversified livelihoods for a thriving Blue Economy

Component 4: Pollution Abatement

This component is meant for Pollution Abatement, with a primary focus on the management and reduction of plastic waste in coastal and marine environment. The approach emphasizes the promotion of plastic circularity through an ecosystem-centered strategy. Key activities within this component involve:

- a) **Identification of plastic waste hotspots** including identifying and installing plastics capture booms in areas characterized by high levels of plastic waste pollution along the river and coastal ecosystems. Implementation of awareness and incentive programs for communities, to effectively manage discarded plastic and Abandoned, Lost and Discarded Fishing Gears (ALDFG).
- b) **River System Investments:** Undertaking strategic initiatives to prevent and combat marine pollution by investing in river systems. This encompasses the enhancement and establishment of Material Collection Facilities (MCF) and Material Recycling Facilities (MRF) to facilitate proper segregation and storage of plastic waste.
- c) **Digital Waste Exchange Platform:** Development of a digital waste exchange platform aimed at connecting collection facilities. This platform will promote the upcycling and reuse of collected materials while exploring alternative solutions for effective plastic waste management.
- d) **Climate Smart Coastal Villages:** Facilitating development of climate-smart coastal villages involve implementing a comprehensive strategy that integrates sustainable practices to mitigate the impact of climate change. This includes enhancing the resilience of coastal communities through the adoption of eco-friendly infrastructure, such as resilient housing and energy-efficient systems. Additionally, promoting climate-smart agricultural practices, such as drought-resistant crops and efficient water management, contributes to the overall sustainability of these villages. Engaging local communities through awareness programs and skill-building initiatives ensures a holistic approach to climate-smart development, fostering long-term resilience and well-being. The integration of renewable energy sources, such as solar and wind, further positions these coastal villages as model for environmentally conscious living. Key activities include:
 1. Advancing Meendum Manjappai - Strengthening Plastic Circularity
 2. Climate Smart Coastal Villages

3. Ennore Creek Restoration

Component 5: Project Management:

This segment will address the operational needs of the project. This involves engagement of consultancy technical and management services, analytical studies, and administrative matters. This system aims to track ecosystem health effectively. A third-party evaluation will be conducted to ensure accountability and transparency. The project execution and management cost is Rs 100 crore.

A summary of the project components along with financial allocation is provided in the Table I below ;-

(Table - I)

Components	Key Activities	Total Allocation (Rs in Crores)	Implementing Agency
Enhance Coastal Biodiversity	1. Biodiversity Conservation Park at Kadambur, Chengalpattu District	345.00	Principal Chief Conservator of Forests (Head of Forest Force)
	2. Sea Turtle Conservation Centre at Nagapattinam and Chennai	60.00	Principal Chief Conservator of Forests, Chief Wild Life Warden
	3. International Dugong Conservation Centre at Manora, Thanjavur District	90.00	Principal Chief Conservator of Forests, Chief Wild Life Warden
	4. Coastal Wetlands (Including Palikaranai) Conservation and Restoration	275.00	Principal Chief Conservator of Forests, Tamil Nadu Wetland Mission Principal Chief Conservator of Forests, Chief Wild Life Warden
Total		770.00	

Component 2 Coastal Protection	1. Enhancing Coastal Resilience: Mangroves, Seagrass, and Blue Carbon solutions	240.00	Principal Chief Conservator of Forests, Green Tamil Nadu Mission Principal Chief Conservator of Forests, Chief Wild Life Warden Department of Environment and Climate Change
	2. Erosion control and Coral restoration at Kriyachalli Islands. Gulf of Mannar Ecosystems	50.00	Principal Chief Conservator of Forests, Chief Wild Life Warden
	3. Strengthening Coastal Management through ICZM, MSP, CMP for CVCA, IMP plans, and valuing Ecosystem Services with Capacity Building and Outreach Initiatives	50.00	Department of Environment and Climate Change Principal Chief Conservator of Forests, Tamil Nadu Wetland Mission State Project Management Unit
Total		340.00	
Component 3 Improving Livelihoods	1. Blue flag Beaches, Sustainable Tourism, and Diversified Livelihoods for a thriving Blue Economy	250.00	Department of Environment and Climate Change Principal Chief Conservator of Forests, Chief Wild Life Warden
Total		250.00	

Component 4 Pollution Abatement	1. Advancing Meendum Majappai-Strengthening Plastic Circularity	100.00	Chairperson, Tamil Nadu Pollution Control Board
	2. Climate Smart Coastal Villages	75.00	Department of Environment and Climate Change
	3. Ennore Creek Restoration	40.00	Chairperson, Tamil Nadu Pollution Control Board Principal Chief Conservator of Forests, Green Tamil Nadu Mission
Total		215.00	
Component 5 Project Management	1. Enabling project execution and Management	100.00	Administrative Unit, Tamil Nadu Coastal Restoration Mission
	Total	100.00	
Grand Total		1675.00	

Table II details the financial arrangement

**(Table-II)
(Rs in Crores)**

Tranche	World Bank	State Government	Total Cost
Tranche-1	700	300	1000
Tranche-2	472.5	202.5	675
Total	1172.5	502.5	1675
Percentage	70	30	100

Table III, indicates the Year wise financial projection of allocation – Share of the World Bank and the Government of Tamil Nadu

(Table – III)
(Rs in Crores)

TRANCHE I						TRANCHE II			
2024-25		2025-26		2026-27		2027-28		2028-29	
World Bank	State	World Bank	State	World Bank	State	World Bank	State	World Bank	State
178.5	76.5	297.5	127.5	224	96	280	120	192.5	82.5
255		425		320		400		275	

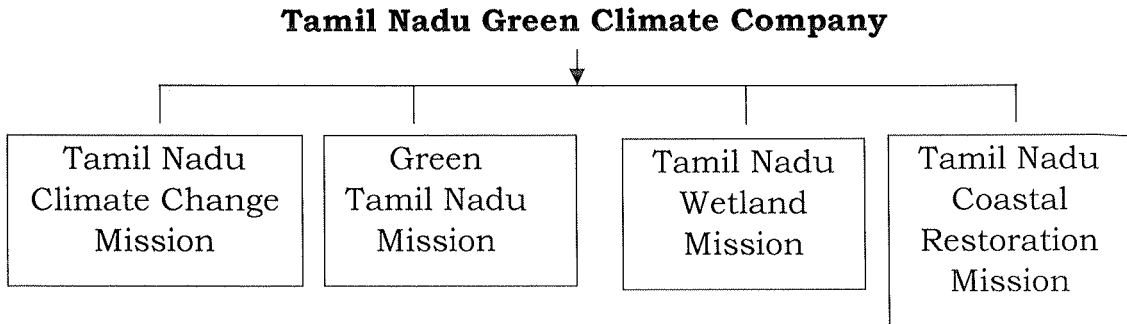
This project will have a multi-disciplinary approach integrating activities from different line departments, which will help to make the coastline more resilient so as to increase its adaptive capacity.

4. In the Government Order 1st read above, the Government has already set up the Tamil Nadu Green Climate Company under section 8 of the Companies Act 2013 to implement the three key missions of the Government viz. Tamil Nadu Climate Change Mission, Green Tamil Nadu Mission and the Tamil Nadu Wetland Mission. It is a not-for-profit Company and a unique platform to respond to Climate Change in the State and it will act as a Special Purpose Vehicle (SPV) to address the climate crisis in the State for creating purposeful and equitable long-term solutions. In order to strengthen the Government's climate response at the grassroots level, the Government has created a special organisational setup at the district level, in which the District Collectors have been designated as District Mission Directors and District Forest Officers (DFOs) have been designated as District Climate Officers. Further, the State has also constituted the Tamil Nadu Governing Council on Climate Change, in order to provide guidance on the implementation of various climate initiatives.

5. Tamil Nadu Green Climate Company has a strong monitoring platform which helps the State to implement climate action projects. A Project Management Unit has also been set up for the Tamil Nadu Green Climate Company. The "Tamil Nadu Coastal Restoration Mission" will be monitored by the Tamil Nadu Green Climate Company under the Environment, Climate Change and Forest Department. Chart – I shows Missions under the Tamil Nadu Green Climate Company including the **"Tamil Nadu Sustainably Harnessing Ocean Resources and Blue Economy (TN-SHORE)"** hereinafter referred to as **"Tamil Nadu Coastal Restoration Mission"** (தெய்தல் நீட்சி இயக்கம்).

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Chart – I



The Project fund shall be routed through the Tamil Nadu Green Climate Company and other concerned agencies.

6. The Government after careful examination hereby accord sanction for setting up of “Tamil Nadu Coastal Restoration Mission” with assistance from the World Bank. The estimated cost of the project is Rs.1675 Crores (World Bank assistance – Rs.1172.5 Crore (+) Tamil Nadu State Component Rs.502.5 Crores) including the State share with activities spread over Financial Years 2024-2029.

7. The Government also accord approval to the Tamil Nadu Green Climate Company and other concerned agencies to receive funds, manage, implement and monitor the Tamil Nadu Coastal Restoration Mission.

8. For effective implementation of the project, the Government also accord approval for an amount of Rs 100 crore earmarked towards establishment of Special Project Monitoring Unit (SPMU), manpower infrastructure and related cost for a period of 5 years i.e from 2024-2029. Following administrative unit shall be setup for effective implementation of the World Bank assisted “**Tamil Nadu Coastal Restoration Mission**” as below :-

1. Chief Mission Director from All India Service at the level of Super Time scale and above (on deputation basis).
2. Mission Director from All India Service at the level of Senior Time scale and above (on deputation basis).
3. Two posts of Assistant Mission Directors from Group-I Level Officers. (Deputy Collector / District Revenue Officer / Assistant Conservator of Forest Level) (on deputation basis)
4. The following three wings will be created for Tamil Nadu Coastal Restoration Mission : -

Tamil Nadu Coastal Restoration Mission

<u>Administration</u>	<u>Finance</u>	<u>Technical</u>
Administrative Officer – 1	Finance Officer – 1	Technical Officer – 1
Administrative Executives – 4	Finance Executives – 2	Engineering Consultant – 1
Multitasking Assistant - 1	Multitasking Assistant - 2	Environment Consultant – 1
		Multitasking Assistant – 2
Total - 6	Total - 5	Total - 5

All the above positions shall be deployed from an outsourcing agency on contract basis/ deputation for a period of 5 years. Tamil Nadu Green Climate Company Board shall determine the terms and conditions for deployment of such positions. The entire expenditure in connection with the functioning of administrative unit shall be met out from the Tamil Nadu Coastal Restoration Mission Project. This project does not envisage to create any new post.

9. The Government also order for constitution of a High Powered Steering Committee with the following composition for monitoring the Tamil Nadu Coastal Restoration Mission Project ;-

1	Chief Secretary to Government of Tamil Nadu	Chairman
2	Additional Chief Secretary to Government, Environment, Climate Change & Forest Department	Member
3	Principal Secretary to Government, Finance Department	Member
4	Additional Chief Secretary to Government, Planning, Development & Special Initiatives Department	Member
5	Additional Chief Secretary to Government, Water Resources Department	Member

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6	Additional Chief Secretary to Government, Fisheries and Fishermen Welfare Department	Member
7	Additional Chief Secretary to Government, Tourism, Culture and Religious Endowments Department	Member
8	Principal Secretary to Government, Municipal Administration and Water Supply Department	Member
9	Secretary to Government, Industries, Investment Promotion & Commerce Department	Member
10	Secretary to Government, Revenue & Disaster Management Department	Member
11	Principal Secretary to Government, Rural Development & Panchayat Raj Department	Member
12	Secretary to Government, Adi-Dravidar & Tribal Welfare Department	Member
13	Principal Secretary to Government, Agriculture & Farmers Welfare Department	Member
14	Principal Chief Conservator of Forests (Head of Forest Force)	Member
15	Principal Chief Conservator of Forests and Chief Wildlife Warden	Member
16	Chief Mission Director, Coastal Mission	Convenor

10. The Government have already setup the District Climate Change Mission in all the 38 Districts of the State to carry out climate change activities at the district level. Accordingly, the District Collector is the Mission Director of the Climate Change Mission and the District Forest Officer is the District Climate Officer for the Districts under their

jurisdiction. Therefore, at the District Level, the "Tamil Nadu Coastal Restoration Mission" project will be implemented by the District Climate Change Missions setup, with the help of line departments.

11. This order issues with the concurrence of Finance Department vide its U.O.No.3588/FS/P/2023, Dated.29.12.2023.

(BY ORDER OF THE GOVERNOR)

SUPRIYA SAHU
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT

To:

The Principal Chief Conservator of Forests (HoFF), Chennai-15.

The Principal Chief Conservator of Forests & Chief Wildlife Warden,
Chennai-15.

The Principal Chief Conservator of Forests /Member Secretary,
Tamil Nadu State Wetland Authority, Chennai-15.

The Director,
Department of Environment and Climate Change,
Chennai-15.

The Chief Executive Officer,
Tamil Nadu Green Climate Company, Chennai – 9.

The Accountant General, Chennai-18.

The Pay and Accounts Officer, Chennai-9.

The Country Head, World Bank, New Delhi.

The Ministry of Environment, Forest and Climate Change,
Government of India, New Delhi.

The Niti Aayog, New Delhi.

The Principal Secretary to Government,
Finance Department, Secretariat, Chennai-9.

The Additional Chief Secretary to Government,
Planning, Development & Special Initiatives Department,
Secretariat, Chennai-9.

The Additional Chief Secretary to Government,
Water Resources Department, Secretariat, Chennai-9.

The Additional Chief Secretary to Government,
Animal Husbandry, Dairying, Fisheries
and Fishermen Welfare Department,
Secretariat, Chennai-9.

The Principal Secretary to Government,
Tourism, Culture and Religious Endowments Department,
Secretariat, Chennai-9.

The Principal Secretary to Government,
Municipal Administration and Water Supply Department,
Secretariat, Chennai-9.

The Secretary to Government,
Industries, Investment Promotion & Commerce Department,
Secretariat, Chennai-9.

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The Secretary to Government,
Revenue & Disaster Management Department,
Secretariat, Chennai-9.
The Principal Secretary to Government,
Rural Development & Panchayat Raj Department,
Secretariat, Chennai-9.
The Secretary to Government,
Adi-Dravidar & Tribal Welfare Department,
Secretariat, Chennai-9.
The Principal Secretary to Government,
Agriculture & Farmers Welfare Department,
Secretariat, Chennai-9.
The Chief Mission Director,
Coastal Mission.

Copy to:

The Special Personal Assistant to Hon'ble Chief Minister,
Chief Minister's Office, Chennai-9.
The Special/Senior Personal Assistant to the
Hon'ble Minister (Finance & Human Resources Management),
Chennai-9.
The Hon'ble Chief Minister's Office, Chennai-9.
The Private Secretary to Secretary-I to Hon'ble Chief Minister,
Chennai-9.
The Special/Senior Personal Assistant to the
Hon'ble Minister (Forests), Chennai-9.
The Special/Senior Personal Assistant to
Hon'ble Minister (Environment, Climate Change), Chennai - 9.
The Private Secretary to Chief Secretary to Government, Chennai-9.
The Chairperson,
Tamil Nadu Pollution Control Board, Chennai-32.
The Private Secretary to Additional Chief Secretary to Government,
Environment, Climate Change and Forests Department, Chennai-9.
The Private Secretary to Special Secretary (Environment, Climate Change),
Environment, Climate Change & Forest Department, Chennai-9.
The Private Secretary to Special Secretary (Forests),
Environment, Climate Change & Forest Department, Chennai-9.
Finance (ECC&F/BPE) Department, Chennai-9.
All Sections in Environment, Climate Change & Forest Department,
Chennai-9.
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SECTION OFFICER



Part VI: CERC Manual

16 Component 5: Contingent Emergency Response

366. This component aligns with the exceptional policy requirements outlined in the World Bank guidance dated October 16, 2017, and pertains to the World Bank's BP/OP 8.00. The Contingent Emergency Response Component (CERC) serves as a disaster risk management instrument embedded within the project framework, designed to be activated only in the event of an exceptional emergency in the project area. The inclusion of a CERC ensures the project remains prepared to respond swiftly to unforeseen emergencies throughout its implementation, thereby eliminating the need for time-consuming restructuring processes.

367. In accordance with the World Bank's BP/OP 8.00, a CERC Manual has been developed and incorporated as Part VI of Chapter 17 of this Project Implementation Plan (PIP). The manual provides comprehensive guidance on the immediate response measures to be undertaken in the event of an eligible crisis or emergency. It is systematically structured to cover the following key aspects:

- i. Institutional Arrangements – Defining roles and responsibilities for CERC implementation.
- ii. Eligible Emergency Expenditures – Outlining categories of permissible expenditures under CERC activation.
- iii. Procedures for Triggering CERC – Specifying the steps required for activation.
- iv. Financial Management (FM) Arrangements – Establishing the financial controls and disbursement mechanisms for CERC-related expenditures.
- v. Procurement Arrangements – Defining the procurement processes for emergency response interventions.
- vi. Environmental and Social (E&S) Assessment and Management – Ensuring compliance with applicable safeguards and mitigation measures.
- vii. Emergency Action Plan Template – Providing a standardized framework for developing a response plan.

The CERC Manual ensures a structured, efficient, and transparent approach to emergency response, enabling swift and effective implementation while maintaining compliance with World Bank policies and safeguards.

16.1 Disaster Risk Management

368. Disasters, whether natural or man-made, have severe adverse impacts on human life, health, livelihoods, and assets. These events often lead to emergency situations characterized by time constraints, increased demand for essential goods and services, and coordination challenges. Given the scale and urgency of such crises, an immediate and structured response is essential to support relief, recovery, and reconstruction efforts. Disaster management encompasses various strategic approaches, including:

- i. Prevention – Measures aimed at reducing the likelihood of disaster occurrences.

- ii. Mitigation – Actions taken to minimize the potential impact of disasters.
- iii. Preparedness – Strategies to enhance readiness for disaster response.
- iv. Contingency Planning – Ensuring readiness to effectively manage disaster events and mitigate their adverse effects on human lives, livelihoods, and critical assets.

Contingency response plays a pivotal role in disaster management by enabling a proactive approach to emergency preparedness. It ensures that mechanisms are in place to respond swiftly and effectively, reducing disruptions and facilitating a coordinated recovery process.

16.2 Contingency Emergency Response (CER)

369. Contingent Emergency Response is a critical mechanism for addressing crises and emergencies, aligned with the World Bank's disaster management guidelines. As a World Bank-financed project, TN SHORE incorporates a CERC with a zero initial allocation, ensuring readiness to respond to eligible disasters and contingencies within the project area.

Component 5: CERC will be activated and implemented following the World Bank's rapid response procedures, in accordance with Operational Policy (OP) 8.00. This ensures a structured and efficient response to unforeseen emergencies, enabling swift mobilization of resources for relief, recovery, and rehabilitation efforts.

370. The Project Development Objective of TN SHORE does not inherently include provisions for crisis or emergency response. However, in the event of an eligible emergency affecting beneficiary communities, the CERC will be triggered and activated to address immediate rehabilitation and reconstruction needs. Upon activation, project funds will be restructured to enable the swift allocation of World Bank financing for emergency response efforts. The inclusion of CERC ensures that critical funding can be mobilized promptly, minimizing delays and administrative efforts, thereby enabling a rapid and effective response to urgent needs arising from disasters.

16.3 Eligible Emergency Events

371. An eligible event refers to a natural or man-made disaster that causes or is likely to cause an emergency or crisis, resulting in significant economic or social impacts. Such an event necessitates an immediate emergency response to mitigate adverse effects on affected communities. CERC activation is contingent upon the official declaration of a state of emergency by the Cabinet of Ministers, as per the provisions of the applicable Disaster Management Law (specify relevant legislation). The CERC component is designed to facilitate the rapid mobilization of project funds, minimizing delays in responding to urgent rehabilitation and reconstruction needs. By enabling swift decision-making and immediate action, CERC ensures that critical resources are efficiently deployed to support affected beneficiaries during times of crisis.

16.4 Key Features of the CER Component

372. The CER Component will be implemented using simplified procedures to ensure an effective and timely emergency response. The key features include:

- i. **Reallocation of Uncommitted Project Funds:** Unutilized funds from the project will be reallocated to the CER Component to support emergency response activities.
- ii. **Targeted Recovery and Rehabilitation Support:** Reallocated funds will be utilized to provide immediate recovery and rehabilitation assistance to affected beneficiaries in the designated project areas.
- iii. **Restoration of Essential Services and Infrastructure:** Project funds will be deployed to restore critical social services, infrastructure, and economic activities, along with interventions aimed at reducing future vulnerabilities and hazards.
- iv. **Time-Bound Implementation:** The implementation period for CERC activities will not exceed 12 months and will be directly linked to emergency recovery efforts, preparedness, and mitigation measures. Under no circumstances will it extend beyond the project duration.
- v. **Timely Project Restructuring:** A formal restructuring of the project to reallocate funds for emergency operations must be completed within three months of the disaster occurrence.
- vi. **Adherence to World Bank Emergency Procedures:** Procurement and disbursements under CERC will strictly follow the World Bank's emergency response procedures, ensuring compliance and efficiency in fund utilization.

16.5 Steps for Activating the CER Component

373. In the event of an emergency, the following 5 steps must be undertaken to activate the CER Component and ensure a swift and effective response:

1. **Declaration of Emergency:** The Cabinet of Ministers formally declares a state of emergency in accordance with the applicable Disaster Management Law, based on an assessment of the social and economic impact in the affected regions.
2. **Request for CER Activation:** The Government submits a formal request to the World Bank to activate the CER Component, providing justification based on the nature and severity of the emergency.
3. **Rapid Impact and Needs Assessment (RINA):** A comprehensive assessment is conducted to establish the critical link between the emergency event and the necessity for CER activation. The findings of this assessment are submitted to the World Bank for review.
4. **Preparation and Submission of an Emergency Action Plan (EAP):** A detailed EAP is developed, outlining eligible activities, financial requirements, and the reallocation of project funds. This plan is then submitted to the World Bank for approval.

5. **Financing and Implementation of the EAP:** Upon approval, funding for the emergency response activities is mobilized from the uncommitted TN SHORE project funds, ensuring immediate implementation of relief, recovery, and reconstruction efforts.

By following these structured steps, the CER Component ensures a coordinated, efficient, and timely response to mitigate the impact of disasters and safeguard affected communities.

16.6 Rapid Impacts and Needs Assessment (RINA)

374. The RINA is a critical and time-sensitive evaluation conducted immediately after an eligible crisis to assess the extent of damage, losses, and overall impact. Its primary objective is to provide a data-driven foundation for decision-making and facilitate the planning of an effective emergency response. The key purposes of RINA include:

- i. **Verification of Eligibility:** Establishing whether the crisis qualifies as an eligible event for activating the CERC.
- ii. **Causal Analysis:** Demonstrating a direct relationship between the emergency event and the justification for CER activation.
- iii. **Assessment of Socioeconomic Impact:** Evaluating the adverse economic and social consequences on the state, communities, and affected populations.

375. RINA Methodology

The RINA will be conducted by a specialized assessment team comprising experts from government ministries, specialized institutions, development partners, and civil society organizations. The assessment will employ a rapid methodology for fieldwork and data collection, leveraging Information and Communication Technology (ICT) to ensure accuracy, validation, and timely reporting. The RINA report will be structured as follows:

- i. Executive Summary – A concise overview of key findings, conclusions, and recommendations.
- ii. Introduction – Outlining the objectives, background, and methodology of the assessment.
- iii. Key Findings
 - a) Nature and Description of the Emergency – A summary of the disaster event.
 - b) Overall Impact – Assessment of damage, financial losses, and the number of affected people.
 - c) Detailed Damage Assessment – Including: Demographic characteristics of affected populations. Access constraints to affected areas. Damage to critical infrastructure and essential services.
 - d) Geographic Mapping of Affected Areas – Identifying the severity of damage across villages, towns, and urban centres.
 - e) Justification for Declaration of Emergency – Evidence-based rationale for emergency declaration.

- iv. Detailed Recommendations – Actionable steps for response, recovery, and mitigation.
- v. Resource Implications – Requirements in terms of human, financial, and institutional resources needed for recovery efforts.
- vi. Appendices – Supporting data, analytical assessments, maps, photographs, and technical drawings relevant to the disaster impact and response.

This structured approach ensures that RINA findings are comprehensive, evidence-based, and actionable, facilitating a rapid and effective emergency response.

16.7 Emergency Action Planning

376. The EAP will include a detailed summary of proposed activities, along with itemized costs, covering the following key components:

- i. Proposed Emergency Sub-Projects – Identification of critical interventions for immediate response and recovery.
- ii. Preliminary Technical Specifications – Outline of key technical requirements for planned activities.
- iii. Estimated Costs – Itemized budget estimates for all proposed emergency actions.
- iv. Environmental and Social Safeguard Implications – Assessment of potential risks and required mitigation measures.
- v. Critical Imports – Identification of essential goods, materials, and equipment needed for emergency response, including their quantity and cost.
- vi. Community Action Plans – Involvement of local communities in emergency response efforts.
- vii. Implementation Mechanisms – Framework for executing emergency interventions, including institutional roles and responsibilities.
- viii. Technical Studies and Assessments – Additional studies required for effective implementation, such as:
 - a. Feasibility assessments and damage evaluations.
 - b. Cost estimation and procurement planning.
 - c. Preparation of bidding documents and safeguard instruments.
 - d. Additional audits and compliance reviews.
- ix. Civil Works – Specification of required infrastructure projects, including their type, location, and scale.
- x. Environmental and Social Framework (ESF) and Environmental and Social Risk Management (ESRM) Compliance – Verification of proposed activities' alignment with the Stakeholder Engagement Plan (SEP) and other World Bank environmental and social safeguards.
- xi. Management, Operations, and Technical Oversight – Coordination mechanisms for ensuring effective execution of emergency interventions.
- xii. Capacity Building Initiatives – Training programs to enhance preparedness and response capabilities.
- xiii. Monitoring and Quality Assurance – Mechanisms to track progress, ensure accountability, and maintain quality standards.

The EAP will serve as a structured, actionable roadmap for emergency response, ensuring that interventions are efficient, well-coordinated, and compliant with international best practices.

16.8 Contents of the EAP

377. The EAP provides a structured framework for implementing emergency response activities, including detailed activity plans, budgets, implementation strategies, and M&E arrangements. The required resources for executing the EAP will be reallocated from project funds to ensure a swift and effective response. The EAP follows a simplified and easy-to-prepare template, ensuring that essential elements are systematically documented. The key components include:

- i. Objectives of the EAP – Clearly defined goals for emergency response and recovery.
- ii. Summary of the Emergency – A brief overview of the nature, scope, and impact of the emergency, derived from the Rapid Impact and Needs Assessment (RINA).
- iii. List and Description of Emergency Activities to be financed under CERC, including:
 - a. Technical Studies and Assessments: Feasibility studies, damage assessments, cost estimation, preparation of bidding documents, safeguard instruments, audits, and other critical evaluations.
 - b. Civil Works: Types, locations, and estimated number of infrastructure projects.
 - c. Operational and Technical Oversight: Additional management, operational, and technical support expenses.
 - d. Goods and Equipment: Specification of essential materials and supplies, including their types and quantities.
 - e. Capacity Building Activities: Training and skill development programs to enhance emergency preparedness and response.
- iv. Implementation Plan – Step-by-step approach for executing emergency interventions.
- v. Implementation Modalities and Arrangements – Compliance with provisions outlined in the project's operational manual.
 - Procurement Plan – Strategy for acquiring goods, services, and infrastructure essential for emergency response.
 - ESS Compliance – Measures and instruments to ensure alignment with environmental and social safeguards.
 - Monitoring and Reporting Arrangements – Mechanisms for tracking progress, assessing impact, and ensuring accountability in the implementation of emergency activities.

16.9 Potential activities/sub projects

378. The Government of Tamil Nadu will undertake a thorough review of the potential emergency response activities outlined in the EAP and will prioritize only those that

are essential for financing. The selection of activities will be guided by the following criteria:

1. **Compliance with the CERC Manual** – Activities must meet the eligibility requirements as defined by the CERC guidelines.
2. **Alignment with State Priorities** – Priority will be given to interventions that support critical infrastructure and other essential state needs.
3. **Socio-Economic and Environmental Impact** – Selected activities and sub-projects must contribute meaningfully to social, economic, and environmental improvements, benefiting both TN SHORE project stakeholders and the wider host and refugee communities.

16.10 Eligible Expenditures

379. Given the country's vulnerability to emergency events and the nature of activities planned under the TN SHORE project, the CERC will focus on a defined set of eligible activities and expenditures. This component will provide targeted assistance to the Department of Finance in their emergency recovery efforts.

The eligible expenditures under the CERC component may include:

1. **Reconstruction and Restoration of Physical Assets** – Repairing, rebuilding, and rehabilitating damaged infrastructure and essential facilities.
2. **Revitalization of Economic Activities** – Restoring productive assets, supply chains, and economic activities critical to local livelihoods.
3. **Reestablishment of Essential Services** – Ensuring the continuity of basic services, including water supply, sanitation, healthcare, and public utilities.
4. **Strengthening Social and Institutional Resilience** – Establishing and preserving human, institutional, and social capital, including the economic reintegration of vulnerable groups.
5. **Peacebuilding and Social Stability Initiatives** – Supporting activities that foster social cohesion and stability in affected communities.
6. **Capacity Building for Disaster Resilience** – Providing support for the initial phases of long-term reconstruction, disaster management, and risk reduction efforts.
7. **Technical Studies and Expert Consultancies** – Conducting necessary assessments, feasibility studies, and specialized consultancy services to inform recovery and resilience strategies.
8. **Operational and Management Costs** – Covering incremental expenditures related to oversight, coordination, and other essential administrative functions.
9. **Disaster Mitigation and Risk Reduction Measures** – Implementing proactive measures to mitigate or avert the potential impacts of imminent or future emergencies.
10. **Community Development and Environmental Resilience** – Supporting social, economic, and environmental improvements for both host and refugee communities in TN SHORE project areas.

16.11 Categories of Eligibility

380. The CERC will finance works, goods, non-consulting services, consulting services, training, and operational expenses in accordance with World Bank Operational Policy (OP) 8.00. Eligible expenditures under CERC, categorized as a positive list, are outlined in Table 16.1.

Table 16.1: Eligible Categories of Expenditure under CERC

Category	Description
Goods	Goods required to mitigate disaster risks, including: • Construction materials • Industrial machinery • Water, land, and air transport equipment • Agricultural tools and supplies • Educational, medical, and communication equipment • Petroleum and fuel products
Works	Restoration and repair of critical infrastructure, including: • Maintenance of domestic and livestock water points during emergency phases • Repair of productive infrastructure, including: - Water supply systems, dams, and reservoirs - Canals, roads, and transportation networks - Energy, power supply, and irrigation systems - Telecommunications infrastructure • Repair of damaged public buildings, such as schools, hospitals, and administrative offices
Consulting Services	Urgent studies to assess disaster impact and guide recovery planning, including: • Social and environmental assessments • Technical feasibility studies • Post-disaster audits and surveys • Identification and prioritization of recovery and reconstruction activities
Non-Consulting Services	Specialized services supporting emergency response and recovery, including: • Drilling operations for emergency water supply • Aerial photography, satellite imagery, and mapping services • Public awareness campaigns (radio, television, and digital messaging) • Other essential services relevant to disaster response
Emergency Operating Costs	Incremental government expenses for early recovery efforts, including: • Costs defined in CERC component activities under financing agreements • Per diem allowances for civil servants in critical sectors (e.g., Health, Agriculture, and Education) for a specified period

16.12 Positive List of Goods

381. The implementation of the CERC must adhere to two key principles:

- I. **Rapid Disbursement** – Ensuring a swift allocation of funds to facilitate immediate response efforts.
- II. **Adequate Supply** – Guaranteeing the availability of essential goods in sufficient quantities to meet emergency requirements.

To achieve these objectives, a Positive List of Goods has been established, specifying the categories of items eligible for procurement under CERC. This list serves as a reference for disbursement and procurement, ensuring that only pre-approved essential goods are acquired. All eligible expenditures under CERC are detailed in Annex IV, which outlines the Positive List of Goods permitted for procurement. Additionally, the list may include pre-owned or second-hand goods, provided they meet quality and functional standards necessary for emergency response operations.

16.13 Excluded Goods

382. Funds allocated under the CERC shall not be used for the procurement of the following items:

- **Military or Paramilitary Equipment** – Including weapons, ammunition, and related defense materials.
- **Nuclear Products** – Any equipment, materials, or technology related to nuclear activities.
- **Restricted Items under Safeguard Policies** – Any goods or materials that may trigger environmental, social, or other safeguard policy concerns.

16.14 Prohibited activities

383. While the CERC component will finance critical goods, essential services, and the repair and reconstruction of damaged infrastructure as outlined in the Positive List of Goods, certain activities are strictly prohibited to prevent adverse environmental and social impacts. The list of prohibited activities is detailed in the Safeguards Section, ensuring compliance with environmental and social risk management guidelines. This framework ensures that emergency response efforts are aligned with sustainability and regulatory requirements.

16.15 Funding for EAP Activities

384. The CERC will finance the activities and expenditures outlined in the EAP. Uncommitted funds from the TN SHORE project will be reallocated to CERC to support the EAP, subject to the following conditions:

- i. **Targeted Beneficiaries** – A minimum of 80% of the EAP budget shall be allocated to activities and sub-projects that directly benefit host and refugee communities targeted under TN SHORE.
- ii. **Project Limits** – Individual sub-projects and activities within the TN SHORE framework shall not exceed the sub-limits set for the Community Investment

Fund (CIF), Social Inclusion Fund (SIF), and other relevant activities specified in the Project Implementation Manual (PIM).

- iii. **Non-TN SHORE Activities** – Funding for activities and sub-projects unrelated to TN SHORE shall not exceed 20% of the total EAP budget.

16.16 Reviewing and approval by the World Bank

385. The EAP will be submitted to the World Bank for endorsement under a no-objection basis. The World Bank Country Team, in collaboration with the Financial and Contracting Implementation Unit (FCIU), will review the EAP to ensure compliance with the following:

- i. Adherence to CERC Manual – The EAP must align with the provisions outlined in the CERC Manual, including compliance with simplified fiduciary, social, and environmental safeguard requirements.
- ii. Availability and Feasibility of Funds – Confirmation that uncommitted funds from TN SHORE are available and can be reallocated feasibly to support the EAP.
- iii. Strategic Planning and Restructuring – Assessment of the way forward, including potential restructuring measures where necessary to optimize emergency response implementation.

16.17 Disbursement Process

386. The disbursement of funds under the CERC will follow a streamlined process to ensure timely and efficient fund allocation. The disbursement steps are as follows:

- i. Compliance Confirmation & Notification
 - a) The World Bank Task Team will prepare a memorandum confirming compliance with CERC disbursement conditions and submit it to the World Bank Country Director.
 - b) Upon approval, the World Bank will issue an official disbursement notice to the Government of Tamil Nadu, detailing procedures and additional instructions for fund withdrawal.
- ii. Submission of Withdrawal Application (WA)
 - a) The SPMU will submit a WA in accordance with the guidelines outlined in the Disbursement Letter.
- iii. World Bank Approval & Fund Transfer
 - a) The World Bank will review and approve the WA.
 - b) Funds will be transferred to the Designated Account within one working day, an expedited process compared to the standard five-day turnaround time.
- iv. Ongoing Disbursement & Fund Utilization Reporting
 - a) The SPMU will continue to submit WA requests every two quarters, accompanied by:
 - Fund Utilization Reports
 - Cash Forecast Requests
 - b) This process will continue until:
 - All CERC funds are fully disbursed OR

- A maximum of 12 months has elapsed since the declaration of the eligible emergency status—whichever occurs first.

16.18 Disbursement Methods

387. The disbursement methods for the CERC will align with the standard procedures of TN SHORE. Funds will be withdrawn through a WA, accompanied by a cash forecast for implementing the approved activities under the EAP.

Disbursement Mechanisms

The following disbursement methods will be utilized:

- i. Reimbursement – Eligible expenditures incurred by the project will be reimbursed based on submitted financial documentation.
- ii. Advance Payment – An initial advance will be provided based on the forecasted expenditures for two (2) quarters under the EAP.
- iii. Direct Payment – Payments made directly to suppliers or service providers for eligible expenditures.
- iv. Special Commitment – A commitment made by the World Bank to pay third parties upon submission of required documentation.

Withdrawal Application Process

- The WA will be submitted using Form 2380 as per World Bank guidelines.
- All supporting documents required for withdrawal requests—including invoices, receipts, and financial reports—must comply with the specifications outlined in the TN SHORE Disbursement Letter.

16.19 Documentation process to support disbursement

388. The implementation of the CERC prioritizes rapid disbursement to facilitate an immediate emergency response. However, ensuring the availability of required supporting documentation for disbursement can be challenging and may lead to delays. To comply with Operational Policy (OP) 12 on Disbursement, the CERC implementation process must adopt innovative and flexible approaches to verify payments while maintaining accountability and transparency. This will include leveraging best practices from both domestic and international emergency response frameworks to streamline proof of payment mechanisms and minimize administrative bottlenecks.

16.20 Retroactive Financing

389. During emergency operations, expenditures incurred in compliance with the procurement provisions outlined in this manual will be eligible for retroactive financing. This provision applies to expenses incurred up to one month prior to the activation of the CERC. All goods procured under this provision must be directly related to relief, recovery, and emergency response activities that address the crisis or disaster triggering the CERC component. This ensures that critical interventions undertaken before formal activation can be reimbursed efficiently, supporting a swift and effective emergency response.

16.21 Reallocation

390. The reallocation of funds from the original TN SHORE project components to the CERC will be processed automatically, based on availability of uncommitted funds and the potential impact on TN SHORE implementation. The World Bank Task Team will assess the most suitable disbursement categories and project components for reallocation, ensuring that funds are directed efficiently to support emergency response efforts. At this stage, no project restructuring is required, and the reallocation will be carried out within the existing project framework to facilitate a swift and effective response.

16.22 Cancellation

391. In the event that the Government of Tamil Nadu, its agencies, or contractors utilize CERC funds in a manner that is inconsistent with:

- The provisions of this CERC Manual,
- The approved EAP, or
- The Financing Agreement for TN SHORE,

the World Bank reserves the right to take corrective action. This may include:

- i. Suspension or Cancellation – The World Bank may suspend or cancel any undisbursed CERC funds if misuse or non-compliance is identified.
- ii. Refund Requirement – The World Bank may require the Government of Tamil Nadu to refund any disbursed funds that have been used in violation of the agreed terms.

16.23 Institutional Arrangement

392. The implementation structure for the CERC will follow the same framework as the TN SHORE project. However, its execution will be conducted in close coordination with the State Government's emergency response mechanisms, including the State Disaster Management Agency (SDMA). The TNGCC, under the overall supervision of the Department of Environment, Climate Change, and Forests (DECCF), Government of Tamil Nadu, will serve as the CERC Implementation Unit. The SPMU will oversee operations, with support from the respective DPMU in areas affected by the emergency. As the situation evolves, a rapid assessment will be conducted to determine whether modifications to the institutional framework are required. Any necessary adjustments will be made as part of the CERC activation process, ensuring a flexible and responsive approach to emergency management.

Emergency Response Summary

1. Description of Emergency

Category	Details
Type of Emergency	[Specify: Flood, Cyclone, Earthquake, Landslide, etc.]
Date of Occurrence	[DD/MM/YYYY]
Affected Population	Total: [XX,XXX] (Men: XX%, Women: XX%, Children: XX%, Seniors: XX%)
Families Affected	[XX,XXX]
Evacuations	[Number of displaced persons/shelters established]
Damage Assessment	- Infrastructure: [Describe impact on roads, bridges, buildings] - Utilities: [Water, electricity, sanitation disruption] - Livelihoods: [Impact on agriculture, fisheries, businesses]
Current Response Actions	[Summary of immediate measures taken]

2. Geographic Data of Affected Area

Category	Details
Affected Region(s)	[List the states, districts, municipalities]
Geographic Characteristics	[Coastal, flood-prone, mountainous, urban/rural]
Total Population in Affected Area	[XX,XXX]
Key Infrastructure at Risk	[Major roads, airports, hospitals, schools]
Demographics	- % of Vulnerable Groups: [XX%] (Women, elderly, children, persons with disabilities) - Major livelihoods: [Fishing, agriculture, trade, tourism]
Accessibility	- Road Conditions: [Blocked, partially open, functional] - Communication Status: [Cellular network disruption, internet outage]

3. Planned Emergency Response Activities

Areas of Intervention	Activities	Responsible Institution	Supporting Institution	Estimated Cost (INR)	World Bank Funding (INR)
People					
Health	Procurement and distribution of essential medicines and medical equipment	SPMU	DoHFW		
	Provision of emergency food supplies for vulnerable groups (children, elderly, pregnant women)	SPMU	WCD Dept.		
Nutrition					
Shelter	Establishment and maintenance of temporary shelters	SPMU	SDRF/NDRF		
Infrastructure					
Access & Transport	Debris clearance and road restoration	SPMU	PWD/NHAI		
	Temporary bridge repair and emergency transport services	SPMU	Transport Dept.		

Housing	Rehabilitation of damaged housing	SPMU	Urban Dev. Dept.
Public Services	Restoration of critical utilities (power, water, sanitation, communication)	SPMU	Power & Water Boards
	Repair of health and education infrastructure	SPMU	DoHFW/Ed. Dept.
Economy			
Agriculture	Restoration of agricultural infrastructure and irrigation systems	SPMU	Agri. Dept.
Livelihoods	Support for affected businesses and workforce reintegration	SPMU	MSME Dept.
Governance	Restoration of administrative records and civil services	SPMU	Revenue Dept.
Environment			
Environmental Assessment	Conducting environmental and social impact assessments	SPMU	Env. Dept.
Mitigation Works	Implementation of erosion control, flood protection, and watershed management measures	SPMU	WRD/Forest Dept.
Emergency Operating Expenses	Early recovery efforts and operational expenses	SPMU	Finance Dept.

Grand Total

₹ XX,XXX ₹XX,XXX,

4. Procurement Plan

Activity	Description	Responsible Institution	Quantity	Estimated Cost (INR)	Procurement Method	Estimated Start Date	Expected Completion Date	Supporting Documents Required
A. Procurement of Goods								
Medical Supplies	Emergency procurement of medicines, PPE kits, and medical equipment	SPMU			Direct Contracting			Supplier Invoice, QA Certificate
Emergency Shelter Kits	Tents, tarpaulins, and bedding materials for affected families	SPMU			National Competitive Bidding (NCB)			Technical Specs, Delivery Receipts
B. Procurement of Services								
Emergency Transport	Hiring of vehicles for relief distribution and medical transport	SPMU			Framework Agreement			Transport Logs, Contract
Debris Removal	Clearing of roads and affected areas	SPMU			Open Tender			Work Completion Report
C. Procurement of Works								
Restoration of Water Supply	Repair of pipelines and water sources in affected areas	SPMU			Request for Quotations (RFQ)			Inspection Report, Work Order
Power Infrastructure Repair	Restoration of electricity services	SPMU			Limited Competitive Bidding			Test Report, Invoice
D. Emergency Operating Expenses								
Operational & Administrative Costs	Expenses for emergency response coordination and monitoring	SPMU			Direct Disbursement			Approved Budget, Expense Reports

Part VII Annexures

Annexure 1

Results Framework

PDO Indicators by PDO Outcomes

Baseline	Closing Period
To increase coastal protection and conservation	
Seascapes under enhanced conservation and/or sustainable management (coastal zones and oceans) (Hectare(Ha)) ^{CRI}	
Apr/2025	May/2030
0	30,000
☐ In Tamil Nadu (Hectare(Ha))	
Apr/2025	May/2030
0	10,000
People benefitting from enhanced resilience of terrestrial and aquatic systems (Number of people) ^{CRI}	
Apr/2025	May/2030
0	100,000
☐ In Tamil Nadu (Number)	
Apr/2025	May/2030
0	55,000
☐ People benefitting from enhanced resilience of terrestrial and aquatic systems Female (Number of people) ^{CRI}	
Apr/2025	May/2030
0	50,000
☐ In Tamil Nadu (Number)	
Apr/2025	May/2030
0	27,500
☐ People benefitting from enhanced resilience of terrestrial and aquatic systems Youth (Number of people) ^{CRI}	
Apr/2025	May/2030
0	25,000
☐ In Tamil Nadu (Number)	
Apr/2025	May/2030
0	12,500
To enhance livelihood benefits	

Baseline	Closing Period
Number of beneficiaries employed (Number of people) ^{CRI}	
Apr/2025	May/2030
0	100,000
☐ In Tamil Nadu (Number)	
Apr/2025	May/2030
0	40,000
To reduce marine plastic pollution	
People in targeted coastal areas with less exposure to plastic pollution (Number)	
Apr/2025	May/2030
0	120,000
☐ In Tamil Nadu (Number)	
Apr/2025	May/2030
0	50,000
To increase coastal protection and conservation, enhance livelihood benefits, and reduce marine plastic pollution in targeted coastal communities	
Share of target beneficiaries with rating "Satisfied" or above on Project interventions (Percentage)	
Apr/2025	May/2030
0	75
☐ In Tamil Nadu (Percentage)	
Apr/2025	May/2030
0	75

Intermediate Indicators by Components

Baseline	Closing Period
Strengthening institutions for Integrated Coastal Zone Management	
Sustainable Management Plans for Coastal Ecosystems prepared and approved by the competent authority (Number)	
Apr/2025	May/2030
0	10
☐ in Tamil Nadu (Number)	
Apr/2025	May/2030
0	7
Shoreline management, coastal protection, and conservation	

Baseline	Closing Period
Centers of Excellence established with business plans and operational (Number)	
Apr/2025	May/2030
0	4
☐ In Tamil Nadu (Number)	
Apr/2025	May/2030
0	4
Share of employees in mangrove plantations that are women (Percentage)	
Apr/2025	May/2030
5	30
☐ In Tamil Nadu (Percentage)	
Apr/2025	May/2030
5	30
Improving livelihoods for natural resource dependent communities	
Beneficiaries provided with training support on coastal livelihoods (Number)	
Apr/2025	May/2030
0	70,000
☐ in Tamil Nadu (Number)	
Apr/2025	May/2030
0	40,000
People benefiting from improved beach infrastructure (Number)	
Apr/2025	May/2030
0	100,000
☐ in Tamil Nadu (Number)	
Apr/2025	May/2030
0	80,000
Enhancing marine pollution management and plastic circularity	
Plastic waste removed (Metric ton)	
Apr/2025	May/2030
0	10,000
☐ in Tamil Nadu (Metric ton)	
Apr/2025	May/2030

Baseline	Closing Period
0	3,000
Plastic waste recycled or diverted (Metric ton)	
Apr/2025	May/2030
0	33,000
☐ in Tamil Nadu (Metric ton)	
Apr/2025	May/2030
0	3,000
Private capital enabled (Amount(USD))	
Apr/2025	May/2030
0	3,200,000
☐ in Tamil Nadu (Amount(USD))	
Apr/2025	May/2030
0	2,000,000
Share of Project beneficiaries employed in MRFs and provided social security that are women (Percentage)	
Apr/2025	May/2030
0	65
☐ in Tamil Nadu (Percentage)	
Apr/2025	May/2030
0	65
Project Management	
Contingent Emergency Response Component	

Monitoring & Evaluation Plan: PDO Indicators by PDO Outcomes

To increase coastal protection and conservation, enhance livelihood benefits, and reduce marine pollution in targeted coastal communities	
People benefitting from enhanced resilience of terrestrial and aquatic systems (Number)	
Description	The indicator measures the number of people who benefit from the improved ecosystems supported through the Project. This includes the number of people benefitting from the protective effect of ecosystems, such as mangrove forests and shelter belts, against climate hazards. It also includes people benefitting from livelihoods as a direct result of improved ecosystem health. This can include fishermen and those earning incomes from nontimber forestry products. The targeted coastal areas are all coastal districts of Tamil Nadu. This indicator supports the measurement of PrDO Indicator #1, which is a Corporate Scorecard Indicator.
Frequency	Annual
Data Source	Field survey carried out individually by the Forest Departments in both Karnataka and Tamil Nadu, combined with a mapping of hazard zones and the population.
Methodology for Data Collection	The progress on the establishment of more resilient terrestrial and aquatic systems will be combined with maps of coastal hazard zones, and census or other population data sets for the corresponding coastal villages and administrative blocks will be superimposed. Surveys will also be undertaken to estimate beneficiaries generating income from improved livelihoods.
Responsibility for Data Collection	SPMUs
Seascapes under enhanced conservation and/or sustainable management (coastal zones and oceans) (Hectares)	
Description	This indicator measures the total area of critical and/or vulnerable terrestrial and aquatic natural habitats such as coastal wetlands, mangroves, seagrass, estuaries, and beaches of all coastal districts of Karnataka and Tamil Nadu whose management is improved through zoning, boundary demarcation, development of management plans, and capacity development for forest officers who are responsible for coastal management. The area will measure the “zone of influence” of investments so as to capture the wider area of improved seascapes. This indicator supports the measurement of PrDO Indicator #2, which is a Corporate Scorecard Indicator.
Frequency	Annual
Data Source	Field survey carried out individually by the Forest Departments in both Karnataka and Tamil Nadu, combined with georeferenced maps of the intervention areas.
Methodology for Data Collection	Improvements to seascapes, which include the coastal and ocean zones, will be measured by assessments of the influence of physical and nonstructural (i.e., management) interventions to coastal ecosystems. This methodology will consider the default “zone of influence” of interventions, as applied to environmental impact assessments. As the Project progresses, detailed analysis will help to refine the assessment of these improved seascapes. The areas will be monitored through physical verification and cadastral maps, and geospatial analysis.

Responsibility for Data Collection	SPMUs
Number of beneficiaries employed (Number of people)	
Description	This indicator measures the number of project beneficiaries that have improved livelihoods as a direct consequence of the Project. This includes through engagement in activities such as mangrove restoration and plantation, agroforestry, wetland management, ecotourism, working in MRFs, and others. This indicator supports the measurement of PrDO Indicator #3, which is a Corporate Scorecard Indicator.
Frequency	Annual
Data Source	Enterprise surveys will be carried out by firms hired by SPMUs for both states on a sample basis. Enterprise surveys are subdistrict level surveys with project beneficiaries who are either enterprise owners, SHG members, or employees who have benefited from the Project.
Methodology for Data Collection	Review and tabulation of data from the enterprise survey will be undertaken annually. People working in small and medium-sized enterprises and SHGs who are engaged in fulltime work due to the Project are also considered beneficiaries of the Project.
Responsibility for Data Collection	SPMUs
People in targeted coastal areas with less exposure to plastic pollution (Number)	
Description	The indicator measures reduced exposure to plastic pollution through establishment of MRFs, plastic waste receptacles, and infrastructure solutions to abate pollution. Less exposure to pollution means reduction in the danger of damage over the lifetime of the Project to human health, dwellings, and immovable assets from the introduction of foreign substances into the environment that cause adverse change. The targeted coastal areas are all coastal districts of Karnataka and Tamil Nadu.
Frequency	Annual
Data Source	Field survey carried out in Rural and Urban Development Departments in separate surveys based on district.
Methodology for Data Collection	The downstream plastic shed area which defines the influence of plastic pollution abatement investments, will be superimposed annually with census data of the corresponding coastal villages and administrative blocks to generate the total number of people with less exposure to pollution. This downstream plastic shed is the area downstream of measures to reduce plastic leakage, to capture, for example, the effect of deploying trash booms on rivers.
Responsibility for Data Collection	SPMUs
Share of target beneficiaries with rating “Satisfied” or above on Project interventions (Percentage)	
Description	This indicator reflects the citizen engagement commitment of the Project by capturing the satisfaction of beneficiaries with project interventions as a demand-side social accountability measure. The focus of the perception survey will be on environmental benefits, livelihood aspects, and community participation.
Frequency	Biennial
Data Source	Project Perception Survey carried out by the SPMU for both states
Methodology for Data Collection	A Perception Survey will be undertaken biennially, across the states and ensuring gender inclusion, to periodically measure the satisfaction of stakeholders. The sample-based perception survey will focus on the perception of improvements in resilience in communities, the effectiveness of natural resource protection, and changes in livelihood aspects. Their findings and feedback

	will be integrated into the design and implementation of the Project in order to enhance or maintain the level of “satisfaction.” By the Implementation Completion and Results Report (ICR) stage, the Perception Survey would capture the satisfaction levels of the entire project outputs and outcomes, thereby demonstrating the perception of the Project success and approaches to integrate sustainable systems in place to continue the positive outcomes from a citizen’s perspective.
Responsibility for Data Collection	SPMUs

Monitoring & Evaluation Plan: Intermediate Results Indicators by Components

Component 1: Strengthening institutions for Integrated Coastal Zone Management	
Sustainable Management Plans for Coastal Ecosystems prepared and approved by the competent authority (Number)	
Description	The indicator measures the number of newly prepared and updated Management Plans (SMPs, Wetland Management Plans, Island Management Plans, ICZMPs) for all coastal districts of Karnataka and Tamil Nadu that integrate science with natural capital economics as well as social and cultural analysis using a highly participatory approach, prepared and approved by the SMPU. The indicator captures participating states that have completed the plans and have notified them by a competent authority.
Frequency	Annual
Data Source	Government Notifications with (a) plans attached, (b) proceedings of stakeholder engagement documented, and (c) analytical reports generated as part of the process. The plans would need to meet minimum quality criteria that are mentioned in the Coastal Regulations Zone Notification of 2019. SPMUs will review and verify the completed baseline information phase and coastal profile to confirm that it is of high quality and that lessons learned and best practices are followed. The plans will reflect feedback and ensure the application of practices (including the blue economy as core elements) and learnings from pilot states. The highquality stakeholder engagement in preparation and implementation of these Management Plans ensures stakeholders are well informed throughout the process and supportive of the completed plans and the priorities and actions within them. Stakeholder engagement also includes ensuring gender balance as a core element.
Methodology for Data Collection	Review of relevant documents. The SPMUs will verify the quality of stakeholder engagement during the preparation of the plans through site visits and interviews with selected stakeholders and/or stakeholder satisfaction surveys.
Responsibility for Data Collection	SPMUs
Component 2: Shoreline management, coastal protection, and conservation	
Centers of Excellence established with business plans and operational (Number)	
Description	These Centers of Excellence will be established to study endangered species, critical marine ecosystems, and more. These centers will also forge active partnerships in research and knowledge with academic institutions and foundations both nationally and globally. This is a key capacity indicator as partnerships are crucial to the success of ICZM. This intervention is aimed at enhancing the understanding of conserving and restoring critical and vulnerable ecosystems and biodiversity faced with climate vulnerabilities. A Center of Excellence (CoE) will be considered “established” when the civil work has been completed, the center has been notified in a government issued order, and a business plan has been prepared. A CoE will be considered “operational” when it starts accepting visitors at full capacity.

Frequency	Annual
Data Source	SPMU
Methodology for Data Collection	A Document Review of official gazette notification of completion and operationalization of CoEs, followed by site visits at the MTR and ICR Stage to confirm that the COEs are established and operational.
Responsibility for Data Collection	SPMUs
Share of employees in mangrove plantations that are women (Percentage)	
Description	This indicator captures the Project's aim to narrow the gender gap in LFP across the coastal regions of the participating states, by creating long-term and climate resilient employment opportunities for women in natural resource dependent communities in the formal economy by setting quotas to encourage female participation in climate resilient occupations from which women have traditionally been excluded, particularly mangrove plantations. Mangrove plantations have historically been a male dominated activity. With the increased participation of women, they would have diversified forms of livelihoods.
Frequency	Annual
Data Source	Field survey (labor)
Methodology for Data Collection	Review of questionnaire and tabulation of data
Responsibility for Data Collection	SPMUs
Component 3: Improving livelihoods for natural resource dependent communities	
Beneficiaries provided with training support on coastal livelihoods (Number of people)	
Description	This indicator measures the number of beneficiaries, including women, that have been supported through knowledge and skills training in business management, processing, packaging, entrepreneurial mindset, digital payments, and marketing platforms; and technical support undertaking coastal livelihoods such as ecotourism, aquaculture, plastic waste chains, and more.
Frequency	Annual
Data Source	Project Perception Survey
Methodology for Data Collection	Review of questionnaire and tabulation of data
Responsibility for Data Collection	SPMUs
People benefiting from improved beach infrastructure (Number)	
Description	This indicator measures the number of people benefiting from the implementation of Blue Flag criteria and the associated infrastructure enhancements aimed at achieving certification. It includes both visitors to the beaches and individuals generating income from tourism-related activities linked to these improved coastal areas. While Blue Flag certification involves a rigorous and time-intensive process, the project is committed to adhering to all necessary environmental, educational, and safety standards, ensuring that the designated beaches align with global best practices. Key focus areas include environmental education, water quality, environmental management, and safety measures. By integrating these standards, the initiative is expected to enhance visitor experiences, boost tourism potential, and create sustainable livelihood opportunities. Infrastructure improvements will include information boards, boardwalk observation stations, shelters, designated access trails, drinking water facilities, sanitation provisions, and strategically placed refuse bins. Through these concerted efforts, the project will endeavour to meet Blue Flag criteria, laying the foundation for eventual certification while delivering substantial benefits to coastal communities and visitors alike.
Frequency	Annual
Data Source	Field surveys; geotagged monitoring
Methodology for Data Collection	Field surveys undertaken by the Forest Department in collaboration with relevant departments

Responsibility for Data Collection	SPMUs
Component 4: Enhancing marine pollution management and plastic circularity	
Plastic waste removed (Metric ton)	
Description	This indicator measures the volume of plastic waste recovered (a) in trash booms installed in the river systems, and (b) through the Fishing for Litter scheme in coastal Karnataka and Tamil Nadu.
Frequency	Biennial
Data Source	Field survey (plastic waste survey)
Methodology for Data Collection	Review of survey and tabulation of data
Responsibility for Data Collection	SPMUs
Plastic waste recycled or diverted (Metric tons)	
Description	This indicator measures the volume of plastic waste sorted in MRFs and includes: (a) plastic waste recycled, and (b) plastic waste packed for subsequent use as fuel or as a construction material. MRFs are in select coastal districts of Karnataka and Tamil Nadu by the Rural and Urban Departments.
Frequency	Annual
Data Source	Field survey (plastic waste survey) and reporting by the MRFs
Methodology for Data Collection	Review of survey and tabulation of data
Responsibility for Data Collection	SPMUs
Private capital enabled (Amount US\$)	
Description	The indicator captures: (a) the amount of private capital used in project established MRF facilities during the lifetime of the Project as part of their performance contracts, and (b) the amount of blue carbon finance monetized.
Frequency	Annual
Data Source	Financial reports from MRFs and purchase agreements for carbon credits
Methodology for Data Collection	Reports (including financial statements) will be reviewed and verified by the SPMUs to capture the dollar amount of PCE.
Responsibility for Data Collection	SPMUs
Share of Project beneficiaries employed in MRFs and provided social security that are women (Percentage)	
Description	This indicator measures the rate of beneficiary female participation in Project supported MRFs that are conducive work environments for women, namely provisions of social security, such as medical insurance and support for children's education.
Frequency	Annual
Data Source	MRF annual reports
Methodology for Data Collection	MRF annual reports will be reviewed and verified by the SPMUs
Responsibility for Data Collection	SPMUs

Potential Environmental and Social Risks and Impacts

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
Component 1				
1	Design/Planning of Infrastructure and Buildings at Conservation Park at Kadambur, Chengalpattu District, • Conservation area for bamboos, Palms, medicinal Plants • Establishment of Rock Garden with arrangements of water falls. • Rose Garden • Aquatic habitat for housing aquatic vegetation • Arboretum of Indigenous and exotic species • Natural garden for indigenous flowering species • Plant museum with library and state of art Herbarium with seed preservation center. • Demonstration area for vegetation of models, sacred groove concept. • Tree houses • Nature trails, cycle path and road for battery operated vehicles. • Bird viewing platforms and watchtowers	• Possible impacts on encroachments, squatters and access/temporary disruption during construction stage. • Impact on nearby community health due to water stagnation causing mosquito generation and water borne diseases. • Improper disposal of wastes and waste water/sewage may affect health of nearby communities. • Health effect due to VOC emissions from paint and solvents. • Soil and ground water contamination by improper disposal of paint wastes affecting health of nearby community. • Risk of fire during storage of paints and solvents. Toxic fumes from paint fire may affect health of nearby community. • Occupational health and safety issues among workers. • Fall from height, slip and tripping, Injuries and accidents. • Construction wastes, hazardous wastes (used oil from DG sets/construction machines) and solid wastes. • Use of weedicides and herbicides may have adverse environmental impacts. • Construction of cycle path and road for battery operated vehicles may alter natural drainage causing flooding and erosion. • These can obstruct reptile's movement path causing killing of reptile. • Danger of falling of visitors and staff from height. • Sewage and Waste water generation cause water pollution, • Solid wastes generation, • Air and noise generation from DG sets from impact on health of nearby community & biodiversity park due to improper disposal of wastes, air, noise and water pollution. • Solid waste/plastic waste generation from tourists. • Generation of wastewater and sewage from public amenities	1,2,3,4,5,6	M

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
		and toilets. Impact on health of nearby community due to improper disposal of wastes, sewage and wastewater. • Increase in water demand/requirement. • Increased number of vehicles causing air/noise pollution. • Traffic congestion at and around Biodiversity Park. • Effluent and wastes generation Biodiversity Conservation Park. • Risk of discrimination in employment, wage/payment discrepancies and unclear engagement terms, Poor labour conditions at the work site accommodation without ventilation, lack drinking water and sanitation facilities, no cleaning and sweeping, mosquitos, etc. • Risk of sexual harassment of female workers.		
2	Turtle Conservation Centre at Guindy Children Park, Chennai	• Impacts on Protected Area (Guindy National Park) due to the proposed project. • Aesthetic appearance & homogeneity to the surrounding. • Increase in energy consumption due to the proposed activity. • Use of traditional construction materials. • Generation and improper disposal of solid wastes and wastewater/sewage from conservation centre including toilets and washrooms used by tourists, resulting in land & water pollution, mosquito breeding which may affect nearby health of community. • Land and water resources contamination through improper disposal of solid wastes which may affect nearby health of community. • Exhaust emissions and high noise generation from Other Construction Vehicles, Equipment and Machineries to be deployed at construction site. • Exhaust emissions & high noise may affect health of community and disrupt the biodiversity. • Health effect due to VOC emissions from paint and solvents. • Soil and ground water contamination by improper disposal of paint wastes affecting health of nearby community. • Risk of fire during storage of paints and solvents & toxic fumes from paint fire may affect health of community.	1,2,3, 6	M

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
		• Unsafe acts and conditions at the work sites. • Occupational health and safety issues among workers. • Fall from height, slip and tripping. • Injuries and accidents. Increased use of water for concrete curing. Increase in water demand for concrete curing. Construction wastes and hazardous wastes (used oil from DG sets/construction) have potential for contamination of soil and surface/ground water sources if these are disposed improperly may affect community health & to the National Park. Risk of sexual harassment of female workers.		
3	International Dugong Conservation Centre (IDCC) at Manora, Thanjavur	• Flooding and storm water accumulation around IDCC Site may result in erosion, mosquito's generation resulting in health issues in nearby communities. • Land and water resources contamination through improper disposal of solid wastes which may affect nearby health of community. • Procurement of construction materials from illegal sources resulting legal action on subproject/contractor. • Exhaust emissions and high noise generation from Other Construction Vehicles, Equipment and Machineries to be deployed at construction site. • Impacts on Biodiversity and habitats due to cutting/damage mangrove in protected area during construction phase. • Impact of birds and habitats through air and noise pollution. • Risks to areas near CRZ III A & CRZ I A, mangrove habitat and Dugong habitat, which need specialized attention for conservation of critical habitats. • Exhaust emissions & high noise may affect health of community. • Risk of discrimination in employment. • Risk of wage/payment discrepancies and unclear engagement terms. • Poor labour conditions at the work site, like accommodation without ventilation, lack of drinking water and sanitation	1, 2, 3,4, 5,6	M

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
		facilities, proper hygienic conditions, etc, Discrimination in employment; Wage/payment discrepancies and unclear engagement terms. - Occupational health and safety issues due to unsafe acts and conditions, air and noise pollution, lack of drinking water and sanitation facility. - Risk of sexual harassment of female workers.		
4	Championing Pallikaranai: Advancing Wetland Conservation & Restoration - Removal of debris from the wetland such as construction debris, solid waste, garbage, etc. - Bunds formation and consolidation of bund around the Marshland boundary & native species plantations - Clearing of blocks in the waterways that feed the marsh - Removal of Eichhornia plants in the entry point of the channel by deploying floating machinery - Removal of Aquatic & Terrestrial Weed and planting the native species - Installation of a Floating Bar screen to filter floating inorganic materials like plastic papers, bottles etc. - Improvement of Interpretation Centre at Karapakkam like repairing of ceilings, improving the wooden bridges, establishment of watch towers & provide public amenities, etc.	- Impacts on Wetland due to the proposed project cycle. - Generation and improper disposal of solid wastes and wastewater/sewage from conservation centre including toilets and washrooms used by tourists, resulting in land & water pollution, mosquito breeding which may affect the wetlands & health of nearby community. - Removed debris may contain toxic elements and bacteria which could affect the workers & health safety of the community. - Dust generation. - Use of machineries in wetland, - Desilting of channels from 0.5 to 2.5m below the Chart datum to facilitate free flow of water from the southern part of the 200foot road to the northern part thereby affecting soil characteristics, flora & fauna. - Extraction of Eichhornia plant & impacts on worker doing the activity. - Chances of contamination at disposal site by chemicals absorbed by Eichhornia. - Effect on wetland its flora & fauna. - Risk of discrimination in employment. - Risk of wage/payment discrepancies and unclear engagement terms. - Poor labour conditions at the work site, like lack of drinking water and sanitation facilities, proper hygienic conditions, etc., Discrimination in employment.	1, 2, 3, 6	S

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
5	Building Bioshields for Habitat Rehabilitation and Mangrove restoration in Coastal districts - Establishment of a mangrove Plant nursery - Removal of shrubs in degraded areas before plantation - Formation of approach channel from main/branch canal & construction of fishbone type channels for plantation in degraded areas - Transport of saplings from nursery by boat and walking on mangrove areas - Plantation of mangrove samplings in degraded areas	- Possibility of injury to persons & mangrove while stepping into deeper dense mangrove muddy areas during site visit & ground truth verification. - Impacts on ecosystem due to human interventions since mangrove is planned to be restored in National Parks, Reserved Forest & other ecologically sensitive areas. - Effect of removal activity on fragile ecosystems and swamps. - Use of machineries. - Injuries during clearing of blockages. - Removal of bottom sediments. - Loss of Benthic organisms. - Presence of water stagnation during canal formation causing turbidity and affect the aquatic flora & fauna - Risk and injury involved during construction activity digging the canals, construction of fishbone channels for planting seedlings and plantation activities. - Affects the aquatic ecosystem (eggs) to boat operations. - Affects mangrove due to movement of boats. - Possible injuries to the people involved in the project - Risk of discrimination in employment. - Risk of wage/payment discrepancies and unclear engagement terms. - Wage/payment discrepancies and unclear engagement terms. - Risk of incidence of gender based violence due to unhealthy working conditions. - Risk of sexual harassment of female workers. - Impact on fishing activities during plantation.	1, 2,3,4, 6	M
6	Restoration of Degraded Coastal Wetlands Focusing on Seagrass Meadows in the Gulf of Mannar and Palk Bay, Tamil Nadu, and Assessment of Blue Carbon Stock To Strengthen Climate Adaptation, Promote Resilience and Enhance Livelihood Sustainability	- Impacts on ecosystem due to human interventions since sea grass is planned to be restored in National Parks, Protected Areas & other ecologically sensitive areas. - Low success rate may be attributed to poor site selection, high sedimentation, reduced light, strong waves and currents, animal foraging, etc. - Pollution impacts on the surrounding area arising from	1, 2,3, 6	M

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
	- Collection of Seagrass Shoots from Donor Sites - Transport of PVC frames tied with Seagrass shoots to the targeted sites	- wastages and improper disposal in the seas. - May create stress if not collected from appropriate donor sites and in a careful manner. - Risk related to diving equipment failures. - Affects the aquatic ecosystem due to boat operations. - Impact on marine process due to deployment of foreign materials (PVC frames). - Possible injuries to people carrying out the activity. - Solid wastes and disturbed PVC frames within sea water due to marine process and fishing activities. - Possible injuries to the people involved in the project (including divers). - Risk of wage/payment discrepancies and unclear engagement terms.		
7	Erosion Control and Coral Restoration at Kariyachalli Islands, Gulf of Mannar ecosystems, - Construction of artificial reef modules - Deployment of artificial reef modules - Monitoring of Coral Rehabilitation - Collection of seagrass shoots from donor sites - Construction of PVC frames - Deployment of PVC frames with seagrass - Monitoring of Seagrass Restoration - Coral/seagrass restoration	- Artificial reef modules may contain toxic materials, which can harm marine ecology on its decomposition. - Any possible injuries during the activity. - Improper deployment of AR Modules, substrates and oceanographic dynamics may impact survival and growth of corals at Kariyachalli Islands. - Improper collection of seagrass sprigs from donor sites may create stress on existing seagrasses (more than 5% would create stress). - Construction of PVC frames wastages for transplantation of seagrass shoots may have adverse impacts on the environment. - Deployment of PVC frames with seagrass may have impacts on the natural ecosystem process in the sea floor, and on seawater as well as may cause plastic pollution. - Diving equipment failure during deployment & anchoring - Improper deployment of PVC frame with seagrass and oceanographic dynamics may impacts survival and growth of seagrass restoration at Kariyachalli Islands. - Labour related risk during deployment of heavy artificial reef modules/PVC quadra pods would include safety issues while at work under water; occupational health and safety risks due	1,2,3,6	S

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
		to exposure of workers to unsafe conditions while working inside sea water, etc. • Discrimination in employment. • Wage/payment discrepancies and unclear engagement terms.		
8	Strengthening Coastal Management through Integrated Coastal Zonal Management (ICZM), Marine Spatial Planning (MSP), Coastal Management Plan (CMP) for Critically Vulnerable Coastal Areas (CVCA), Integrated Management Plan (IMP) and Valuing Ecosystem Services with Capacity Building and Outreach Initiatives • Assessment of the turtle nesting grounds, sand dunes, sandy beaches and biologically active mudflats in environmentally sensitive areas • Identification of current stakeholders and resource dependent coastal communities • Assessment of health status of the four ecologically sensitive areas. • Assessing the resource use and current resource governance ability of the community adopting Community Based Resource Management (CBRM) framework • Preparation of an Integrated Management Plan for Gulf of Mannar (CVCA) • Demarcation of temporal and spatial planning extents for integrated planning • Preparation of a comprehensive base map for the area	• Baselines survey and assessment can disrupt or harm the wildlife habitats or natural vegetation/ mangroves in turtle nesting grounds, sand dunes, sandy beaches and biologically active mudflats in environmentally sensitive areas. • Improper identification of stakeholders and resource dependent coastal communities are not identified properly, it can have negative impacts on the project progress. • Assessment of health status, ecologically sensitive areas may be disrupt or it can harm the wildlife habitats, mangroves, etc • If location specific integrated management plan is not prepared, it may have adverse environmental risk and impacts on critically vulnerable coastal areas. • Field surveys and ground truthing might for demarcation of temporal and spatial may lead to habitat disruption and damage to mangrove. • Providing comprehensive training to diverse groups, including local communities, government officials and SHGs, can be logistically challenging. • Language of capacity building and outreach initiatives may barriers in knowledge transfer as many government officials, community members, SHGs may not be conversant with English. • Survey, field studies and activities can interfere with uses of the shoreline, potentially affecting local tourism and community interests like fishing, etc. • During field studies and data collection local labour may be engaged, hence labour related issues. • While working on turtle nesting grounds, sand dunes, sandy beaches and biologically active mudflats, mangroves, etc in	1,2,5, 6, 10	S

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
	- Preparation of Coastal Profile - Identifying the coastal issues, conflicts, synergies and the stakeholders - Preparation of Sectoral or Area based following subplans: - Shoreline Management Plan; Plan for Conservation of Natural / Cultural Resources; Emergency Preparedness and Disaster Management Plan; Water Management Plan; - Pollution Management Plan; - Livelihood Management Plan; Tourism Management Plan; Industrial Development Plan; Coastal Agriculture Development Plan; Fisheries Management Plan; Plan for Infrastructure Development and Service Delivery; Marine Spatial Plan; - Valuing Ecosystem Services with Capacity Building and Outreach Initiatives Preparation of Management Plan (MP) for ESA and Integrated Management plan (IMP) for CVCA, IMP, ICZM Plan	close vicinity of sea, safety of workers engaged in survey and field studies will be an issue.		
9	Ennore Creek Restoration - Removing Silt from Creek - Transportation of silt - Disposal of silt - Identification of sewage drains entering into creek. - Design of Sewage Treatment System - Construction, erection and commissioning of Sewage treatment plant (STP)	- Desilting can have serious and longlasting negative impacts on the environment as it may damage or destroy benthic organisms, fish spawning grounds and make creek banks unstable. - Benthos micro invertebrate present in creek bed may be affected during desilting activities. - Spillage of silt on the roads. - Fugitive dust and exhaust emissions from vehicles transporting silt.	1, 3, 4, 6	S

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
	• Operation and Maintenance of Treatment System • Identification, characterisation and quantification of solid wastes disposal locations in the creek • Design of solid waste management system	• Flow of silt with runoff during rains resulting increase in turbidity. • If locations of sewage and other drains being discharged in Ennore Creek are not ascertained, interception, diversion, treatment and disposal may be affected. • Improper selection of design parameters may affect performance Sewage Treatment System. • Improper management and disposal of septage/faecal sludge may lead to contamination of soil and ground water sources causing land and water pollution and ultimately impact on community health. • Dust, exhaust and noise generation during excavation of tanks and foundation of STP may affect health of nearby community. • Discrimination in employment. • Wage/payment discrepancies and unclear engagement terms. • Occupational health and safety issues due to unsafe acts and conditions, air and noise pollution, lack of drinking water and sanitation facility, • Risk of incidence of gender based violence due to unhealth working conditions, and • Risk of sexual harassment of female workers.		
Component 3 Strengthening Plastic Circularity				
10	Advancing Meendum Manjappai ³ Identification of plastic waste hotspots	• Only positive environmental impacts are anticipated as it will help authorities to implement targeted efforts for plastic waste management along the river and coastal ecosystems.	1, 3, 10	L
11	River System Investments (Floating Trash Barriers)	• To prevent the entry of plastic waste into the marine ecosystem, floating trash barriers will be installed. • This will have positive impacts. • If plastic wastes collected from trash barriers is dump on bank for long duration, it can contaminate soil.	1, 2, 3, 4, 10	M

³Yellow bag in place of Plastic bags

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
		• Risk of primary suppliers' workers		
12	Digital Waste Exchange Platform	• Only positive impact is anticipated as digital waste exchange platform is aimed at connecting collection facilities.		
13	Coastal Waste Collection (CWC) Centre	• People working in recycling centre could be at risk of exposure to dirty plastics and unhygienic conduction causing health issues as well as surrounding community. • Inadequate communication with community in the vicinity.	1, 2, 3, 5, 10	L
14	Material Recycling Facility (MRF)	• People engaged in wastes segregation for recycling could be at risk of exposure to dirty plastics wastes and unhygienic conduction causing health issues. • At the recycling facility air pollution may be an issue during recycling of plastic.	1, 2, 3, 10	M
15	Fish Net Collection and Incentivization Programme	• Only positive impacts are anticipated. No negative adverse impact on environment is anticipated.	10	
16	Recycled Plastic Products	• Recycled plastic products may contribute to air pollution during recycling and production of recycled products.	1, 2, 3, 10	M
17	IEC Programs and Community engagement	• Only positive impacts are anticipated. • No negative adverse impact on environment is anticipated.		
18	Fish Net Collection and Incentivization Programme	• Would be difficult to manage fish net waste if local fishermen communities do not cooperate with the program, • Inadequate communication on program guidelines, benefits	2 and 10	M
19	SUP free tourist places	• Resistance to change and tourist preferences for plastic may hinder adoption.	10	L
20	Beach Cleanups	• Risk of incidence of gender based violence due to unhealthy working conditions.	3, 10	L
21	Mainstreaming Rag pickers	• Unhygienic/ unhealthy conditions; • Risk of incidence of gender based violence due to unhealthy working conditions; • Risk of sexual harassment of female rag pickers.	1, 2, 10	M
Component 4 – Climate Smart Villages				
22	Energy efficient Systems	• Energy efficient Systems are beneficial for environment. • However, generation and disposal of e-waste's during replacement of existing traditional energy system by energy efficient systems (for example incandescent lighting to LED	1, 3, 4, 10	L

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
		lights, etc) can lead to adverse impacts on soil and community health.		
23	Climatesmart Horticulture practices	- Localised impacts soils may be observed as it will require treatment of soil for new crops and cropping pattern will take place as a part of climate smart horticulture practices. - Micro fauna and birds may be affected by change in climate smart agricultural practices.	1, 3, 6, 10	L
24	Efficient water management	- Efficient water management will have overall positive impacts; - However, adverse impacts due to localised air and water pollution and wastes disposal are anticipated.	1, 3, 4, 10	M
25	Harnessing renewable energy sources, such as solar	- Possibility of damage of solar power plants during high winds and cyclones. - Hazardous wastes /e waste generation in the form of broken solar panels, in case of damage.	1, 3, 10	L
26	Solid Waste Management	- Adverse impact on environment & community due to improper disposal of solid waste - May affect the health safety of workers involved in waste collection & management	1, 2, 3, 4, 10	L
27	Climate proofing including Renaturalisation of Canal, Climate Information Centre with Automatic Weather Stations (AWS)	Mostly positive impacts except possible accidents & injuries during construction.	1, 2	L
Component 3 Blue Flag Beaches, Sustainable Tourism, and Diversified Livelihoods for a thriving Blue Economy				
28	Blue Flag Beaches	- Fisherman communities may oppose Blue flag beach certification as they might be disturbed/evicted from beach and their livelihood may be affected. - Blue flag certification will affect fishermen as land used to anchor their boats will be taken away.	1, 10	L
29	Sustainable Tourism	- Sustainable tourism might lead to disrupt local customs or traditions due to higher inflow of tourists. - Incidents of GBV and sexual harassment of women vendors may increase, if required preventive measures are not taken. - Sustainable tourism will involve local communities, proper distribution of income is very important. There is possibility that	1, 10	M

Sl. No.	Activity	Potential Risks and Impacts	Applicable ESSs	Risk category (L/M/S)
		elite groups of people from community may be usual beneficiary and vulnerable members of community may be ignored in fair distribution of income, is crucial challenge.		
30	Diversified livelihoods for a thriving Blue Economy	• Communities may resist/oppose to change their livelihood for thriving blue economy. • Knowledge and training acquired for diversified livelihood might not translate into sustainable livelihoods/ businesses. • Coastal community members who are digitally challenged or are not tech savvy might may not participate in the program. • Market viability for the new products or services under diversified livelihoods might be low.	10	M

Environmental and Social Commitment Plan TN SHORE Project

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
MONITORING AND REPORTING			
A	REGULAR REPORTING [Environmental, social, health, and safety (ESHS) performance needs to be monitored and reported to the World Bank.] Prepare and submit to the World Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including but not limited to the implementation of the ESCP, status of preparation and implementation of E&S instruments required under the ESCP, stakeholder engagement activities, and functioning of the grievance mechanism.	Submit quarterly to the World Bank throughout Project implementation, commencing after the Effective Date. Submit each report to the World Bank no later than 45 days after the end of each reporting period.	TNGCC SPMU
B	INCIDENTS AND ACCIDENTS [Notification of incidents and accidents is an important requirement of ESS1]. Promptly notify the World Bank of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury. Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate.	Notify the World Bank no later than 48 hours after learning of the incident or accident. Provide subsequent report to the World Bank of the incident within the agreed timeframe between the Bank and the SPMU.	TNGCC SPMU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
Subsequently, at the World Bank's request, prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.			
C	CONTRACTORS' MONTHLY REPORTS Require contractors and supervising firms to provide monthly monitoring reports on ESHS performance in accordance with the metrics specified in the respective bidding documents and contracts, and submit such reports on a consolidated basis to the World Bank every quarter	Submit quarterly to the World Bank throughout Project implementation, upon request as annexes to the reports to be submitted under action A above.	TNGCC SPMU
D	THIRD PARTY AUDIT Undertake annual audits of its portfolio to review the status of ESMF compliance	Annually	TNGCC SPMU
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			
1.1	ORGANIZATIONAL STRUCTURE Establish and maintain an ESC Cell [Environment, Social and Communication) within Tamil Nadu Green Climate Company (TNGCC) with qualified staff and resources to support management of ESHS risks and impacts of the Project including Environment Specialists, Social Safeguards expert and Community Developmentcum Livelihood Expert	Establish the ESC Cell "60 days after project effectiveness".	TNGCC SPMU
1.2	ENVIRONMENTAL AND SOCIAL INSTRUMENTS		TNGCC SPMU

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
1. Adopt and implement an Environmental and Social Management Framework (ESMF) for the Project, consistent with the relevant ESSs. Screen all the subprojects in accordance with the ESMF to screen out subprojects in the exclusion list, determine the level of assessment and type of subprojectlevel instrument to be prepared and implemented proportional to the level of risk. 2. Cause Project Implementing Agencies (PIAs) –Department of Environment; the Department of Forests; the Department of Public Works; the Department of Urban Development; the Department of Water Resources; the Department of Agriculture and Farmers Welfare; the Department of Fisheries, and the Department of Tourism which are designated as Project Implementing Agencies to screen all the subprojects in accordance with the ESMF to screen out subprojects in the exclusion list, determine the level of assessment and type of subprojectlevel instrument to be prepared and implemented proportional to the level of risk. Prepare and implement the sitespecific Environmental and Social Management Plan (ESMP), as set out in the ESMF.	1. Adopt the ESMF before completion of appraisal and thereafter implement the ESMF throughout Project implementation. 2. Before launching the bidding process for the respective subproject that requires the adoption of such ESMP. Once adopted, implement the respective ESMP throughout subproject implementation.	
1.3 MANAGEMENT OF CONTRACTORS Incorporate the relevant aspects of the ESCP, including, inter alia, the relevant E&S instruments, the Labor Management Procedures, and code of conduct, into the ESHS specifications of the procurement documents and contracts with contractors and supervising firms. Thereafter ensure that the contractors and supervising firms comply and cause subcontractors to comply with the ESHS specifications of their respective contracts.	As part of the preparation of procurement documents and respective contracts. Supervise contractors throughout Project implementation.	TNGCC SPMU
1.4 TECHNICAL ASSISTANCE Ensure that the consultancies, studies (including feasibility studies, if applicable), capacity building, training, and any other technical assistance activities under the Project specify the environmental and social instruments to be supported under	Throughout Project implementation.	TNGCC SPMU

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
the TA are carried out in accordance with terms of reference acceptable to the World Bank that are consistent with the ESSs. Thereafter ensure that the outputs of such activities comply with the terms of reference.		
1.5 Prepare, adopt and implement a Risk Assessment and Risk mitigation plan for the usage of Drones in the project as per existing Gol guidelines and procedures and World Bank guidance note	Within 60 days of effectiveness and implement throughout project implementation	TNGCC SPMU
1.6 CONTINGENT EMERGENCY RESPONSE FINANCING [Activities carried out under Contingent Emergency Response Components also must meet ESS requirements]. a) Ensure that the CERC Manual as specified the legal agreement] includes a description of the ESHS assessment and management arrangements including, if applicable, CERCEMF that will be included or referred to in the CERC Manual for the implementation of CERC component, e.g., CERC Part], in accordance with the ESSs. b) Adopt any environmental and social (E&S) instruments which may be required for activities under CERC component of the Project, in accordance with the CERC Manual and, if applicable, CERCEMF and the ESSs, and thereafter implement the measures and actions required under said E&S instruments, within the timeframes specified in said E&S instruments.	a) The adoption of the CERC manual and, if applicable, other instruments, as relevant] in form and substance acceptable to the World Bank is a withdrawal condition under Section I, B of , Schedule 2 of the Loan Agreement for the Project. b) Adopt any required E&S instrument and include it as part of the respective bidding process, if applicable, and in any case, before the carrying out of the relevant Project activities for which the E&S instrument is required. Implement the E&S instruments in accordance with their terms, throughout Project implementation.	TNGCC SPMU
ESS 2: LABOR AND WORKING CONDITIONS		
2.1 LABOR MANAGEMENT PROCEDURES	Finalize, disclose and adopt LMP by appraisal completion and thereafter implement the LMP throughout Project implementation.	TNGCC SPMU

MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
Adopt and implement the Labor Management Procedures (LMP) for the Project, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.		
2.2 GRIEVANCE MECHANISM FOR PROJECT WORKERS Establish and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.	Establish grievance mechanism prior to hiring Project workers and thereafter maintain and operate it throughout Project implementation.	TNGCC SPMU
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT		
3.1 WASTE MANAGEMENT PLAN Adopt and implement a Waste Management Plan (WMP), to be prepared as an annex in the ESMF to manage hazardous and nonhazardous wastes, consistent with ESS3.	Same timeframe as for the adoption and implementation of the ESMP	TNGCC SPMU
3.2 RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT Incorporate resource efficiency and pollution prevention and management measures in the ESMP to be prepared under action 1.2 above.	Same timeframe as for the adoption and implementation of the ESMP	TNGCC SPMU
ESS 4: COMMUNITY HEALTH AND SAFETY		
4.1 TRAFFIC AND ROAD SAFETY Incorporate measures to manage traffic and road safety risks as required in the ESMP to be prepared under action 1.2 above.	Same timeframe as for the adoption and implementation of the ESMP	TNGCC SPMU
4.2 COMMUNITY HEALTH AND SAFETY	Same timeframe as for the adoption and implementation of the ESMPs.	TNGCC SPMU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Assess and manage specific risks and impacts to the community arising from Project activities including, inter alia, behavior of Project workers, risks of labor influx, response to emergency situations, and include mitigation measures in the ESMPs to be prepared in accordance with the ESMF.		
4.3	SEA AND SH RISKS Adopt and implement a SEA/SH Action Plan [as part of the ESMP], to assess and manage the risks of SEA and SH.	Same timeframe as for the adoption and implementation of the ESMPs.	TNGCC SPMU
4.4	SECURITY MANAGEMENT Prepare a Security Risks Assessment (SRA) to assess security risks of the Project. Adopt and implement measures to manage the security risks of the Project as set out in the Security Management Plan (SMP) that is included within the ESMP and as per the outline provided in the ESMF in relation to hiring, rules of conduct, training, equipping, and monitoring of such measures.	Conduct an SRA within 90 days after the date of Effectiveness Adopt and implement the SMP included within the ESMP, in the same timeframe as for the adoption and implementation of the ESMPs.	TNGCC SPMU and all PEAs
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	RESETTLEMENT POLICY FRAMEWORK Adopt and implement a Resettlement Policy Framework (RPF) (as part of ESMF) for the Project, consistent with ESS5.	Finalize, disclose and adopt the RPF by appraisal completion and thereafter implement the RPF throughout Project implementation.	TNGCC SPMU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
5.2	RESETTLEMENT PLANS Adopt and implement a resettlement action plan (RAP) for each activity under the Project for which the RPF requires such RAP as set out in the RPF and consistent with ESS5.	Prepare, disclose and implement the respective RAP before commencement of civil works, including ensuring that before taking possession of the land and related assets, full compensation has been provided and if applicable displaced people have been resettled and moving allowances have been provided.	TNGCC SPMU
5.3	LIVELIHOOD RESTORATION PLANS: Provide livelihood restoration measures to economically displaced persons as per RPF	Throughout project implementation	TNGCC SPMU
5.3	GRIEVANCE MECHANISM Adopt and implement a grievance mechanism (GM) to address resettlement related complaints as described in RPF and SEP.	Establish and operationalize grievance mechanism and thereafter maintain and operate it throughout Project implementation.	TNGCC SPMU
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	BIODIVERSITY RISKS AND IMPACTS <u>Screen subprojects for potential risks and impacts on biodiversity and different types of habitats per ESS6 and screen out those with significant adverse impacts on critical habitat species/features.</u> Prepare, adopt and implement subproject specific Biodiversity Management Plan (BMP) (if required) according to the ESMF, and consistent with ESS6.	Before proposals are submitted or prior to the preparation of the DPRs. Prepare and adopt the BMP prior to, bidding process, and thereafter implement the BMP throughout subproject implementation.	TNGCC SPMU
ESS 7: INDIGENOUS PEOPLES/SUBSAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
7.1	INDIGENOUS PEOPLES PLANNING FRAMEWORK Adopt and implement a Tribal Development Framework (as part of ESMF) for the Project, consistent with ESS7.	Finalize, disclose and adopt the Tribal Development Framework (TDF) by appraisal completion and thereafter implement the TDF throughout Project implementation.	TNGCC SPMU
7.2	INDIGENOUS PEOPLES PLAN Adopt and implement a Tribal Development Plan for each activity under the Project for which the TDF requires such TDP, as set out in the TDF, and consistent with ESS7.	Prepare and adopt the Tribal Development Plan (TDP) prior to, bidding process, for any activity that requires the preparation of such TDP. and thereafter, implement the respective TDP throughout Project implementation.	TNGCC SPMU
7.3	GRIEVANCE MECHANISM Adopt and implement a grievance mechanism (GM) to address IP related complaints as described in the TDF and SEP.	Establish and operationalize grievance mechanism and thereafter maintain and operate it throughout Project implementation.	TNGCC SPMU
ESS 8: CULTURAL HERITAGE			
8.1	CULTURAL HERITAGE RISKS AND IMPACTS Screen subprojects for potential risks and impacts on cultural heritage per ESS8 and screen out those with significant adverse impacts on critical cultural heritage locations. Adopt and implement a Cultural Heritage Management Plan (CHMP) (if required) as part of the ESMF, ESMP, in accordance with the guidelines of the ESIA prepared for the Project, and consistent with ESS8.	Before launching the bidding process for the respective subproject. Adopt the CHMP prior to civil works commencement and thereafter implement the CHMP throughout Project implementation.	TNGCC SPMU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
8.2	CHANCEFINDS Describe and implement the chance finds procedures, as part of the ESMF/ESMP of the Project.	Describe the chance find procedures in the ESMF. Implement the procedures throughout Project implementation.	TNGCC SPMU
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION Adopt and implement a Stakeholder Engagement Plan (SEP) for the Project, consistent with ESS10, which shall include measures to, inter alia, provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.	Finalize, disclose and adopt the SEP by appraisal completion and thereafter implement the SEP throughout Project implementation.	TNGCC SPMU
10.2	PROJECT GRIEVANCE MECHANISM Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Projectaffected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10. The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant genderbased violence service providers, all in a safe, confidential, and survivorcentered manner.	Establish and operationalize the grievance mechanism by appraisal completion, and thereafter maintain and operate the mechanism throughout Project implementation.	TNGCC SPMU
CAPACITY SUPPORT			

	MATERIAL MEASURES AND ACTIONS	TIMEFRAME	RESPONSIBLE ENTITY
CS1	Prepare an E&S training plan to provide training to target groups for PIU staff, stakeholders, communities, Project workers on: • stakeholder mapping and engagement • specific aspects of environmental and social assessment and developing mitigation plans • community health and safety. • Gender based violence • Voluntary carbon markets • Sustainable naturebased tourism • Training and sensitization for Forest Services Officers and SPMU on SMP, code of conduct, and security protocols.	Throughout project implementation period	TNGCC SPMU

Procurement and Contract Management

1. Purpose and Applicable Procurement Framework

This Annexure provides operational procedures and workflows for procurement and contract management under the TN SHORE Project. It supplements Chapter 12 (Procurement Management) of the Project Implementation Plan (PIP), which sets out the overall procurement governance framework.

Procurement of goods, works, non-consulting services, and consulting services financed under the Project shall be carried out in accordance with:

- the World Bank Procurement Regulations for IPF Borrowers (September 2025) and updated from time to time;
- applicable provisions of the Loan Agreement and Project Agreements; and
- the Guidelines on Preventing and Combating Fraud and Corruption in Projects financed by IBRD Loans and IDA Credits and Grants.

Procurement planning, clearances, and monitoring shall be undertaken through the World Bank STEP system, which serves as the primary platform for procurement approvals and documentation.

This Annexure focuses on procedural guidance, operational workflows, and documentation requirements for procurement and contract management. In case of any inconsistency between this Annexure and the applicable World Bank regulations or financing agreements, the latter shall prevail.

2. Institutional Arrangements and Operational Responsibilities

Procurement and contract management activities under TN SHORE are implemented through coordinated actions of the SPMU and the PEAs, with operational support at district level and technical support from supervision consultants for construction contracts where applicable.

2.1 Role of SPMU in Procurement Operations

The SPMU functions as the coordinating and oversight unit for procurement across project components. Its operational responsibilities include:

- Consolidating procurement requirements and updating the Procurement Plan in STEP;
- Supporting PEAs in preparation and review of procurement documents;
- Facilitating submission of procurement documents and evaluation reports to the World Bank through STEP where required;
- Monitoring procurement progress and resolving procedural bottlenecks;
- Consolidating procurement and contract progress reports from PEAs;
- Ensuring procurement records and approvals are properly maintained in STEP;

- Monitoring contract implementation status across components and reporting progress to project management.

The SPMU provides coordination and compliance oversight but does not replace procurement execution responsibilities of PEAs except for specific procurement packages undertaken directly by the SPMU as identified in the Procurement Plan and PPSD

2.2 Role of Project Executing Agencies (PEAs)

PEAs are responsible for executing procurement and managing contracts related to their respective project components. Their operational responsibilities include:

- preparing technical specifications, drawings, cost estimates and ToRs;
- conducting procurement processes with support from SPMU;
- participating in evaluation committees;
- managing contract implementation and site-level execution;
- verifying deliverables and certifying payments;
- managing contract variations and implementation issues;
- reporting procurement and contract progress to the SPMU.

District-level offices support coordination and implementation monitoring at field level.

2.3 Role of Supervision Consultant

Where construction works contracts are implemented, a Supervision Consultant may be engaged to support PEAs in monitoring construction progress, verifying quality of works, ensuring compliance with approved designs and specifications, and identifying implementation issues requiring corrective action.

The Supervision Consultant provides technical supervision support but does not assume procurement or contract approval responsibilities, which remain with the implementing agencies.

3. Procurement Planning and Procurement Plan Procedures

Procurement planning under TN SHORE is undertaken in accordance with the approved Project Procurement Strategy for Development (PPSD) to ensure timely availability of goods, works, and services required for implementation while maintaining compliance with agreed procurement arrangements and implementation sequencing.

3.1 Identification of Procurement Requirements

Each PEA shall identify procurement requirements arising from approved project activities and prepare the following inputs:

- technical specifications, drawings, or terms of reference;
- cost estimates;
- implementation timelines; and
- packaging proposals where multiple activities may be combined.

These procurement requirements shall be submitted to the SPMU for consolidation.

3.2 Consolidation of Procurement Activities

The SPMU consolidates procurement requirements received from PEAs and structures procurement packages if required in accordance with the packaging and market approaches identified in the Project PPSD and implementation readiness. Packaging decisions aim to: achieve value for money;

- ensure adequate competition;
- match market capacity;
- reduce procurement fragmentation; and
- support timely implementation.

Packaging decisions are reflected in the Procurement Plan maintained in STEP.

3.3 Preparation and Updating of Procurement Plan

The Procurement Plan is prepared and maintained in STEP by the SPMU in coordination with PEAs. The Procurement Plan specifies procurement packages, selection methods, market approaches, cost estimates, review requirements, and indicative timelines.

The Procurement Plan is periodically updated to reflect implementation progress, site readiness, revised sequencing, or newly identified procurement needs. Updates requiring World Bank clearance are processed through STEP prior to implementation of procurement actions.

Procurement activities shall commence only after inclusion of the package in the cleared Procurement Plan.

3.4 Monitoring Procurement Readiness

Prior to initiating procurement, PEAs shall ensure readiness of procurement inputs including final technical designs, site availability, environmental and social clearances where required, and confirmed implementation schedules to minimize procurement delays and contract implementation risks.

4. Procurement Methods and Operational Application

Procurement under TN SHORE adopts procurement and consultant selection methods permitted under the World Bank Procurement Regulations. Applicable procurement methods and review arrangements for each procurement package are specified in the Procurement Plan maintained in STEP.

Detailed procedures below provide operational guidance for implementing agencies in applying the approved procurement methods.

Procurement of Goods, Works, and Non-Consulting Services: Procurement of goods, works, and non-consulting services is generally undertaken using Request for Bids (RFB), Request for Quotations (RFQ), or Direct Selection methods, depending on the nature and complexity of procurement packages as specified in the Procurement Plan.

PEAs, with support from SPMU, shall:

- prepare bidding documents using approved templates;
- ensure technical specifications and qualification criteria are complete and non-restrictive;
- advertise procurement opportunities through appropriate market approaches;
- receive and open bids using approved procurement systems;
- conduct evaluation in accordance with issued bidding documents.

Operational workflows for RFB and RFQ processes are detailed in subsequent sections of this Annexure.

Procurement of Consulting Services: Consulting services are procured using Request for Proposals (RFP) procedures under methods specified in the Procurement Plan, including Quality and Cost-Based Selection (QCBS), Quality-Based Selection (QBS), Fixed Budget Selection (FBS), Least Cost Selection (LCS), Consultant Qualification Selection (CQS), or Direct Selection, as appropriate.

Operational procedures include:

- preparation of Terms of Reference and cost estimates;
- preparation of shortlists where required;
- issuance of Requests for Proposals;
- evaluation of technical and financial proposals;
- selection and negotiation of contracts.

Detailed evaluation and selection workflows are provided in later sections of this Annexure.

Direct Selection Procedures: Direct Selection may be used where justified under World Bank Procurement Regulations and reflected in the Procurement Plan. Justifications shall be documented and approvals obtained through STEP prior to contract award.

Use of e-Procurement Systems: Procurement processes may be conducted using the Government of Tamil Nadu's NIC⁴ E-Government Procurement (E-GP) portal <https://tntenders.gov.in/nicgep/app>. Such platforms may be used for publication of procurement notices, issuance of bidding documents, issuance of corrigendum/addendum receipt of bids, and bid opening.

All procurement approvals, reviews, and procurement records shall continue to be managed through STEP, which remains the primary platform for procurement tracking and World Bank clearances.

The Procurement Arrangements as indicated in the below table and within the thresholds indicated in the below tables will be used.

⁴ World Bank accepted the National Informatics Center (NIC) E-Government Procurement platform for all international/national competitive procurements under Bank funded projects.

Table 4 Selection Methods and Prior Review Thresholds

Procurement Category / Selection method or arrangement	Selection method with threshold		Prior review thresholds ^[1]
	Threshold (in Rs.)	Threshold (in US \$) ^[2]	Threshold (US \$)
Goods, IT and Non-Consulting Services			
Request for Proposal /Bids (RFP/RFB) or Direct Selection approaching International market	85.67 crore and above	>= 10 million	All Contracts estimated to cost above US\$ 2 million including Direct Selection
Request for Proposal /Bids (RFP/RFB) or Direct Selection approaching National market	Upto 85.67 crore	< 10 million	
Request for Quotations (RFQ) approaching International/National market	Upto 85.67 Lakhs	<= 0.1 million	All are post review and not applicable
Works (Turnkey, Supply & Installation of plant & Equipment and PPP) Contracts			
Request for Proposal /Bids (RFP/RFB) or Direct Selection approaching International market	342.68 crore and above	>= 40 million	All Contracts estimated to cost above US\$ 10 million including Direct Selection
Request for Proposal /Bids (RFP/RFB) or Direct Selection approaching National market approach	Upto 342.68 crore	< 40 million	
Request for Quotations (RFQ) approaching International/ National market	Upto 85.67 Lakhs	<= 0.1 million	All are post review and not applicable
Consulting Services			
Quality Cost Based Selection (QCBS) Fixed Budget Based Selection (FBS) Least Cost Based Selection (LCS)	International Shortlist	>= US\$ 2.0 m equivalent (INR 17.13 Crore)	All Contract packages estimated to cost above US\$ 1.0 million including Direct Contracting

Quality Based Selection (QBS)	National Shortlist:	< US\$ 2.0 m equivalent (INR 17.13 Crore)	
Consultant’s Quality Based Selection (CQS)	As above International and National shortlist		
Direct Selection	Must meet the requirements of Para 7.13 to 7.15 of the Regulations, and with prior clearance by the Bank thru procurement plan.		
Individual Consultant (IC)	Open Competitive Selection: As per requirements of para 7.36 and 7.37 of the Regulations		Contract packages estimated to cost above US\$ 0.3 million including Direct Selection
	Limited competitive Selection: As per requirements of para 7.38 of the Regulations		
	Direct Selection: Must meet the requirements of Para 7.39 of the Regulations, and with prior agreement in PP with the Bank		
Framework Agreements (Goods/NCS/ Works/Consulting Services)	All procurement that meet the requirements as per Para 6.57 to 6.59 (Goods/Works/NCS) and Para 7.33 (Consultancy services) Procurement Regulations and with prior agreement in PP with the Bank		
UN Agencies	In accordance with paragraph 7.27 & 7.28 of the Procurement Regulations, and with prior agreement in Procurement plan with the Bank		
NGOs	In accordance with paragraph 7.29 of the Procurement Regulations.		
Community Driven Procurement	In accordance with paragraph 6.52 of the Procurement Regulations.		

Based on the risk rating assigned by the World Bank. As on date the risk is "Substantial".
The Conversion rate as per PAD is **1.00 US\$ = INR 85.67**

Note 1: The short list may consist of all National consultants in case the estimated cost is less than USD 2,000,000; Direct RFP (REoI and RFP) India specific provision is allowed up to US\$ 2,000,000

Note 2: Early Market Engagement approach (for contracts subject to international competition estimated to cost at or above US\$10 million) as described in Section IV and Annex V of the Procurement Regulations for Borrowers; and PPSD should be updated once a year as per clause 4.3 of the World Bank's Procurement Regulations.

Note 3: Government e-Marketplace [(GeM) <https://gem.gov.in/>] is an online end to end procurement portal. All the activities from registration of buyers and sellers to purchase and even payment to the sellers are completely online. The PMU may:

- 1) up to INR 50,000 in catalogue mode (viz. any available item could be selected by IA without further competition), provided selected Item/Supplier meeting the requisite quality, specification and delivery period.
- 2) up to INR 3 million from the Supplier having the lowest price amongst at least three Suppliers meeting the requisite quality, specification and delivery period. The tools for online bidding and online reverse auction available on GeM may be used by the Purchaser.
- 3) **up to INR equivalent of US\$ 100,000** from the Supplier having lowest price and meeting the requisite quality, specification and delivery period after mandatorily obtaining bids from at least three Suppliers, using online bidding or reverse auction tool provided on GeM.

while making use of GeM portal, Special Terms and Conditions meant for World Bank financed projects shall be used <https://assets-bg.gem.gov.in/resources/pdf/stc-world-bank.pdf>. In both above cases Borrowers will record their assessment on reasonableness of price. GeM is not to be used for procurement in lieu of RFB - Open National or International Procurement Methods.

Note 4: In addition to the above there are other selection arrangements available in the Bank Procurement Regulations which subject to Bank prior clearance can be incorporated in future by updating the procurement plan and shall be based on the project need.

Note 5: These thresholds are for the purposes of the initial procurement plan for the first 18 months. The thresholds may be increased or decreased based on re-assessment of risks assessment. All contracts not subject to prior review will be post-reviewed. **Please refer to the Procurement Plan periodically for the updates.**

4.1. Procurement Provisions: The Bank's **Standard Procurement Documents** (SPDs) shall be used for approaching the International Market as specified in the Procurement Plan maintained in STEP. From effective September 1, 2023, the World Bank will require the use of Rated Criteria as the default approach for most of the international procurements⁵ (subject to either prior or post review of the Bank)

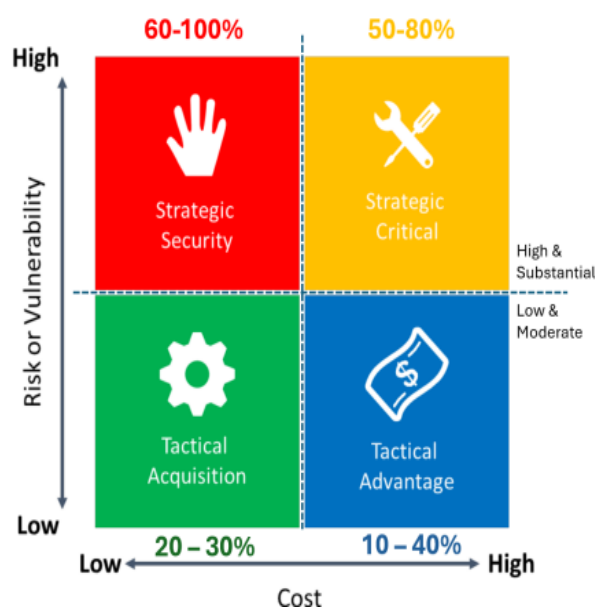
4.2. National Procurement Arrangements: In accordance with paragraph 5.3 of the Procurement Regulations, when approaching the national market (as specified in the Procurement Plan tables in STEP), the country's own procurement procedures may be used. Open National competition for the procurement of goods, works and non-consulting services according to the established thresholds will be conducted in accordance with paragraphs 5.3 – 5.6 of Section V of the Regulations and the following provisions:

Table 5: National Competitive Procurement Conditions.

1. Only the model bidding documents for National Competitive Procurement (NCP) agreed with the GOI Task Force (and as amended for time to time), shall be used for bidding,
2. Invitations to bid/Specific Procurement Notice (SPN) shall be advertised on a widely used website or electronic portal with free open access at least 30 days prior to the deadline for the submission of bids, unless otherwise agreed in the approved procurement plan,
3. No special preference will be accorded to any bidder either for price or for other terms and conditions when competing with foreign bidders, state-owned enterprises, small-scale enterprises or enterprises from any given State.
4. Except with the prior concurrence of the Bank, there shall be no negotiation of price with the bidders, even with the lowest evaluated bidder,
5. Government e-Marketplace (GeM) set-up by Ministry of Commerce, Government of India will be acceptable for procurement under Request for Quotations (RFQ) method,
6. At the Borrower's request, the Bank may agree to the Borrower's use, in whole or in part, of its electronic procurement system, provided that the Bank is satisfied with the adequacy of such system,
7. Procurement will be open to eligible firms from any country. This eligibility shall be as defined under Section III of the Procurement Regulations. Accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Bank for reasons other than those provided in Section III of the Procurement Regulations,
8. The request for bids/request for proposals document shall require that Bidders/Proposers submitting Bids/Proposals include a signed acceptance in the bid, to be incorporated in any resulting contracts, confirming application of, and compliance with, the Bank's Anti-Corruption Guidelines, including without limitation the Bank's right to sanction and the Bank's inspection and audit rights,
9. The Borrower shall use an effective complaints mechanism for handling procurement related complaints in a timely manner,
10. Procurement Documents will include provisions, as agreed with the Bank, intended to adequately mitigate against environmental, social (including sexual exploitation and abuse and gender-based violence), health and safety ("ESHS") risks and impacts.

4.3. Rated Criteria: International Procurements advertised on or after March 1, 2025 using a Bank Standard Procurement Document (SPD) must use Rated Criteria. However, application of Rated Criteria will not be mandatory for (i) Pharmaceuticals (ii) Vaccines (iii) Commodities (v) Other exception cleared by the CPO on a fit-for-purpose basis. **Important Note:** The Borrower shall specify the weightings for Rated Criteria (e.g., non-price, qualitative, technical matters) in the Request for Bids/Request for Proposals document. The weightings for Rated Criteria are determined based on the procurement risk.

Table 6: Rated Criteria: Applicable for all International Competitive Procurements



- a) High/Substantial Procurement Risk and High Value between 50% to 80%,
- b) High/Substantial Procurement Risk and Low Value between 60% to 100%,
- c) Moderate/Low Procurement Risk and High Value between 10% to 40%,
- d) Moderate/Low Procurement Risk and Low Value between 20% to 30%.

Note: Contracts estimated to cost at or above 10 million USD are deemed high value for purposes of the above weightings

4.4. Fiduciary oversight and Procurement Review by the World Bank: All contracts not subject to prior review by the World Bank will be subject to post-review during the Project's Implementation Support Missions and/or special post-review missions, including missions by consultants hired by the Bank. The World Bank may conduct, at any time, independent procurement reviews of all the contracts financed under the loan. Additionally, if there are internal audits carried out for sample procurements, the Borrower may consult with the World Bank to include the Bank's requirements under the terms of reference for such audits, in which case the Bank will review the internal audit reports.

5. Procurement of Goods, Works and Non-consulting services:

For each procurement, the SPMU/ PEAs identifies, from the Approved Selection Methods, the selection method that best fits the requirements and enables it to achieve VfM. Sections VI and VII of these Procurement Regulations provide the conditions and circumstances for using the Approved Selection Methods, Particular Types of Approved Selection Arrangements, and Market Approach Options.

5.1 Approved Selection Methods:

Table 4: Approved Selection Methods for Goods, Works, and Non Consulting Services

Approved selection methods and arrangements	Market approach options							
	Open	Limited	Direct	Inter-national	National	PQ	Single-stage	Rated Criteria
Approved selection methods								
Request for Proposals	√	√	-	√	√	-	√	√**

Request for Bids	√	√	-	√	√	√	√	√**
Request for Quotations	√	√	-	√	√	-	√	-
Direct Selection	-	-	√	-	-	-	√	-
Particular types of approved selection arrangements								
UN Agencies	As per Paragraphs 6.47 and 6.48							
Community-driven Development (CDD)	√	√	√	-	√	-	√	□
Force Accounts	-	-	√	-	√	-	-	-

√**Please see para 5.50 Evaluation Criteria on mandatory application of Rated Criteria and minimum weightings in World Bank's Procurement Regulations for IPF Borrowers dated September 2025. **Please refer to Table 1 for Approved selection methods for Goods, Works and Non-consulting Services (Section VI. Approved Selection Methods: Goods, Works and Non-consulting Services of follow the World Bank's Procurement Regulations).**

- a) **Request for Proposals:** Please refer to clause 6.3 and 6.4 of **the World Bank's Procurement Regulations**). it is envisaged that the procurement under the project may not require use of RFP method.
- b) **Request for Bids (RFB):** An RFB is a competitive method for the solicitation of Bids. It should be used when, because of the nature of the Goods, Works, or Non-consulting Services to be provided, the Borrower is able to specify detailed requirements to which Bidders respond in offering Bids. Please refer to clauses 6.5 and 6.6 of **the World Bank's Procurement Regulations**
- c) **Request for Quotations (RFQ):** A RFQ is a competitive method that is based on comparing price quotations from firms. This method may be more efficient than the more complex methods for procuring limited quantities of readily available off-the-shelf Goods or Non-consulting Services, standard specification commodities, or simple civil Works of small value. Please refer to clause 6.7 of **the World Bank's Procurement Regulations**. Please refer to **Annex 4** for RFQ steps in detail, the use of Government e-Market place (GeM) in lieu of RFQ. Salient steps for RFQ, Important aspects for RFQ method, Do's and Don'ts for RFQ method.
- d) **Direct Selection (DS):** Proportional, fit-for-purpose, and value for money considerations may require a direct selection approach. That is, approaching and negotiating with only one firm. This selection method is appropriate when there is only one suitable firm or there is justification to use a preferred firm. Please refer Paragraph 6.8 to 6.10, Section VI of Procurement Regulations for various circumstances under which the DS is appropriate selection procedure. *In all instances of direct selection, the Buyer shall ensure that: the prices are reasonable and consistent with the market rates for items of a similar nature; and; a) the prices are reasonable and consistent with*

the market rates for items of a similar nature; and b) the required Goods, Works, or Non-consulting Services are not split into smaller-sized procurement to avoid competitive processes.

5.2 Market Approach Options:

Open	Any firm may participate
	Preferred approach
Limited	Limited number of firms invited without advertisement
	Exceptional reasons
Direct	Invitation to one firm only
International	Wider competition likely to be beneficial
National	When the procurement is unlikely to attract foreign competition
Pre-qualification	Use of qualifying criteria to rule out firms not capable of delivering the requirement
Single stage	One envelop for both quality and financial bids (in case of manual tender)
	Two envelopes separating quality and financial bids (in case of e-tender)

- **Open Competition (Para 6.11):** An open competitive approach to market is the Bank's preferred approach as it provides all eligible prospective Bidders/Proposers with timely and adequate advertisement of a Borrower's requirements and an equal opportunity to bid/propose for the required Goods, Works, or Non consulting Services.
- **Limited Competition (Para 6.12):** A limited competitive approach to market is by invitation only, without advertisement. It may be an appropriate method of selection where there are only a limited number of firms or there are other exceptional reasons that justify departure from open competitive procurement approaches.

Table No. 5: Steps for Procurement: Goods Work and Non-Consultancy service (Request for Bids: Post Review):

Stages of Procurement	Activity/Action	Responsibility	Days
Identification of Need, Strategy, Procurement Plan	Verification that the requisition is within the TNSHORE scope with approval as per delegation of power	SPMU and PEAs	2
	Preparation of Technical Specification estimated cost. If required, please update the Project Procurement Strategy for Development (PPSD)	SPMU and PEAs	2
	Incorporate the activity in the procurement plan and obtain the Bank's No Objection.	SPMU	3

	Prepare the draft Procurement Documents using the WB's standard/model procurement documents shared by the APS	SPMU and PEAs	3
Procurement Process	Draft a specific Procurement Notice (SPN) to be published in the regional and local newspaper(s) of each country, Bank's STEP/ e-GP Portal / Government e-Market Place	SPMU and PEAs	2
Advertisement	Publish IFB and upload the RFB in the e-GP (above INR 10 Lakhs)	SPMU and PEAs	1
Pre-bid meeting and Clarification to bidders	Conduct pre-proposal/bid conference, upload the minutes / provide Response to Bidder's questions. Response to all companies without identifying the name(s) of the companies requesting clarification.	SPMU and PEAs	10
Bid evaluation to Award of notification	Receipt of bids and bid opening. A date, time and place for the public opening of should be indicated in the bidding documents	SPMU and PEAs	20
	Evaluation and comparison of RFBs will be done using the standard format, Evaluation report submitted to CMD, TNSHORE	SPMU and PEAs	3
	Publish the results in the department website	SPMU and PEAs	2
	Send Award Notification to the selected bidder and inform other bidders about the outcome.	SPMU and PEAs	1
Contract Signing	Present information needed for the contract.	SPMU and PEAs	7
	Finalise the contract	SPMU and PEAs	3
	Obtain performance security and release bid security	SPMU and PEAs	3
	Release bid security.	SPMU and PEAs	3
	Issue notice to proceed	SPMU and PEAs	2
	If there are contract modifications (prior to the expiry of the contract), upload it to the Bank's STEP	SPMU and PEAs	15

Please refer Annex 5. Note: Please adhere to the Prior Review requirements as per the Annex II: Procurement Oversight (Para 6: **Documents Subject to Prior Review**) of the Procurement Regulations.

5.3 Other Selection Arrangements and Particular Arrangements

Framework Agreements: A framework agreement (FA) is an agreement with one or more firms that establishes the terms and conditions that will govern any contract awarded during the term of the FA (a call-off contract). The terms and conditions will usually include the fee rate, charge rate or pricing mechanism. FAs may be established for the anticipated procurement of Goods, Works, or consulting Services, as and when required, over a specified period of time. An FA does not commit either party to procure or supply. Once established, a FA provides a fast and efficient way to procure Goods, Works or Non-consulting Services. A multi-supplier FA allows a Purchaser to select from a number of firms, helping to ensure that each procurement represents best value for money.

FAs may be appropriate for the procurement of Goods, Works, or Consulting Services under the following circumstances:

- (a) Frequent reordering is based on the same, or similar requirements, or set of specifications;
- (b) where different entities of the Borrower procure the same Goods, Works, or Non-consulting Services, and aggregating the demand could lead to volume discounts;
- (c) planning for Emergency Situations; or
- (d) no single firm is considered to have sufficient capacity.

Further details see Annex XV Framework Agreements of Procurement Regulations September 2025.

Please refer Framework Agreements in clause 6.57 to 6.59 of the World Bank's Procurement Regulations

6. Consulting Services:

“Consultancy services” refers to services of a professional nature provided by consultants using their skills to study, design, organize, and manage projects; advise and, when required, build capacity of the project. Consulting services engaged by the SPMU/PEAs encompass multiple activities and disciplines, including project supervision, social and environmental assessments, technical assistance, and program implementation. The policy on the selection of consultants is guided by the following principles: **a)** Best fits the requirements; **b)** Enables to achieve VfM; **c)** High quality of services; **d)** Efficiency and economy; **e)** Competition among qualified consultants from all eligible countries; **f)** Opportunity to qualified experts; **g)** Encourage and develop national/ local consultants; **h)** Transparency in selection process.

6.1 Approved Selection Methods for Consulting Services – Firms:

Table below provides an overview of the approved selection methods, particular types of approved selection arrangements, and market approach options available for the selection of Consulting Services in IPF operations:

Approved selection methods and arrangements	Market approach options					
	Open	Limited	Direct	Inter-national	National	Shortlist
Quality and Cost Based Selection	√	-	-	√	√	√
Fixed Based Selection	√	-	-	√	√	√
Lease Cost Based Selection	√	-	-	√	√	√
Consultant's Qualification Based Selection	√	√	-	√	√	√
Direct Selection	-	-	√	-	-	-
Particular types of approved selection arrangements ⁶						
UN Agencies	As per Paragraphs 7.27 and 7.28					
Non-Profit Organizations (such as NGO's)	√	√	√	√	√	√
Selection Method for Individual Consultants						
Individual Consultants	√	√	√	√	√	√

Please refer to paragraph 7.1 (Section VII. Approved Selection Methods Consulting Services) of the World Bank's Procurement Regulations for Table provides broad comparison of Approved selection methods for Consultancy services.

Description of Stage	QCBS	QBS	FBS	LCS	CQS	Direct Selection
Preparation of ToR	√	√	√	√	√	√
						with Justification
Preparation of Cost Estimate / Budget	√	√	√	√	√	√
Advertise for Request for EOIs	√	√	√	√	√ (optional)	X
Preparation of Shortlist (5-8)	√	√	√	√	Shortlist 3 firms	X
	√	√	√	√		

⁶ Selection arrangements such as Commercial Practices, Banks, and Procurement Agents are not used in the SPMU.

Preparation of RFP and Issue it to shortlisted firms					Issue RFP Best Firm Shortlisted Firm	Issue to Identified preferred Consultant
Technical evaluation and rejection below pass mark	√	√	√	√	√	√
Commercial Evaluation and combined scores	Combined Quality & Cost	Open Financial proposal of H1 (Highest scored firm)	H1 (Highest scored firm within available budget)	L1 lowest priced firm among the technically qualified)	√	Evaluate
Cost & Units Negotiated for Award	X	√	X	X	√	√
Contract Negotiations (Tech & Tax)	√	√	√	√	√	√
Award of Contract	√	√	√	√	√	√

6.2 Quality and Cost Based Selection (QCBS): QCBS is a competitive process among Shortlisted consulting firms under which the selection of the successful firm takes into account the quality of the Proposal and the cost of the services. The request for proposals document shall specify the minimum score for the technical Proposals. The relative weight to be given to the quality and cost depends on the nature of the assignment. Among the Proposals that are responsive to the requirements of the request for proposals document and are technically qualified, the Proposal with the highest combined (quality and cost) score is considered the Most Advantageous Proposal. For details see Annex XII, Selection Methods of Regulations. This method of selection is appropriate when: a) The scope of the work of the assignment can be defined with fair clarity and the Terms of Reference are clear and well specified; b) Client who hires the consultant as well as the consultant can estimate with reasonable precision the staff time, the assignment duration and the other inputs and costs required of the consultants; c) The risks of downstream impacts are quantifiable and manageable; d) The capacity building aspect of the assignment can be estimated with regard to duration and staff time effort.

To ensure receipt of responsive proposals, the RFP under QCBS shall indicate the level of key staff inputs (in staff time) estimated by the Client to carry out the assignment or the estimated cost of the services, but not both. However, the consultants shall be free to determine their own estimates of staff time to carry out the assignment and to offer the corresponding cost in their proposals. QCBS method of selection is normally adopted for following kind of assignment: Feasibility studies & designs where the assignment is simple and well defined; Preparation of bidding documents and detailed designs; Supervision of the construction of works and installation of equipment; Technical, financial or administrative services of a noncomplex nature; Procurement and inspection services.

6.2.1 Technical Evaluation: Please refer paragraph 4.1 to 4.5 (Annex X. Evaluation Criteria) of the World Bank's Procurement Regulations. For justifiable reasons and with the Bank's prior review, the ranges may be adjusted, for example, when transfer of knowledge is the main objective of an assignment, it may be given a higher weight to reflect its importance. Within the specified range, the score to be assigned to a criterion depends on the nature and complexity of an assignment. As an example, when VfM is to be achieved through innovative Proposals, the scores to be assigned to the methodology criteria could be on the higher end of the range.

6.2.2 Financial Evaluation: Please refer to paragraph 4.6 to 4.8 (Annex X. Evaluation Criteria) of the World Bank's Procurement Regulations.

6.2.3 Combined Quality and Cost Scores: Please refer to paragraph 4.9 to 4.10 (Annex X. Evaluation Criteria) of the World Bank's Procurement Regulations. QCBS may not be appropriate for complex or specialized assignments in which the scope of the assignment is not well defined and staff time is difficult to estimate.

6.3 Steps for Procurement Consultancy service: QCBS (Direct RFP : combined REoI and RFP)

The steps for the procurement of consultancy services through Quality and Cost Based Selection or QCBS is given in the Table below. Most of the standard methods like Quality Based Selection, Least Cost selection etc will follow similar method with few variations.

Note: Direct RFP is India specific consultancy selection procedure, which combines the Request for Expression of Interest (REoI) and Request for Proposal (RFP) upto the limit the threshold of National Shortlist (USD 2 million: verify the disclosed Procurement Plan in the Bank's External Website). <https://projects.worldbank.org/en/projects-operations/document-detail/P180932?type=projects>

Stages of Procurement	Activity/Action	Responsibility	Days
Identification of Need, Strategy, Procurement Plan	Verification that the requisition is within the TNSHORE scope with approval as per delegation of power	SPMU and PEAs	3
	Preparation of Terms of Reference (ToR) estimated cost. If required, please update the Project Procurement Strategy for Development (PPSD)	SPMU and PEAs	7
	Incorporate the activity in the procurement plan and obtain the Bank's No Objection.	SPMU	3
	Prepare the draft Request for Proposal (RFP) using the WB's standard/model procurement documents shared by the APS	SPMU and PEAs	2

	Obtain the WB "No Objection" for the Draft Bidding documents if the PP requires (Prior Review).	SPMU	3
Procurement Process and Advertisement	Prepare advertisement in the newspaper/e-Procurement, department website etc	SPMU and PEAs	1
	Pre-proposal conference and prepare the minutes and share / upload it to the e-GP Portal	SPMU and PEAs	
	Receipt of proposal.	SPMU and PEAs	30
Proposal evaluation	Technical Evaluation	Evaluation committee with support from SPMU	7
	public opening of financial proposals & evaluation of financial proposal	Evaluation committee with support from SPMU	3
	Combined Evaluation	Evaluation committee with support from SPMU	2
Negotiations	Negotiate and prepare the minutes and draft contract	SPMU and PEAs	3
	Send Award Notification to the selected firms to inform other bidders about the outcome.	SPMU and PEAs	3
Contract Signing	Finalise the contract	SPMU and PEAs	7
	To manage the contract	SPMU and PEAs	
Procurement turnaround time			74 days

6.4 Selection Based on Consultants Qualification (CQS): Please refer to paragraph 7.11 to 7.12 of the World Bank's Procurement Regulations. It is usually adopted for the following types of assignments: Evaluation studies at critical decision points in the project implementation such as review of alternative solutions with large downstream effects; Executive assessments of strategies and programs; High level, short term, expert advice; Participation in project review panels.

1. Direct Selection (DS): Please refer to paragraph 7.13 to 7.15 (Section VII. Approved Selection Methods: Consulting Services) of the World Bank's Procurement Regulations.
2. Approved Selection Methods for Individual Consultants: Please refer to paragraph 7.34 to 7.39 (Section VII. Approved Selection Methods: Consulting Services) of the World Bank's Procurement Regulations.
3. Particular Types of Contractual Arrangements:
4. Lump-Sum contracts: Please refer to paragraph 3.2 to 3.3 (Annex VIII. Contract Types) of the World Bank's Procurement Regulations.
5. Time-Based Contracts: Please refer to paragraph 3.9 to 3.11 (Annex VIII. Contract Types) of the World Bank's Procurement Regulations.

7 Contract Management:

The aim of contract management is to ensure that all parties meet their obligations. Contracts shall be actively managed by the Borrower throughout their life to ensure that contractor performance is satisfactory, appropriate stakeholders are informed, and all contract requirements are met. For details see Annex XI, Contract Management.

Task	SPMU Procurement Team	State Technical Team	SPMU Finance Team	Contractor	SMU Admin Team	CMD	MD
1. Preparation of contract award documents including contract conditions, drawings (if any), and specifications for goods, Statement of Work etc.	R	S				A	
2. Conduct initial meeting/management meetings with the concerned officers and end users	S	R				A	
3. Maintain the performance securities /Bank Guarantees and ensure that these are extended/released appropriately	R		S				
4. Contract signing						R	R
5. Monitoring the progress, milestones, deliverables, delivery of goods, Review the reports / inspection	S	R				R	S

of goods, quality check							
6. Accord time extensions, change in quantities, scope of work etc.,		R				A	
Ensure that the prescribed training is provided as per the contract		M		R			
Ensure asset register is updated	S	S			R		
Facilitate handing over the supplied goods to concerned officer in charge	S						

R: Responsible; A: Approval; M: Monitor; S: Support; F: Facilitate; I: Inform;

8. Procurement Monitoring:

The approved Procurement Plan shall be used for monitoring of procurement implementation. The SPMU shall review the procurement plan every four weeks and update the actual dates for each of the steps in the procurement cycle. The procurement team shall assist the CMD, TNSHORE indicating any delays component by component. The CMD, TNSHORE shall take appropriate actions to rectify the problem and ensure that the procurement plan is followed accordingly. The SPMU shall review the progress of the procurement activities implemented by the PEAs.

8.1 Procurement and Contract Management Information System: A data base shall be created which will be regularly updated and generate reports for monitoring. The IT MIS system being developed under the project envisages to include on real time basis all stages of procurement /purchases processes to be carried out at all levels till completion. The PMU shall analyse the reports to see the trends, issues, procurement performance indicators etc. and take proactive corrective steps as and when required. **Dashboard to display the Procurement Key Performance Indicators (KPIs)**

9. Incremental Operations Cost (Definition 17 from the Loan Agreement)

“Incremental Operating Costs” means the reasonable incremental expenses incurred by the Implementing Entity on account of the management, implementation, monitoring and/or evaluation of the Project, including: incremental staff salaries (other than consultants), and salaries of government staff deputed to the Project, per diem and allowances, office rent, office supplies, utilities, conveyance, travel and boarding/lodging allowances, operating and maintenance expenditures of office equipment and vehicles, bank charges, insurance, advertising, media projections, newspaper subscriptions, periodicals, and printing and stationary costs incurred for the purposes of Project activities; but excluding salaries, fees, honoraria, bonuses, and any other salary

supplements of members of the Borrower and Implementing Entity's government staff civil service not deputed or assigned to the Project.

10. Procurement records

Procurement processes are subject to pre and post review and audit by WB. In-order to ensure that the ex-post reviews and audits and the process used, the project shall maintain procurement records in order, in accordance with sound procurement practices (including related supervision, review and auditing). All Procurement records shall be retained until at least two years or period as prescribed in the Financing Agreement or Project Documents after the project closing date.

10.1 Procurement Records include:

1. For the procurement of Goods and Works: public notices of bidding opportunities; bidding documents and addenda; bid opening information; bid evaluation reports; formal appeals by bidders and outcomes; signed contracts, addenda and amendments; records on claims and dispute resolution; records of time taken to complete key steps in the process, asset register and warrant cards.

2. For the selection of consultants: public notices for Expressions of Interest; requests for proposals and addenda; technical and financial evaluation reports; formal appeals by firms and related outcomes; signed contracts, addenda and amendments; records on claims and dispute resolution, records of time taken to complete key steps and deliverables. For software developed, Licences and rights etc.,

Handed over assets/works supplied / constructed through the project should be properly maintained and training details as part of the contracts

11. Due Diligence:

Due Diligence concerning the Bank's Sanctions Policies, Procedures and Disqualification mechanism

When conducting key stages of the procurement process, and as a minimum during the evaluation of Bids/Proposals, the Borrower shall check:

- a. the eligibility of Bidders/Proposers/Consultants from the lists of firms and individuals debarred or suspended by the Bank that are posted on the Bank's external website, in those cases of debarred firms and individuals, and Bank's Client Connection website and/or other sources of information that the Bank may make available for listing of suspended firms or individuals;
- b. the disqualification status of Bidders/Proposers/Consultants disqualified pursuant to Paragraph 3.33 (Disqualification of Firms).

The Borrower shall apply additional due diligence by closely supervising and monitoring any ongoing contract (whether under prior or post review), executed by a firm or individual which has been sanctioned or disqualified pursuant to Paragraph 3.33 by the Bank after such contract was signed. The Borrower shall neither sign any new contracts nor sign an amendment, including any extension of time for completion or a change or variation order, to an on-going contract with a suspended, debarred or disqualified firm or individual after the effective date of the suspension, debarment or disqualification without the Bank's prior review and no objection.

The Bank will only finance additional expenditures if they were incurred before the completion date of the original contract or the completion date as revised;

- a. for prior review contracts, in an amendment to which the Bank has given its no objection; and
- b. for post review contracts, in an amendment signed before the effective date of suspension or debarment.

The Bank will not finance any new contract, or any amendment introducing a material modification to any existing contract that was signed with a suspended, debarred or disqualified firm or individual on or after the effective date of suspension, debarment or disqualification.

12. Disclosure of procurement information:

Contract award details will be published in the official website. The following will be disclosed: (1) a Procurement Plan and updates, (2) an invitation for bids for goods, NCS, and works for all contracts, (3) request for expression of interest for selection or hiring of consulting services, (4) contract awards of procurements through open requests for proposals or bids with international and national target markets, (5) consolidated list of contracts and purchase orders placed under limited request-for-quote procedures or direct contracting on a semi-annual basis, (6) a semi-annual financial and physical progress report of all contracts, and (7) a report of actions taken on complaints received on a semi-annual basis.

12.1 For major contracts, the salient details about the contract will be disclosed at prominent places

While the disclosure requirements have been explained at various stages of procurement, overall disclosure requirements are as follows:

- (a) The following documents shall be disclosed on websites:
 - Procurement plan and updates.
 - Invitations for bids for goods and works for all NCB contracts.
 - Request for expression of interest for selection/hiring of consulting services.
 - Contract awards for goods and works procured following NCB procedure.
 - Contract award of all consultancy services; and
 - List of contracts following DS or SSS on a quarterly basis.
- (b) The following details shall be sent to the Bank for publishing in the Bank's external website:
 - i. Invitation for bids for procurement of goods and works using ICB procedures.
 - ii. Request for expression of interest for consulting services.
 - iii. Contract award details for all procurement of goods and works under the project.
 - iv. List of contracts/ purchase orders placed following SSS or DS procedures on a quarterly basis.
- (c) In respect of those contracts for which information is to be sent to Bank, within two weeks of receiving the Bank's no-objection to the recommendations of contract award, PMU shall take action to publish online the results identifying the bid and lot numbers and the following information:
 - i. name of each bidder who submitted a bid;
 - ii. bid prices as read out at bid opening.
 - iii. name and evaluated prices of each bid that was evaluated.
 - iv. names of bidders whose bids were rejected and the reasons for their rejection; and

- v. Name of the winning bidder, and the price it offered, as well as the duration and summary scope of the contract awarded.

Further SPMU may also publish on their websites, any information required under the provisions of suo-motu disclosure as specified in the Right to Information Act. Any official communication exchange with Bank that provide waiver, amendment in scope of work shall also be led for records.

13. Complaint Redressal Mechanism (applicable to all procurement under project)

For the procurement-related complaints, the project will follow the procedure prescribed in the Procurement Regulations (Para. 3.26 and 3.31). To deal with the complaints from bidders, contractors, suppliers, consultants, and the general public, a complaint-handling mechanism will be established. A formal grievance redress mechanism or procurement complaint handling system was established under SEAP and will be used for SESRP. Procurement records and documents were maintained in accordance with the guidance for procurement record keeping.

In order to deal with the complaints from the contractors / suppliers and public effectively, a complaint handling mechanism shall be set up at the State level and immediate action shall be initiated on receipt of complaints to redress the grievances. All complaints on receipt should be entered in a register. Within 15 days, these complaints should be discussed and mentioned in the tender evaluation report. If a complaint is received after award of contract, it shall be discussed on the 1st and put up to the appropriate authority for a decision. All complaints shall be handled at a level higher than that of the level at which the procurement process is being undertaken and the allegation made in the complaints should be thoroughly investigated, and if found correct, appropriate remedial measures shall be taken by the appropriate authorities. A register of the complaint redressal shall be prepared at each level and shall contain the following information

1. Serial Number of the complaints
2. Date on which the complaint was made
3. Particular of the person making the complaint
4. Nature of the complaint
5. Complaint against whom if against a person
6. Detail of action taken and subsequent follow ups specifying on which date the action was taken
7. Whether the complaint has been satisfied if not why.
8. Action taken against the guilty
9. General remarks

The database will be created at SPMU level and be regularly updated. This database will be able to create reports for the purpose of the monitoring. Announcement of grievance redressal system will be done in SPMU website. In case any individual officer / staff is found responsible, suitable disciplinary proceedings shall be initiated against such officer / staff. An appropriate response should also be sent to the complainer.

14. Misprocurement:

Procurement by the project is subject to prior and post-review by WB. If such review ends that all or portions of the Goods, Works, or Services were not procured in accordance with the agreed procedures in the legal agreement and procurement plan, WB may declare "Mis-procurement".

In such a case WB will cancel that portion of the credit allocated to those goods, services or consultant services.

Annex 1 Roles and responsibilities of the Procurement Team at SPMU:

The Procurement Team will carry out the following key functions:

- i. Regulatory Compliance and Oversight: Ensure full compliance with World Bank Procurement Regulations, the Legal Agreement, and the procedures outlined in the Procurement Manual for all procurement activities.
- ii. Procurement Planning and Execution: Develop and finalize the Procurement Plan for the first 18 months after project effectiveness and obtain World Bank clearance through the STEP system.
- iii. Regularly update the Procurement Plan in STEP (at least annually) to align with actual project implementation needs.
- iv. Manage the STEP system on behalf of all ULBs and PIUs, ensuring seamless coordination of procurement activities.
- v. Guidance and Capacity Building: Provide procurement guidance and technical support to PEAs to ensure efficient and compliant execution of procurement activities.
- vi. Prior Review of Procurement Documents: Conduct prior reviews of procurement-related documents
- vii. Procurement Execution: Oversee the procurement of goods, works, non-consulting, and consulting services under project components, ensuring that all processes align with agreed-upon procedures and applicable procurement regulations.
- viii. Record-Keeping and Audit Readiness: Maintain and securely store all procurement-related records and documents, ensuring they are readily accessible for review or audit by the World Bank or appointed auditors.
- ix. Ensure that all procurement information is regularly updated in the STEP system, providing transparency and accountability.
- x. Complaint Management and Redressal: Maintain comprehensive records of all procurement-related complaints, including details of redressal actions taken, to ensure fair and transparent resolution of grievances.

Annex 2: Procurement of Goods, Works, NCS: Request for Bids in Broad Steps:

Request for Bids in Broad Steps: Request for Bids in Broad Steps

RFB – Single Stage Single Envelope with Post Qualification

- i. Initiate procurement as per the Procurement Plan;
- ii. Identify eligible potential suppliers through brief market assessment / survey / historic details available in the department;
- iii. Prepare specifications in consultation with the user and frame salient parameters, which enables objective comparison between range of make and models available in the market;
- iv. Prepare Request of Bid document using NCP/SPD template prescribed by the Bank;
- v. Advertise the procurement opportunity; Conduct the pre-bid conference, if stipulated; Provide the clarifications sought by the potential providers;
- vi. Opening of bids/quotations; prepare the minutes of the bid opening;
- vii. Prepare the Bid Evaluation Report (BER) and recommend the award; Use the Bank's suggested evaluation format for BER;
- viii. If Standstill period applies, please follow the prescribed procedure;
- ix. Award the contract; Obtain Performance Security as prescribed in the bid document;
- x. Contract management, acceptance and make Payments.

Preparation of RFB Document

- (a) The RFB documents shall furnish all information necessary for prospective providers to prepare a RFB for the Goods / Works /Non-Consulting services;
- (b) The bid document should invariably contain standard bidding and contract conditions to make it self-explanatory. Some of the mandatory requirements in a bid document include- Invitation for bids (IFBs), Instructions to Bidders (ITBs), Contract Data including Bill/ Schedule of Quantities (BOQ), General Terms & Conditions, Award Criteria, Notification of Award, standstill period (if applicable), Execution of Contract, Quality Control, Payment Terms, Taxes and Duties, Completion Certificate, Warranty/ Defect Liability, Drawings, Dispute Resolution, Arbitration, Force Majeure, etc.
- (c) Schedule of Requirements / Bill of quantities (BOQ) will indicate the description of items to be provided along with quantities and the phased manner in which the Goods / Works / Non-Consulting services are required to be delivered or constructed or render service.

- (d) Bidding documents should state clearly whether the bid prices will be fixed or price adjustments will be made to reflect any changes in major cost components of the goods/ works.

Advertisement

- (a) Timely notification of bidding opportunities is essential in competitive bidding. Invitations shall be published in at least one widely circulated national daily newspaper in English. Display in the official website for wider dissemination;
- (b) The detailed advertisement should also be placed in official website and provide brief advertisement in the newspaper to minimize the cost of procurement.
- (c) The minimum time given for submission of bids shall be not less than 30 days from the date of sale of bid document.
- (d) The last date and time of sale and receipt of bid document should be clearly indicated in the notification/ advertisement.

Issuance of the Bid document

- (a) Sale of bid documents should begin only after the publication of notification for IFB in newspapers.
- (b) Bid documents should be made available to all who seek them after paying the requisite fees, if any, regardless of registration status and they should be allowed to bid. However, the request should be in writing along with the requisite fee of the RFB document, if any. Bidding documents will be sold till one day prior to the opening of the RFBs.
- (c) Bid documents can also be made downloadable from official website. However, the downloaded RFB documents must be submitted with requisite RFB fees if any, in the form of DD.

Opening of Bids

- (a) The time, date and venue for the bid opening shall be mentioned in the IFB and bid documents.
- (b) Bids should normally be opened immediately (with the gap of 30 minutes) after the deadline of time fixed for submission on the same day.
- (c) Bids shall be opened in public. The bidders or their representatives shall be allowed to be present at the time of opening of bids.
- (d) All bids received should be opened. No bid should be rejected at the time of bid opening except for late bids. Late bids shall be returned to the bidders unopened condition.
- (e) The name of the bidder and total amount of each bid along with important conditions like applicable taxes (GST), delivery terms, delivery period, special conditions and discounts, if any, shall be read out at the time of bid opening. Withdrawal notices and modifications to the bids shall be read out first followed by the bids of the bidder.
- (f) Minutes of bid opening must be prepared by bid opening officials and should be signed by all members present including bidders.

- (g) Any kind of discounts offered shall be mentioned in the bid opening document clearly.

Bid Evaluation and Comparison

- (a) The criteria to be used in the evaluation of bids and the award of contracts shall be made known to all bidders and not be applied arbitrarily.
- (b) The purpose of bid evaluation is to determine substantially responsive bid with the lowest evaluated cost, but not necessarily the lowest submitted price, which should be recommended for award.
- (c) The bid price read out at the bid opening shall be adjusted at the time of evaluation with correction for any arithmetical errors for the purpose of evaluation with the concurrence of the bidder/ contractor. Where there is a discrepancy between the rates in figures and in words, the rate in words will prevail. Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate will prevail.
- (d) The conditional discounts offered by the bidder shall not be taken into account for evaluation. This however does not apply to cross-discounts.
- (e) The purchaser shall prepare a detailed report on the evaluation and comparison of bids setting forth the specific reasons on which the recommendation is based for the award of the contract.
- (f) If standstill period applies, disseminate the Notification of Intention of Award and follow the prescribed procedure as per the Procurement Regulations September 2025.

Award of Contract

- (a) Implementing agency shall award the contract within the period to all aspects to the bidders who has the necessary technical capability and financial resources and whose bid is most advantageous to the RFB documents and has the lowest evaluated cost.
- (b) Single bids should also be considered for award, if it is determined that publicity was adequate, bid specification/ conditions were not restrictive or unclear and bid prices are considered reasonable in comparison to estimated price.

These steps are shown in the form of flowchart - RFB one envelop process (without Pre-qualification):

Annex 3: Selection of Consultancy Services, QCBS Broad Steps

Preparation of Short List: Please refer to paragraph 7.16 to 7.20 of the World Bank's Procurement Regulations . The short list shall not include Individual Consultants. In contracts below US\$ 2,000,000 equivalent, shortlist may comprise national consultants only.

STEP 1: A. Preparation of Terms of Reference (TOR): Prepare the complete TOR for the assignment. The TOR shall define clearly the objectives, goals, and scope of the assignment, provide background information to facilitate preparation of Proposals, and be compatible with the budget; The TOR developed shall include: a) A precise statement of objectives; b) an outline of the tasks to be carried out; c) a schedule for completion of tasks; d) The support/inputs provided by the client; e) the final outputs that will be required of the Consultant; f) Composition of Review Committee (not more than three members) to monitor the Consultant's works; g) Review of the Progress Reports required from Consultant; h) Review of the final draft report; i) List of key positions whose CV and experience would be evaluated;

STEP 2: Preparation of Cost Estimate & Budget: The Cost Estimates or Budget should be based on the assessment of the resources needed to carry out the assignment, staff time, logistical support, and physical inputs (for example, vehicles, office space and equipment). Costs shall be divided in two broad categories, a) Fee or remuneration & b) Reimbursable costs. The cost of staff time shall be estimated on a realistic basis for all personnel involved in the assignment. Please refer to **Annex 7** on how to prepare the TOR and Cost Estimate.

STEP 3: Request for Expression of Interest (REOI): Prepare the Request for Expressions of Interests (REOI) in accordance with the template provided on the Bank's external website, according to Paragraph 5.24 (Standard Procurement Documents) of Regulation. The REOI includes the complete TOR.

STEP 4: Solicitation of EOIs: Publication of REOI: after the complete TOR have been prepared and are ready for distribution, make the TOR available to interested firms by publishing the REOI according to Paragraphs 5.22 to 5.23 (Publication of Procurement Opportunities) of Regulation; Clarifications and addenda to REOIs: shall be In Writing. Submission of Expressions of Interests: give firms sufficient time to respond to the REOI, normally not less than 10 Business Days. Late submission of an expression of interest (EOI) is not a cause for its rejection unless the Purchaser has already prepared a Shortlist of qualified firms based on EOIs received.

STEP 5: Preparation of Short List (Five to Eight) Firms: Assess the expressions of interest to determine the Shortlist. The criteria to be used for short listing may normally include: core business and years in business, relevant experience, technical and managerial capability of the firm. Key personnel are not evaluated at this stage. The final Shortlist is communicated to all firms that expressed interest, as well as any other firm or entity that requests this information. The invitation to Shortlisted firms to submit Proposals includes the names of all Shortlisted firms. Once the Bank has issued its no-objection to the Shortlist, the SPMU does not modify it without the Bank's no-objection.

Request for Proposal – Firms: The Shortlisted firms are invited to respond to the request for proposals document using one of the approved selection methods. In determining the right

selection method for Consultants, quality aspects are particularly critical. Selection based on lowest price only may not deliver the best VfM.

Common Procedures for QCBS, FBS, and LCS: Please refer to clause 7.2 (Annex XII. Selection Methods).

Additional details: Request for Proposals Document: Use the Bank prescribed SPD for preparation of RFP document. The RFP shall include: i. Letter of Invitation (LOI); ii. Instructions to Consultants (ITC) with Data Sheet; iii. Technical Proposal - Standard Forms; vi. Financial proposals - Standard Form; v: Terms of Reference (ToR); vi. Standard Forms of contract

Selection under a Fixed Budget (FBS): Please refer to paragraphs 7.4 and 7.5 of the World Bank's Procurement Regulations.

Least Cost Selection (LCS): Please refer to paragraphs 7.6 and 7.7 of the World Bank's Procurement Regulations .

Annex 4: Request for Quotation (RFQ)

RFQ steps in detail

For this project, the threshold limit established for Request for Quotation is US\$ 100,000 equivalent, below which for procurement of Goods, Equipment and Works, RFQ can be used.

Quotations should be obtained through advertisement or, when limited competition is justified, through a request for quotations (RFQ) to a limited number of firms. To ensure competition, the Purchaser should request quotations normally from not fewer than three (3) firms.

Firms shall be given sufficient time to prepare and submit their quotations. RFQs shall include the description, quantity, delivery period, location of the Goods, Works and Non- Consulting Services, including any installation requirements, as appropriate. The request shall also indicate the deadline for submission of quotations and specify that quotations may be submitted by letter, facsimile or by electronic means.

The evaluation of the quotations and contract award shall be carried out according to the criteria specified in the RFQ. The terms of the accepted quotation shall be incorporated in a contractually binding document. The Purchaser shall keep records of all proceedings regarding RFQs.

The use of Government e-Market place (GeM) in lieu of Shopping is available provided:

- (a) Up to contract ceiling of INR 25,000 in catalogue mode;
- (b) Up to a contract ceiling of US\$ 100,000 provided there are at least three suppliers for the said item on the GEM and the purchaser uses RFQ (mini competition or bidding among suppliers) feature on GeM to discover the final price.

In both the case of assessment of price reasonableness shall be recorded. GeM shall not be used in lieu of RFB – Open (International / National) method.

Salient steps for RFQ

- (a) Initiate procurement as per the Procurement Plan;
- (b) Identify eligible potential suppliers through brief market assessment / survey / historic details available in the department;
- (c) Prepare specifications in consultation with the user and frame salient parameters, which enables objective comparison between range of make and models available in the market;
- (d) Prepare Request of Quotation document using template prescribed by the Bank;
- (e) Solicit the RFQ from all Identified capable provider
- (f) Opening of quotations
- (g) Preparing comparative statement and making award decision

- (h) Placing purchase order
- (i) Contract management, acceptance and making Payments

As agreed with Bank, prescribed SPDs for RFQ shall be used for all procurement of Goods, Works, and Non-Consulting Services. These will be provided to POIs and displayed in the NDDDB's website for ease of access.

Important aspects for RFQ method

Important Aspects	Brief Description
Advertisement	No need for advertisement in newspapers required for approaching limited market. However, the advertisement can be placed in the official website for approaching open with international or national market
RFQ Document	SPD document prescribed by the Bank shall be used; RFQs shall include the description, quantity, and delivery period, location of Goods, Works and Non-Consultancy Services including any installation requirements as appropriate.
Number of Quotations	Minimum 3 quotations.
Time for Bid Submission	Not less than 7 to 14 days
Technical Specification and quantity	Technical Specification and quantity (goods) and standard description (works) should be unambiguously defined.
Validity of Request for Quotation (RFQ)	Bidders shall be required to submit their quotation valid for the period specified in the RFQ. Normally, not less than 15 days.
Submission of Quotation	Technical Specification, quantity, and other terms and condition to be in accordance with RFQ
Evaluation	Comparative to be prepared by the concerned procurement committee shall ascertain whether quotations meet the eligibility requirements specified; have been properly signed; are valid for the period specified in the RFQ document; and are otherwise generally in order. If the bidder meets the above stipulations indicated in the RFQ, it is determined as responsive (commercially and technically) and is considered further for evaluation to determine most advantageous bid.
Negotiation	There should not be any negotiations either for price or terms & conditions of the quotation submitted by the suppliers.

Earnest Money/ Bid Security	Not required.
Terms & Methods of Payment	Payment terms to clearly specify in the RFQ. <u>No unsecured advances to be paid.</u>
Warranty	To be clearly specified in the RFQ.

Do's and Don'ts for RFQ method

Do's
Use this method for procurements valuing up to US\$ 100,000 off-the-shelf available goods or standard specifications equipment.
Maintain a list of potential suppliers and actively scan the market for recent make, model, and technology, and approx. price, support details etc.
Use RFQ based on the Model Document issued / format agreed by the World Bank.
RFQ should be addressed to all potential providers.
Allow sufficient time (say 7 to 14 days) to the potential bidders to submit their quotation.
The price quoted should be in INR when solicited quotations from the domestic firms only.
Examine Fax, Phone, Signatories pattern and Addresses on all quotations to avoid possible collusion.
Use GEM wherever feasible.
Keep tender box for submission of bids at a convenient place without any obstruction. Wherever quotation box could not be placed then name of official collecting the quotation of bidders, should be clearly mentioned in the RFQ.
The quotations should be strictly opened after the submission on the specified date and time in the RFQ. The time gap between submission & opening of quotations should be 15-30 minutes.
Evaluate quotations after adding all costs/ prices to the final destination as per details given in RFQ excluding applicable taxes (GST) for Goods.
Maintain registers containing names of bidders whom RFQ issued, solicitation register, acknowledgements, opening register, purchase files and post contract files
In case brand name is necessary than select 3-4 equivalent brands, or add the word "equivalent".
Justification for rejecting the lowest priced quotation should be clearly recorded
The most advantageous bidder should be selected strictly as per details given in RFQ
Don'ts

Cross threshold limit of US\$ 100,000
Split large procurement into smaller one just to allow shopping
Use shopping in complex technical items requiring substantial documentation
Issue RFQ to “Sister Concerns”
Use two or three envelop system
Use state rate contract or MOU
Entertain unsigned quotations
Enter into negotiation
Give counter offer
Award the contract after expiry of the validity
Procure on less than 3 quotations.
Use single brand name in the RFQ.
Get quotes as per sample
Reject the lowest technically suitable bid, on the basis superior specification than asked for in RFQ.
Pay cash to firms.

Annex 5 Procurement Timelines: Procurement Timelines for Goods, Works and Non-Consultancy Services:

Sl. No.	Procurement Steps	RFQ (Post)	RFB National (Post)	RFB National (Prior⁷)	RFB International (Prior)
1	Assessment of Requirements & Obtaining Administrative Approval Technical Sanction	7 days	7 days	14 days	14 days
2	Preparation of Bid Documents including Deciding Procurement Strategy, Mode of Procurement	7 days	3 days	14 days	14 days
3	Seeking Bank's No Objection, whenever applicable (including transmission of Bid documents/ RFQs to Bank, responding to queries if any, and obtaining Bank's Clearance)	N/A	N/A	7 days	7 days
4	Advertisement for Invitation For Bids	N/A	3 days	7 days	7 days
5	Issue/ Sale of Bid Documents, Conducting Pre Bid Meeting (Wherever Necessary) and Receipt and Opening of Bids/Quotations	7-14 days	30 days	30 days	42 days
6	Evaluation of Bids/Quotations and Seeking Approval to Evaluation Report of the Competent Authority	7 days	7 days	28 days	28-35 days
7	Seeking Approval of Bank to Evaluation Report, where applicable	N/A	N/A	7 days	7 days
8	Notice of Intention to Award	N/A	N/A	N/A	7 days
9	Standstill Period	N/A	N/A	N/A	14 days
10	Signing of Contract	7 days	7 days	14 days	14 days
11	Inspection and Quality Control	As per Contract	As per Contract	As per Contract	As per Contract
12	Completion of Delivery/works and Handing Over	As per Contract	As per Contract	As per Contract	As per Contract

⁷ From the World Bank and PMU-NDDDB also.

Annex 6 Procurement Timelines for Consultancy Services with prior review:

Sl. No.	Consultancy Steps	QCBS/ FBS/ LCS	CQS	DS - Firm	IC on DS (Individual Consultant)
1	Prepare & Transmit of TOR, cost estimate, sanction etc.	14 days	14 days	14 days	14 days
3	World Bank clearance of TOR and Cost estimate	7 days	7 days	7 days	7 days
4	Transmit EOI for publication to WB and Publication by the Project	7 days	7 days	N/A	N/A
5	REOI (Closing Date)	14 days	14 days	N/A	N/A
6	Transmit Shortlist, Cost estimate and RFP	14 days	14 days	N/A	N/A
7	World Bank Clearance of short-list and RFP	7 days	7 days	N/A	N/A
8	Issue of RFP	7 days	7 days	7 days	7 days
9	Time for proposal submission	28 days	21 days	21 days	21 days
10	Prepare & Transmit the TER (Technical Evaluation Report) to World Bank	14 days	7 days	7 days	7 days
11	World Bank Clearance of TER	7 days	7 days	N/A	N/A
12	Opening of Financial Proposal	14 days	N/A	N/A	N/A
13	Transmit CER (Combined Evaluation Report), Negotiation - Draft Contract to World Bank	21 days	N/A	N/A	N/A
14	World Bank clearance of draft contract & issuance of Notice of Intention to Award	7 days	7 days	7 days	7 days
15	Standstill Period	14 days	NA	NA	NA
15	Signing of Contract	14 days	14 days	14 days	14 days
16	Mobilization of Contract	28 days	14 days	14 days	14 days
17	Contract Completion Date	As per Contract	As per Contract	As per Contract	As per Contract

Annex 7 Preparation of Terms of References:

General:

It is an important part of the REOI & RFP. It is required for understanding the assignment and its correct execution. It reduces the risk of unnecessary extra work and additional expenditure for us. It helps to reduce the risk of ambiguities during the preparation of the consultant proposals, contract negotiations, and execution of the services.

1. Terms of Reference (TOR) shall be prepared by experts or by a firm specialized in the area of the assignment.
2. The scope of the services described in the TOR shall be compatible with the available budget.
3. TOR shall define clearly the objectives, goals, and scope of the assignment and provide background information (including a list of existing relevant studies and basic data) to facilitate the consultants' preparation of their proposals.
4. If transfer of knowledge or training is an objective, it should be specifically outlined along with details of the number of staff to be trained, and so forth, to enable consultants to estimate the required resources.
5. TOR shall list the services and surveys necessary to carry out the assignment and the expected outputs (for example, reports, data, maps, surveys etc.).

The following considerations should guide preparation of the TOR; i) TOR should contain sufficient background information on the project to enable consultants to present responsive proposals; ii) The scope of work in particular should be consistent with the available budget; iii) TOR should take into account the organization of the Client and its level of technical expertise and institutional strength.

Contents of TOR: TOR should contain sufficient information about the assignment and the project to enable invited consultants to prepare responsive proposals. Generally TOR includes the following:

Broad Contents of TOR:

No	Broad Contents of TOR	Typically may include details on
i)	Background information on the project and the assignment	• name of the Project Authorities ; • project location; • rationale of the project; • project history (works done so far and by whom); • list of relevant studies and basic data; • need for consultants in the project; • issues to be resolved; • activities to be carried out by the consultants; • source of financing for the assignment; and • Supervision arrangements.
ii)	Precise statement of the objectives of assignment	• preparation of development programs; • determination of project feasibility before an investment is made; • design of projects; • preparation of bidding documents;

No	Broad Contents of TOR	Typically may include details on
		• supervision of works; • provision of training; • collection and analysis of data; and • Evaluation of Project Authorities assets for sale, such as in privatization projects.
iii)	An outline of the tasks to be carried out (Scope of services) including transfer of knowledge, if any.	• The scope of services should be consistent with the staff-month estimate or the estimated cost of the services. • definition, scope, limits, and criteria of acceptance of the assignment; • desired level of detail (level of design, accuracy, composition of cost estimates, and so forth); • span of projections (time horizon, life span of project components, and so forth); • necessary comparison of the assignment with similar projects; • main issues to be addressed; • alternatives to be considered; • necessary surveys, special analyses, and models; • special equipment requirements; • institutional and legal framework of the project; • transfer of knowledge, objectives, and scope; • language requirements; • units of measurement to be used; • need for continuity, such as data gathering; • quality management requirements (if needed); • If applicable, types of training services; training approaches and methods and tools.
iv	Schedule for completion of tasks	• The completion schedule to be consistent with payment terms and consultancy period.
v)	Description of key professionals whose CVs would be evaluated	• The list of key professionals who's CVs would be evaluated along with the required qualifications and experience for each key professional.
vi)	Outputs and Deliverables (List of reports, schedule of deliveries, period of performance etc.)	• Inception Report • Progress Reports • Interim Reports • Technical Design & Drawings • Data Sets • Final Report • Number of copies of reports • Schedule of deliveries of outputs

No	Broad Contents of TOR	Typically may include details on
vii)	Data, services, personnel, and facilities to be provided by the Client	- Facilities may include office space, vehicles, survey equipment, office and computer equipment, and telecommunication systems. - Personnel may include Counterpart Staff
viii)	Procedure for review of progress reports, inception, status, final draft and final reports	Review Timeline

Preparation of Cost Estimates and Budget: Preparation of a detailed cost estimate is essential if realistic budgetary resources are to be earmarked. The cost assessment will be based on the clients assessment of the resources needed to carry out the assignment as per the TOR: expert's time, logistical support, and physical inputs (e. g. vehicles, laboratory equipment etc.). The cost shall be divided into two broad categories: i. Fee or remuneration (according to the type of contract used); ii. Reimbursable items. The cost of experts' time inputs shall be estimated based on a realistic assessment of required national expertise.

Broad Contents of Cost Estimates:

No	Broad items of Costs	Typically may include details on
i) Remuneration:		
a)	Fee or remuneration of various professional Staff/ Experts and support staff	- Total Fee (Considering Daily/ Monthly Rates and person-days/ months required); - Social Costs; - Consultancy Organization overhead.
ii) Reimbursable:		
a)	Mobilization & Demobilization costs, if necessary.	Relocation expenses, travel, transport, temporary housing, storage, miscellaneous, etc.
b)	Communication, Surveys and training programmes	The costs of these activities.
c)	Office Costs	- Office Rent - Office Supplies - Computer's/printers/fax/scanner operational cost - Communication, Telecommunication. Postage - Office Equipment's& Furniture costs (usage)
d)	Office visits, Field visits, Survey visits etc.	- Air Travel/ Rail Travel/ Local Travels - Vehicles/ motorcycles hiring

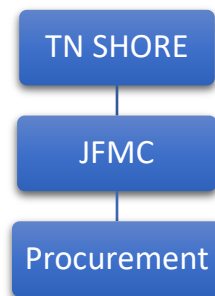
No	Broad items of Costs	Typically may include details on
		• Staff allowances, per diem–lodging & boarding • Field equipment costs – for surveys, tests, etc. • Laboratory equipment's • Logistics support • Per Diem, staff allowances
e)	Report Preparation and submission	• Costs of Data sets/ maps etc. • Cost of data entry & analysis • Typing • Translation • Printing, Photocopying, binding
f)	Financial costs	• Insurance • Duties • Taxes
g)	Contingencies	

Community Procurement Plan

1. Overview

Under the TN SHORE Project, the Village Mangrove Council (VMC) or any other existing Joint Forest Management Committees (JFMCs), including Village Forest Councils (VFCs), Eco-Development Committees (EDCs), and Eco-Tourism Management Committees (ETMCs), etc. will receive project funds to implement approved activities. These funds will be utilized by the JFMCs for the procurement of goods, services (non-consultancy/other services only) and works required for project implementation. All procurement activities shall be carried out under the supervision and guidance of the Project Executing Agency (PEA) at the district level.

This manual serves as a comprehensive guide to ensure that all community-level procurement follows the prescribed norms, procedures and methods in line with the World Bank Procurement Regulations.



2. What is Community Procurement

Procurement refers to the process of acquiring goods, non-consultancy / other services and works (small and minor) required for implementing project activities.

The objective of procurement under the TN SHORE Project is to ensure the efficient and transparent utilization of project funds by:

- Procuring high-quality goods, non-consultancy / other services and works at the reasonable prices.
- Ensuring that all procurement decisions are made with a sense of ownership and accountability, treating project funds with the same responsibility as personal resources.
- Following the prescribed rules, procedures and ethical standards to achieve value for money while maintaining fairness, transparency and integrity.
- If any requirements, these requirements will be procured by the Department with an instruction to the consultant to support the respective community organization(s). by PEA support the respective organization.

3. Users of Procurement Manual

This Community Procurement Manual is intended for use by all community-based institutions and committees involved in implementing project activities under the TN SHORE Project. It provides guidelines for planning, procuring and managing funds in a transparent and accountable manner.

The following community-level institutions collectively called community organisation can follow the procurement norms specified in this manual:

- Village Mangrove Councils (VMCs)
- Village Forest Councils (VFCs)
- Eco-Development Committees (EDCs)
- Eco-Tourism Management Committees (ETMCs)
- Other Village-Level Committees functioning under the principles of Joint Forest Management (JFM), including Self-Help Groups (SHGs) and other approved community-based organizations.

4. Key Rules in Procurement:

The following rules must be followed by all community institutions while carrying out procurement under the TN SHORE Project:

- **Transparency:** Procurement activities must be open and known to all members of the community.
- **Guidance from PEA:** All procurements should be done under the guidance and approval of the PEA at the district level (e.g., DFO, DCF, WLW, etc.).
- **Public Disclosure:** Details of procurement must be displayed on the JFMC's notice board at the registered office for a minimum of 3 days.
- **Quality and Price:** Goods, works and non-consultancy services should be procured with good quality at the competitive price.
- **Procurement Committee:** All procurement must be processed through the Finance & Procurement Sub-Committee of the JFMC.
- **Rate Bank Usage:** A Rate Bank should be prepared and maintained to compare prices and assist in future procurements.
- **Preference to Local Products:** Priority should be given to locally available products if they meet the required quality and price standards.
- **Scope of Procurement:** The manual guides the community in procuring goods, works and non-consultancy/other services only.
- **Compliance with Rules:** The JFMC should follow the procurement thresholds, procedures and documentation outlined in this manual.
- **Record Keeping:** All procurement activities must be properly recorded and maintained for transparency and auditing purposes.
- **Audit Oversight:** The Audit Committee will review procurement records and verify compliance with project guidelines.
- **Avoid Brokers:** Communities should avoid using intermediaries or brokers and directly engage with suppliers wherever possible.

5. Finance & Procurement Sub Committee Members:

The Finance & Procurement Sub-Committee of the JFMC is responsible for managing and supervising all procurement activities at the community level.

5.1 Composition of the Sub-Committee

- The sub-committee will consist of three members selected from the concerned JFMC.
- Out of these, one member shall be an ex-officio member of the JFMC.
- At least one member must be a woman, ensuring gender representation.
- If required, the sub-committee may consult technical experts or specialized resource persons for procurement of specific goods, works, or non-consultancy services.
- The JFMC may also nominate up to two additional members from the community who have special expertise relevant to the selected activity.

5.2 Roles and Responsibilities

- Guide and support the JFMC in planning and carrying out procurement activities.
- Ensure that all procurement follows the TN SHORE procurement rules, thresholds, and procedures.
- Recommend suppliers or service providers based on transparent selection processes.
- Review and approve procurement proposals before placing any orders.
- Maintain coordination with the Audit Committee and the PEA for compliance and oversight.

5.3 Qualifications for Finance & Procurement Sub-Committee

Members

Members of the Finance & Procurement Sub-Committee (FPSC) should meet the following qualifications to ensure transparent, responsible and effective procurement management:

- Must be service-oriented and committed to working for the benefit of the community.

- Should have a clean track record with a reputation for honesty and integrity.
- Preferably possess basic knowledge or experience in procurement, finance or related activities.
- Must be responsible, respected and trusted by the local community.
- Candidates with technical knowledge relevant to project activities will be given preference.
- At least one woman member and one ex-officio member from the JFMC are mandatory.

6. Audit Committee Members:

The Audit Committee of the JFMC is responsible for monitoring, verifying and reviewing all community-level procurement activities to ensure transparency, accountability and compliance with the TN SHORE Project guidelines.

6.1 Composition of the Audit Committee

- The committee will consist of three members selected from the concerned JFMC.
- Members should preferably have basic technical and accounting knowledge and a clean track record.
- One ex-officio member is mandatory, preferably the concerned Forest Range Officer, who also serves as the Member Secretary of the JFMC.
- At least one woman member from the JFMC must be included to ensure gender representation.

6.2 Roles and Responsibilities

- Monitor and verify all procurement activities carried out by the JFMC to ensure compliance with the Community Procurement Manual.
- Review procurement documents and verify quality, quantity, and pricing of goods, works, and non-consultancy services.

- Provide guidance and recommendations to the JFMC on procurement decisions, including the use of the Rate Bank for price verification.
- Report discrepancies or irregularities in procurement to the PEA for necessary action.
- Support the Finance & Procurement Sub-Committee in maintaining transparency and proper record-keeping.

7. Training on Procurement

Capacity-building training will be organized to help stakeholders understand and follow the community procurement guidelines under the TN SHORE Project.

7.1 Trainees

- JFMC Members
- Finance & Procurement Sub-Committee Members
- Audit Committee Members

7.2 Trainers

- PEA
- Qualified department trainers
- External resource persons, if required

7.3 Training Coverage

- Procurement limits and approved methods
- Step-by-step procurement procedures
- Roles and responsibilities of committees
- Record-keeping and auditing requirements
- Best practices in community procurement

8. Items for Procurement:

Under the TN SHORE Project, community-level procurement will cover the following categories:

- I. Goods
- II. Non- Consultancy / other services
- III. Works

8.1 Goods

Goods refer to materials, equipment and supplies required by the JFMCs and other community-based organizations to carry out approved project activities.

1. Nursery & Planting Materials

These are items required for nursery development and plantation activities, such as:

- Seeds and saplings
- Polybags
- Organic manure and compost
- Shade nets
- Information and display boards
- Nursery tools and equipment (*e.g., crowbars, garden spades, rose cans, hose pipes, watering cans, etc.*)

2. Other Items

These include materials and equipment required for office setup, project implementation, and economic activities, such as:

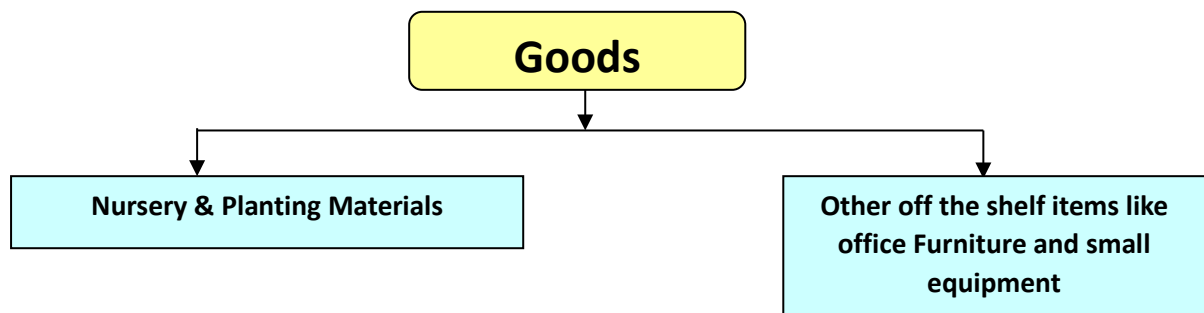
- Office requirements: Tables, chairs, stationery, computers, printers, and related accessories

- Economic activity needs: Raw materials, small equipment, tools, and machinery required for income-generating activities

3. Incremental Operating Expenditure

Items such as stationery, minor printing, fuel charges, office electricity, rent, telephone / internet charges, small consumables and other low-value recurring office expenses will be treated as Incremental Operating Expenditure rather than regular goods procurement.

Items that are used by people for performing activities/ Production of product. In TNSHORE project to procure the needs of Community organizations under TNSHORE. Goods that are to be procured in the project are divided into two categories.



8.2 Non-Consultancy / Other Services

Under the TN SHORE Project, community-level procurement of services is limited to non-consultancy services only.

The following services are included:

1. Capacity Building

Providing training to improve the knowledge and skills of community members and project staff.

Training may be organized for:

- Finance & Procurement Sub-Committee members
- Audit Committee members
- Self-Help Groups (SHGs)
- Project implementing staff

2. Services Managed by the Department (Not for Community Procurement)

The following services will not be procured at the community level but will instead be handled by the PEA and included in the official procurement plan (STEP):

- Consultancy services (*e.g., business and technical advisory, procurement consultancy and audit consultancy*)
- Marketing linkage services (*e.g., market facilitation, promotional activities, and business tie-ups*)

These services will be procured by the department directly, following World Bank procurement regulations.

8.3 Works (Small and minor)

Under the TN SHORE Project, “Works” refers to small and minor construction-related activities carried out to support project implementation at the community level. Examples include:

- Small construction works (*e.g., sheds, storage rooms, fish drying platforms, etc.*)
- Nursery development works (*e.g., preparation of nursery beds, fencing, irrigation setup*)
- Plantation works (*e.g., pit digging, planting, soil improvement, mulching*)
- Other approved works required for smooth implementation of project activities

9. Limits and Methods of Procurement

The TN SHORE Project follows defined procurement limits and approved methods, which specify who can approve purchases and what procedures to follow for different procurement values.

1. Purpose of Procurement Limits & Methods

Procurement limits and methods help the community by:

- Ensuring quality – By following conditions such as consulting technical experts, obtaining quotations and following tender procedures where applicable.
- Promoting self-control – Empowering the community to make informed decisions when selecting goods, services and works at a fair price.
- Maintaining transparency and accountability – Ensuring proper approvals from the PEA at every stage.
- Enforcing financial discipline – Ensuring that the maximum procurement limits prescribed under the project are strictly followed.

2. Procurement Methods

(For Goods, Non-Consultancy Services and Works)

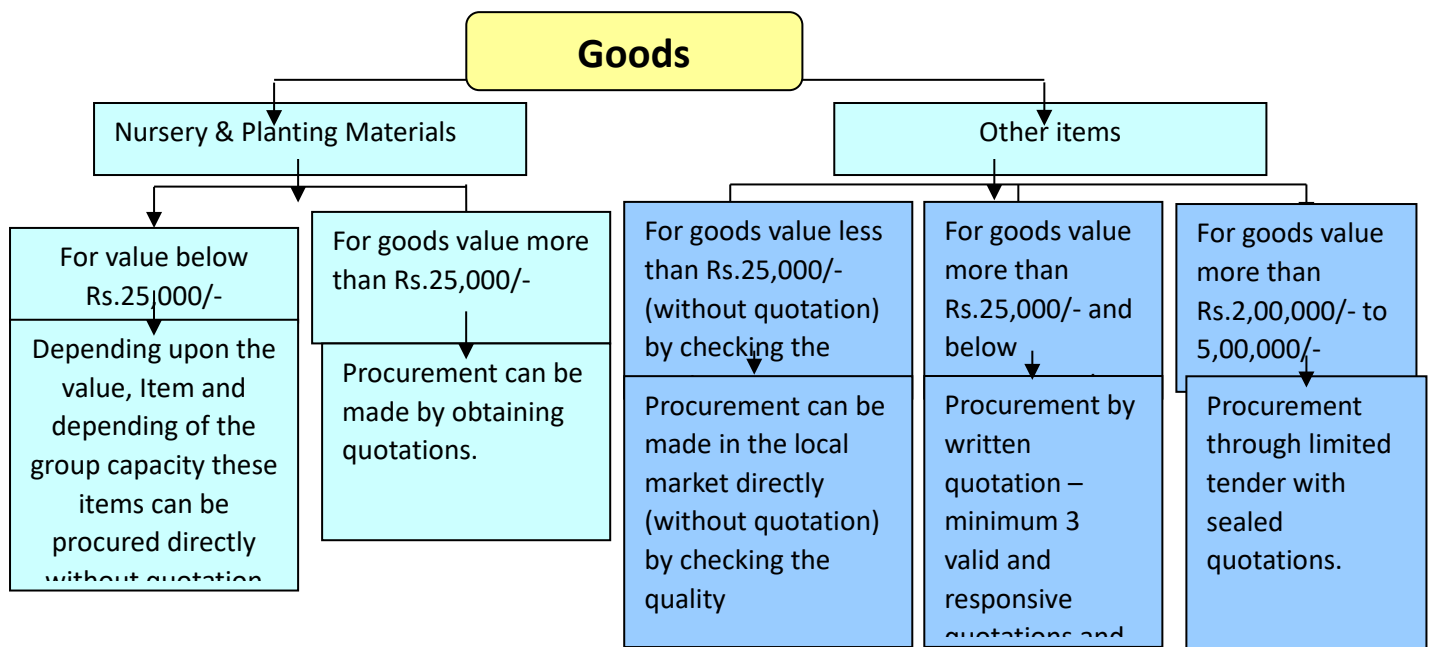
The manual will later specify methods based on cost thresholds:

- Direct Purchase – For very small-value items
- Request for Quotations (RFQ) – For medium-value items, comparing at least three quotations
- Community Tendering / Bidding – For higher-value works and services
- Approval from PEA – For all procurements above a defined threshold

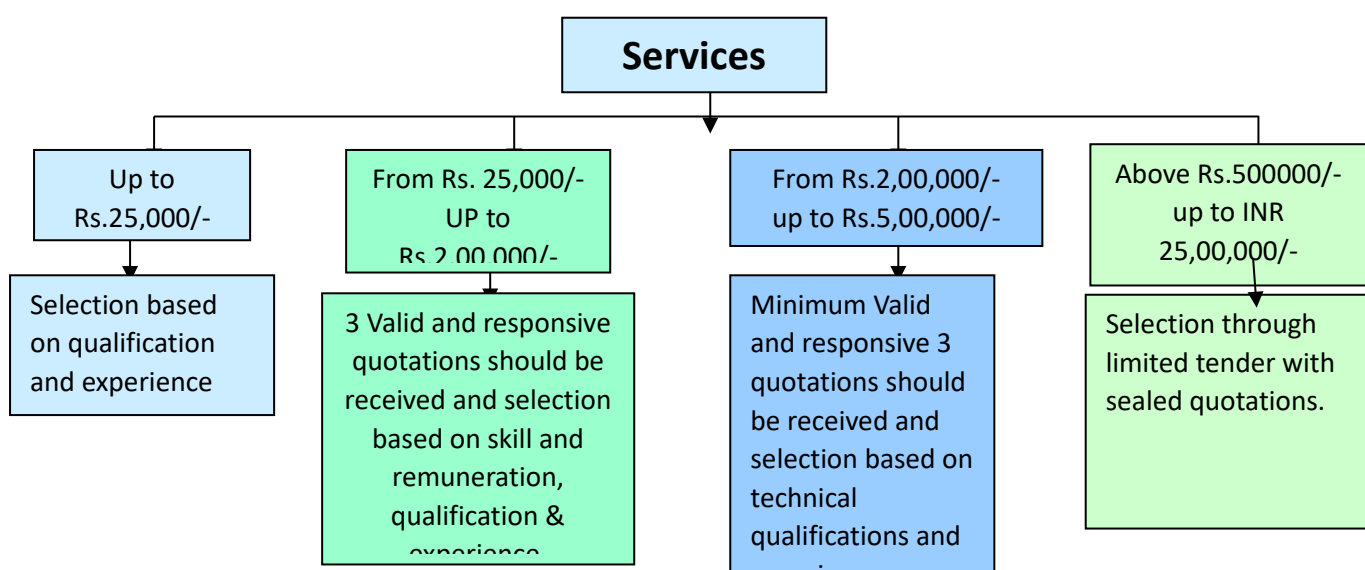
Some of the items that will be directly procured are:

S.No.	Description	Source of Procurement
1.	Seeds	Forest Department
2.	Bio fertilizers	Forest Department
3.	Farm yard manure	Local Communities
4.	Soil	Local vendor
5.	Water for irrigation	Local vendor
6.	Staking sticks	Local vendor
7.	Organic Manure (FIM)	Local vendor

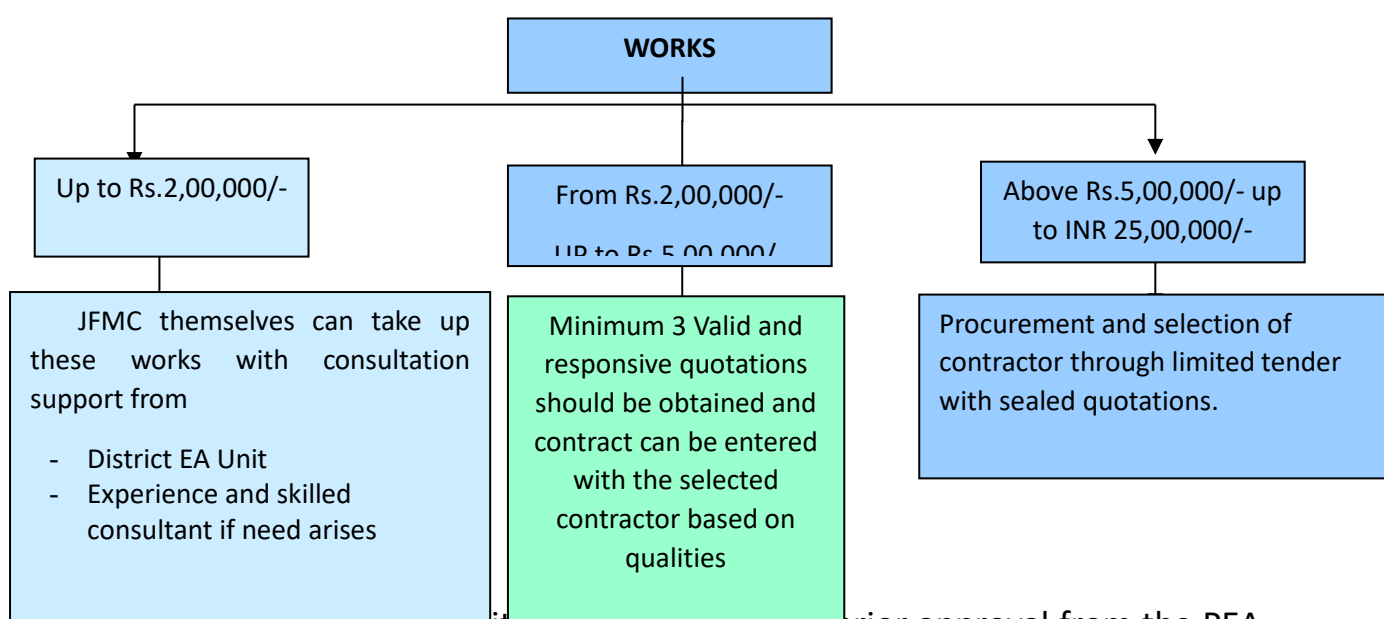
A. Goods Procurement Limits and Methods (All community procurement are under the RFQ threshold of USD 100,000 Equivalent)



B. Other Services / Non-consulting Services Procurement Limits and Methods
(All community procurement are under the RFQ threshold of USD 100,000 Equivalent)



C. Limits for Works and Methods (All community procurement are under the RFQ threshold of USD 100,000 Equivalent)



For any procurement within the above limits, prior approval from the PEA at the district level — such as the District Forest Officer (DFO), Wildlife Warden (WLW), Deputy Director, Divisional Forest Officer or Deputy Conservator of Forests should be obtained

Since most community sub-projects are expected to fall within the Request for Quotation (RFQ) limit of USD 100,000, all community procurements must remain within this threshold per contract.

For procurement estimates above INR 25,00,000 and up to the equivalent of USD 100,000, the process must be carried out through the Government of Tamil Nadu's e-procurement portal: www.tntenders.gov.in.

As the community sub-project size are likely within the RFQ limit (USD 100,000), all the community procurements should be within the USD 100,000 equivalent per contract. All the procurement cost estimate above INR 25,00,000/- up to USD 100,000 equivalent should be carried out through the GoTN's www.tntenders.gov.in portal.

10. Documentation of Procurement:

All procurement of goods, non-consultancy services and works under the TN SHORE Project must be properly recorded and documented at every stage of the process. Maintaining accurate documentation ensures compliance with project guidelines and facilitates verification, audit and transparency.

Stages of Documentation and Records to be Maintained

The following details must be recorded and kept as **permanent records** at the JFMC / VMC / SHG level:

1. Procurement Process Records

- Resolutions passed by the committee regarding procurement decisions
- Details of quotations received, including copies of all quotations
- Record of quotation opening before the committee (*with signatures of members present*)
- Approval of the selected quotation and the agreed procurement decision
- Discussions and decisions recorded in **JFMC meeting minutes**
- Permissions / approvals obtained from the **PEA**

2. Display and Transparency Records

- Details of procurement-related information displayed on notice boards

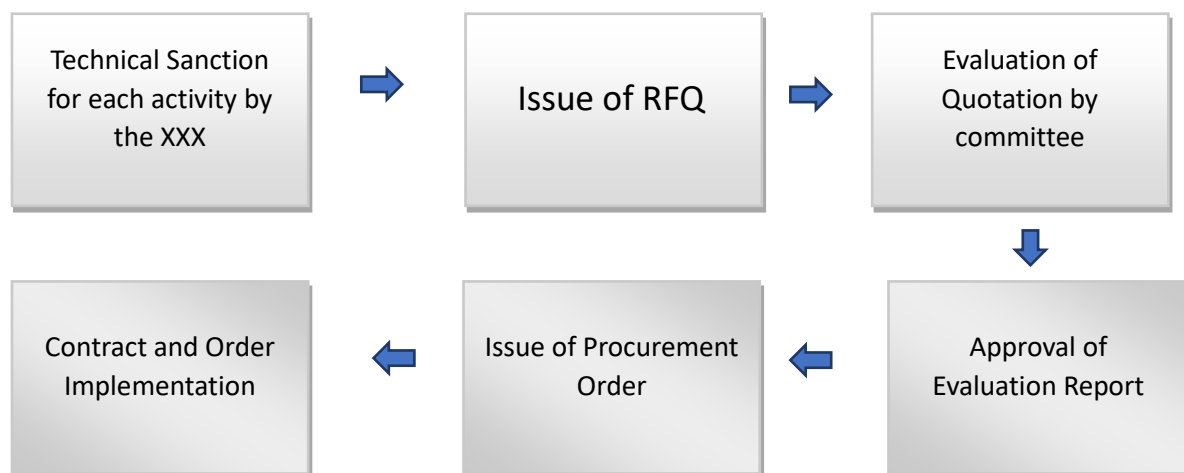
- Dates and content of public disclosures related to procurement decisions

3. Financial and Stock Records

- Final agreed procurement amount and payment details
- Stock / Asset Register entries for all procured items
- Insurance details of procured goods, if applicable
- All open and sealed quotations to be filed systematically
- Date-wise records of discussions and decisions taken on procurement

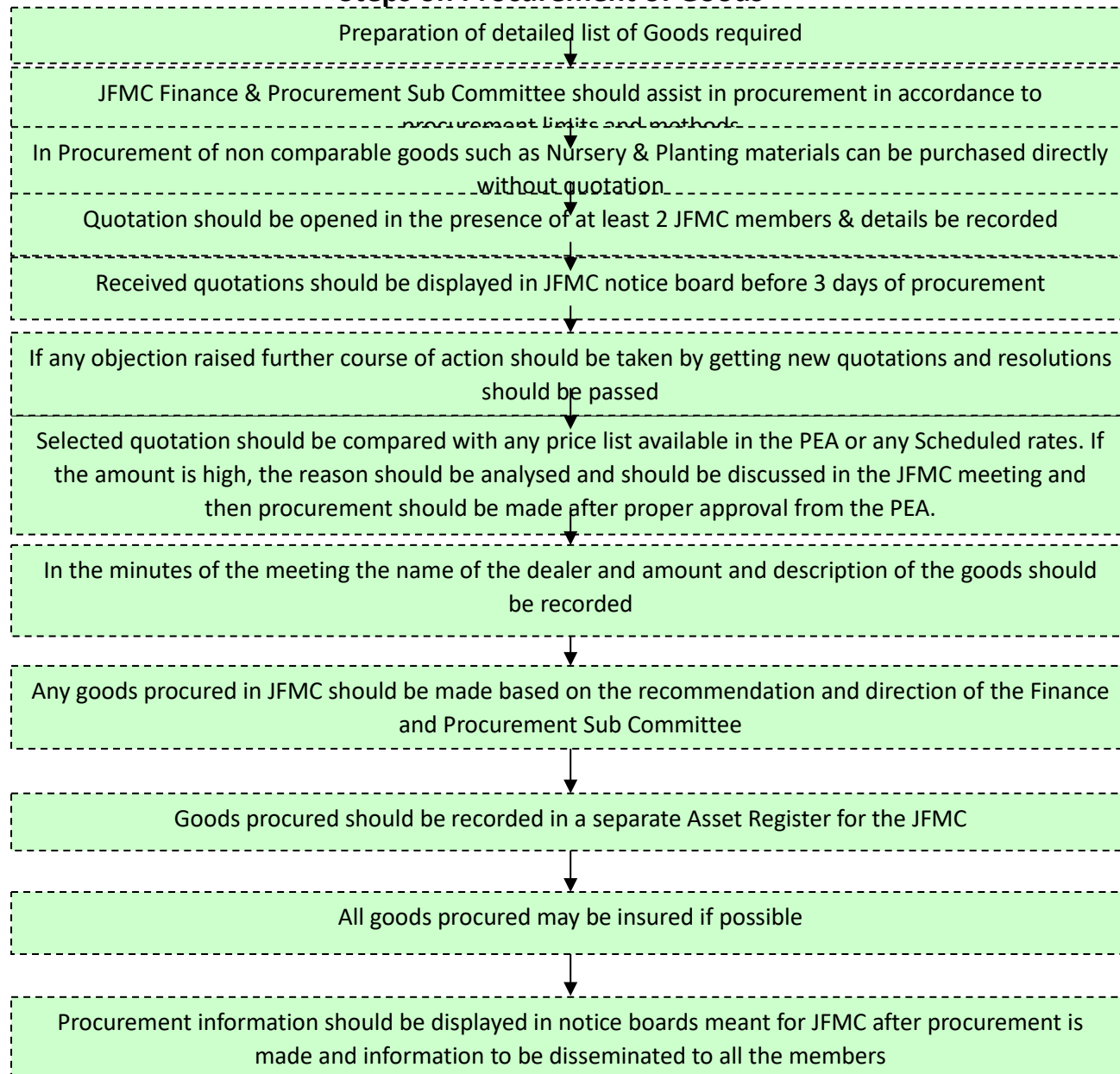
11. Procurement Cycle and Steps

Procurement Cycle through Quotation by the Community

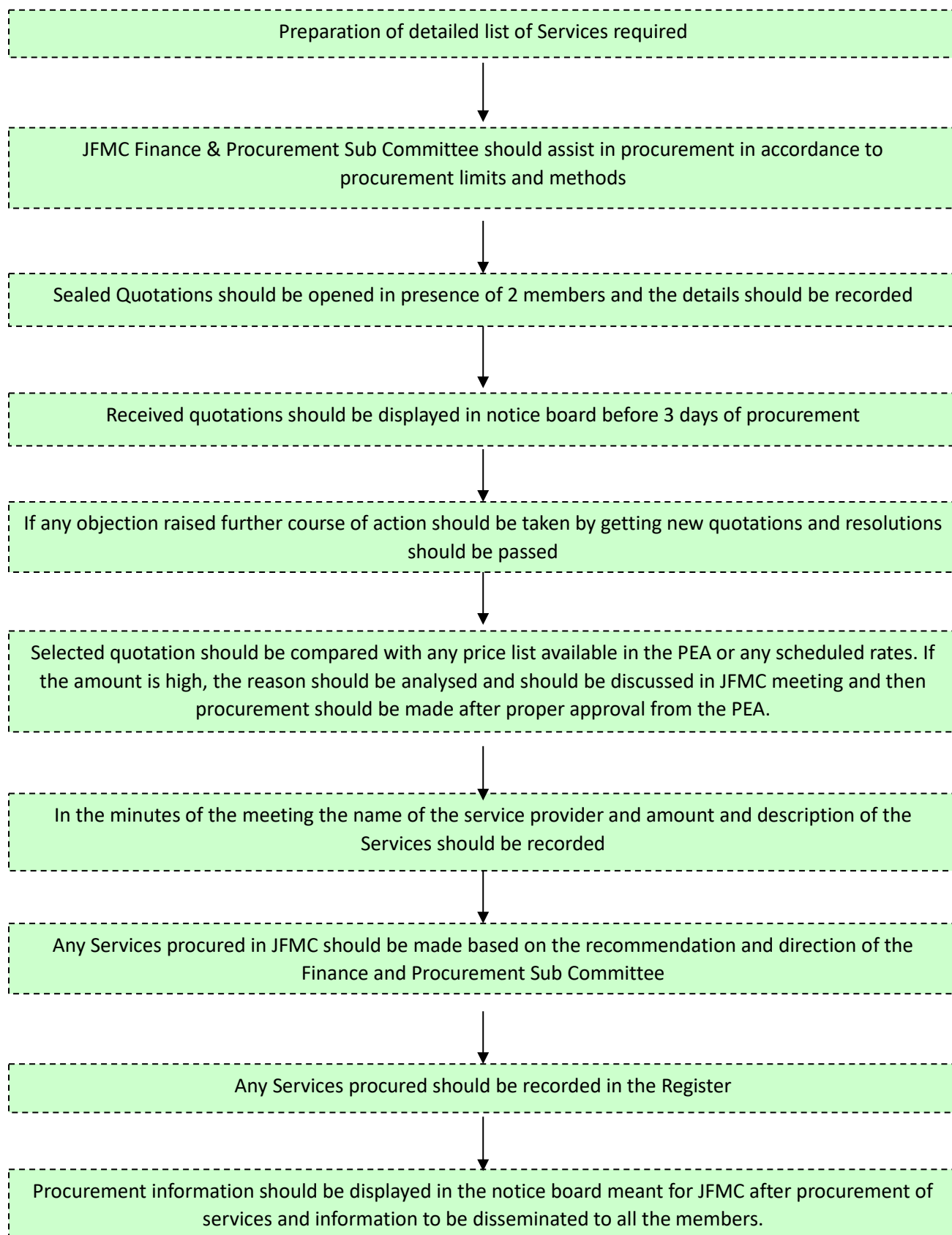


Procurement steps will help us to understand the process and guide us in following the norms and procedures to procure the Goods, Services & Works.

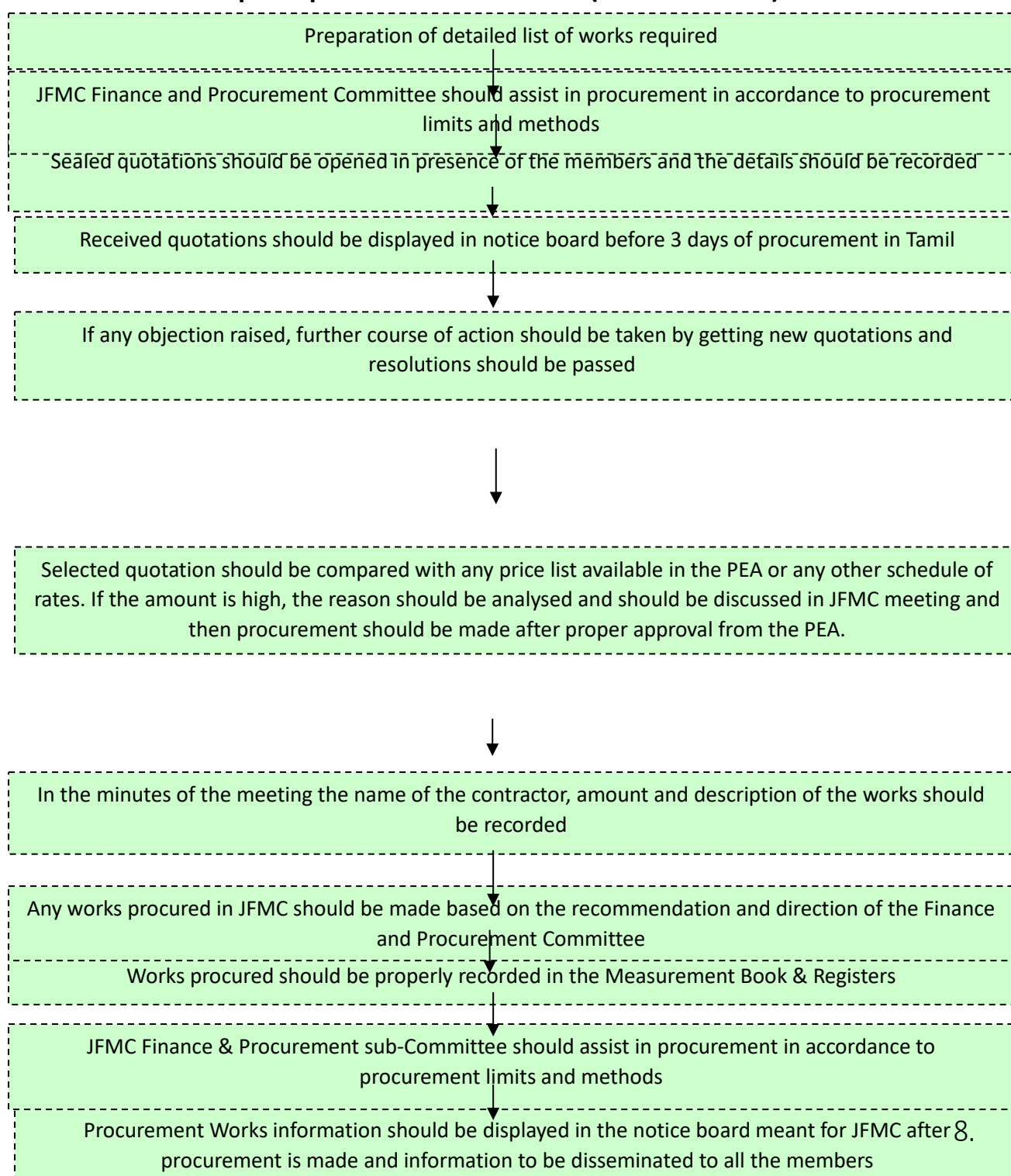
Steps on Procurement of Goods



Steps on Procurement of Non-Consultant / Other Services



Steps on procurement of Works (Small & Minor)



12. Rate Bank

12.1 What is a Rate Bank?

A Rate Bank is a standard reference price list prepared and maintained by the PEA. It is based on Government-approved Schedule of Rates (SOR), such as:

- PWD SSR (*Public Works Department Schedule of Rates*)
- FSR (*Forest Schedule of Rates*)
- TWAD SSR (*Tamil Nadu Water Supply and Drainage Board Schedule of Rates*)
- Other applicable Govt.-approved SORs

The Rate Bank acts as a reference document for communities while planning and executing procurement under the TN SHORE Project.

12.2 Why is a Rate Bank Important?

The Rate Bank serves several purposes:

- Ensures procurement at fair and competitive prices
- Provides a ready reference during business plan preparation
- Helps the community compare market rates effectively
- Simplifies planning and budgeting for project activities
- Offers insights into market trends and pricing strategies

12.3 How the Rate Bank is Prepared

- For various goods, non-consultancy services and works, price information is collected from:
 - Government-approved SORs
 - Market surveys
 - Prices from other relevant institutions
- These prices are compiled into a Rate Bank by the PEA Unit.

- A copy of the Rate Bank will be maintained at the registered office of the JFMC for reference during procurement.
- The Finance & Procurement Sub-Committee should always refer to the Rate Bank before recommending or approving any procurement.

13. Records and Record-Keeping

13.1 Procurement Records

The **JFMCs / VMCs / SHGs** must maintain proper records of all proceedings related to the **procurement process**, in compliance with the requirements of the **Legal Agreement** of the TN SHORE Project.

13.2 Record-Keeping Requirements

The PEA and community-level implementing bodies shall retain all procurement-related documentation for each contract during the project implementation period and up to two years after the closing date of the Loan Agreement.

The documentation should include, but is not limited to:

- The signed original contract and any amendments
- Copies of advertisements, Requests for Quotations (RFQs), or tenders
- All quotations and bid documents received
- Bid opening records and evaluation reports
- Approvals and recommendations for award
- Payment details and supporting documents

These records must be available for verification by:

- The World Bank
- Independent consultants
- Internal and external auditors

13.3 Procurement Management Information System (PMIS)

To ensure effective monitoring and real-time reporting of community procurement, an Excel-based Procurement Management Information System (PMIS) will be maintained by the PEA.

The PMIS will capture the following key information:

- Contract number and date
- Name of supplier/service provider/contractor
- Description of goods, works, or services
- Procurement method used (*e.g., direct purchase, RFQ, e-tendering*)
- Estimated cost vs. awarded cost
- Approval details (*JFMC / PEA / higher authority*)
- Status of payments and fund utilization

Ref No.	Description	Goods / Works / NCS	Estimated Cost	Procurement Method	Expected date of starting procurement	Expected date of signing of contract	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

Roles and Responsibilities of various institutions / committees in Procurement

Sl. No	Name of the Institution / Committee	Roles and Responsibilities
1.	Project Implementing Agency PEA	• Publish and periodically update a rate bank consisting of the prices of all items to be procured • Maintain a panel of suppliers and service providers. • Issue guidelines of procurement procedures, contract guidelines, sample agreements, etc., • Report of Audit Committee will be reviewed and pass necessary orders • For acceptance of limits, acceptance from PEA is necessary. It has the right to decide and reduce the limits of value. It has no right to increase the limits. • To build the capacity of the community and provide hand holding support at various levels of functioning of JFMC and Audit Committee in guiding them in adherence to the community procurement norms.
2.	JFMC (Joint Forest Management Committee)	• Approval of procurement decisions and providing of funds for purchasing goods, services and works. • Guiding and co-ordinating activities of Finance and procurement sub-committee.
3.	Finance and Procurement Subcommittee	• Guide JFMC on the financial procedures to be followed for making procurement in confirmation with the limits of thresholds and methods of the project and not in procurement decision making. • Collect information on prices of goods, manufactures, marketers and helping the functioning of Audit Team. • Assist and ensure Audit Committee in adherence to procurement threshold and methods and not in procurement decision making.
4.	Audit Committee	• Audit Committee will, as part of monitoring the JFMC activities, check / verify the procurement of works, goods and services at the community level and report to the PEA. • Verify the quality of items procured along with quantities, prices, etc., (for business plans) • Monitor the implementation of the business plans including procurement of goods, works and services

Model Procurement Formats

REQUEST FOR QUOTATION

From

..... JFMC

Address

To

M/s.[*Name of the Supplier*]

Address

Lr. No. / 20..... dated :

Dear Supplier

Sub : Supply of *Goods* – Quotation requested – regarding.

We request you to quote the lowest rate for the supply of the following materials, equipments on or before _____ .

Description of Goods	Quantity

1. The rate should be valid for 90 days
2. The applicable taxes to be mentioned in the Quote.
3. This should be supplied in the address noted above
4. Period of Warranty should be mentioned
5. Terms of payment should be mentioned

Signature with seal

Order and Contract for Supply of Goods

From

..... JFMC

Address

To

M/s. *[Name of the Supplier]*

Address

Lr. No. / 20..... dated :

9. Dear Supplier

Sub: Supply of *Equipment, material, etc.* – Supply order – Issuing – reg.

Ref: Your Quotation No. Dated.....

With reference to your Quotation in the Ref. cited, we are pleased to place an order with you for the supply of / supply and installation of the materials/equipments specified below with the terms and conditions listed hereunder:

1. Items of goods

Item of material/equipment	Quantity	Unit Rate (Rs)	Specification of Quality

2. The amount of the order is Rs..... *[Amount in Words]* and is not subject to revision.

3. The materials/equipments shall be supplied within days of acceptance of this order

4. The materials/equipments shall be delivered at [specify the place]

5. The amounts which are due will be paid in the following manner:

Installment Number	Percentage of Amount	Conditions
1	50 %	On receipt of Proforma Invoice with request to pay advance amount if any required.
2	50 %	Receipt of materials/ equipments in satisfactory condition / receipt and installation of equipments satisfactorily

6. The supplier shall agree to undertake at their expense, all repairs resulting from faulty equipment including replacement of the equipment or its parts. The total period of warranty shall not be less than months from the date of satisfactory supply/supply and installation of the equipment.

7. The supplier shall guarantee after-sales service of promptly providing all the maintenance service requirement of the equipments and regular supply of spare parts.

8. The supplier shall pay a penalty of ----- of the price of the goods ordered in case of any delay in the supply of materials/equipment.

9. All payments under this contract will be made only through bank cheque / RTGS / NEFT

Thanking you.

For (JFMC Name.....)

For (Supplier)

Signature:

Signature :

Name

Name

Designation

Designation

Date

Date

Request For Quotation (RFQ)
Non-Consultancy Service /Other Service

From	To
..... JFMC	M/s.[<i>Name of the Consultant</i>]
Address	Address

Lr. No. / 20..... dated :

Dear Consultant

Sub : *Providing Consultancy services* – Proposal requested – reg.

We request you to Provide the proposal for the following Consultancy Service on or before..... in Sealed Covers.

Description of the Service	Period of Service	Remarks

1. The amount should be valid for the entire period.
2. Any applicable taxes to be mentioned in the proposal
3. The Service should be made in the address required by JFMC

4. Terms of payment should be mentioned

Signature with seal

• Order and Contract for Non- Consulting / Other Services

From	To
..... JFMC	M/s. <i>[Name of the Consultant]</i>
Address	Address

Lr. No. / 20..... dated :

10. Dear consultant,

Sub: Providing consulting services for *[Specify name of technical assistance, etc.]*

Ref: Your Technical and Financial Proposal dated.....

With reference to your proposal in the Ref. cited, we are pleased to hire you to provide the consultancy services listed below with the given conditions :

1. Description of Services – The service shall be performed as per the Terms of Reference and Technical Proposal submitted by you, both of which form part of this Agreement and attached. [*Attach Terms of Reference and Technical Proposal*].
2. The amount of this Contract is fixed at Rs.....[Rupees.....
.....] and is not subject to revision. The amount includes all the costs related to carrying out the service including overhead and any applicable taxes.
3. This Agreement will become effective upon confirmation of this letter by you and will terminate on [*Specify the date of termination of the Contract*] or such other date as mutually agreed.
4. The amounts which are due will be paid in the following manner:
 - i. 25 percent at the countersigning of this letter for advance payment.
 - ii. 50 percent of the amount of the invoice upon issuance of the Interim report.
 - iii. 25 percent of the amount of the invoice upon issuance of the final report.
5. The Service Provider shall pay a penalty of ----- of the amount of this Contract in case of any delay in the performance of the service.

6. All payments under this Contract will be made only through bank cheque / RTGS / NEFT

Thanking you.

For (JFMC Name.....)

Signature:

Name

Designation

Date

For (Service Provider)

Signature :

Name

Designation

Date

Order and Contract for Works

From

..... JFMC

Address

To

M/s. *[Name of the Contractor]*

Address

Lr. No. / 20..... dated :

11. Dear contractor,

Sub: Providing contract services for
[Specify name of the Work / Business plan]

Ref: Your Technical and Financial Proposal with Ref.No.
dated.....

With reference to your proposal in the Ref. cited, we are pleased to hire you to provide the subject contract service specified below and the terms and conditions under which you have agreed to provide the services are listed below:

1. Description of Work – This Contract is for
[Specify the name of the work like construction, labour works, nursery works, planting work, etc.,] forming part of the Sub-project, to be implemented. The detailed description, design, estimates, quantities and engineering drawings are attached, which will form part of this Agreement.
2. The amount of this Contract is fixed at Rs. *[Amount in Figures and in Words]* and is not subject to revision. The amount includes all the costs related to completion of the work as above including overhead and any taxes.

3. This Agreement will become effective upon confirmation of this letter by you and will terminate on [*Specify the date of termination of the Contract*] or such other date as mutually agreed.
4. The Audit Committee headed by the[FRO / Forester Name with Designation] will be supervising the satisfactory performance of activities under this Contract.
5. The Contractor shall be responsible for the damages and accidents of any kind caused to a third party by the personnel and equipment of the Contractor during the execution of the work.
6. No amount will be paid in advance before starting the works. The amounts which are due will be paid Stage wise in the following manner:

Payment Stages	Conditions of Payment	Terms of Payment
Stage-I-	Completion of activities defined in Stage-I	25 % of contract
Stage-II-	Completion of activities defined in Stage-II	75% of contract
Stage-III-	Completion of activities defined in Stage-III	25 % of contract

7. Applicable taxes will be deducted as TDS. Guarantee Fund @ 2.5% will be deducted at the time of payment which will released after a period of one year from date of completion with a satisfactory work.
8. The Audit Committee will make arrangements for measurement and certification of the works in each stage and payments will be subject to satisfactory completion of works in each stage.
9. The Contractor shall pay a penalty of ----- of the amount of this Contract in case of any delay in the performance of the service which can be deducted from the GF.
10. All payments under this Contract will be made only through bank cheque / RTGS / NEFT

Thanking you.

For (JFMC Name.....)

Signature:

Name

Designation

Date

For (Contractor Name)

Signature :

Name

Designation

Date

12. Labour Agreement

Contractor -----

VCRM -----

We willingly writing this agreement that,

The agreement is for the work.....

The party is bound to supply the labourers required for completion of the work as follows.

Type of work	Duration	Manpower	Amount that will be paid for the work done
		Total Amount	

The VCRM ----- will be bound to bay the amount finalized for the work done.

The terms and conditions are as mentioned below:

Signature:

Signature:

Date:

Date:

Place:

Place:

Labourers leader

VWSC

WITNESS

WITNESS

1)

1)

2)

2)

Terms and Conditions:

13. Annex 6: Material Inspection Report

1.1.1.1.1.1.1

1.1.1.1.1.1.2

Report No.:

Date: / /

P.O. No.....

Name of supplier:

Goods Receipts Note. No.:

Sr. No	Description	Code No.	Quantity Received	Quantity Accepted	Quantity Rejected	Reasons for Rejections
1						
2						
3						
4						
5						

Inspected by