



## **ABSTRACT**

Highways Department – Tamil Nadu Road Sector Project-II (World Bank Funded Project) – Empowered Committee-In principle approval for Institutional Capacity Enhancement Plan– Orders – Issued.

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### **Highways & Minor Ports (HN2) Department**

G.O.(D) No.3

Dated: 05.01.2015

ஐய, மார்கழி 21, திருவள்ளூர்வராண்டு-2045

#### **Read:-**

- 1) G.O.(Ms).No. 127, Highways & Minor Ports (HN2) Department, dated 14.08.2013.
- 2) From the Project Director, Tamil Nadu Road Sector Project-II, Letter No. 1704/2014-Ag-5/SDO/TNRSP, dated 30.12.2014.

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#### **ORDER:-**

In the G.O first read above orders were issued constituting a Empowered Committee under the Chairmanship of Hon'ble Minister for Highways & Minor Ports Department for Tamil Nadu Road Sector Project-II for deciding, inter-alia, especially the "Finance plus elements" envisaged under the Tamil Nadu Road Sector Project-II including State Highway Department Initiatives (SHDI) for improving and maintaining the Core Road Network.

2. In his letter second read above, the Project Director, Tamil Nadu Road Sector Project-II has informed that, the Government of Tamil Nadu (GoTN) has proposed to improve 2079km of Core Road Network under the Tamil Nadu Road Sector Project II through World Bank and other funding sources. Tamil Nadu Infrastructure Development Board (TNIDB) has sanctioned an amount of Rs 65 Crore for project preparation for TNRSP II. Five Consultants have been engaged for DPR preparation and DPR preparation for 600km of road is already completed and for balance roads DPR will be ready by March 2015. World Bank has consented for funding the initial phase of the project covering 435kms of two lane roads under EPC mode and 165 km of four lane roads in PPP mode and the appraisal for the project is currently on. Loan negotiations for the World Bank loan are scheduled in second week of January 2015. The project components proposed under the Project includes Up-gradation, Maintenance adopting Output and Performance Based Road Contract (OPRC), Road safety and Institutional Capacity Enhancement (ICE) components. The World Bank in the interim mission during May 21 to June 2, 2014 held discussions with the Project Director TNRSP,

Director General (H), Chief Engineer (C&M) and other key staff on evolving ICE component for the Highways Department with a vision to achieve higher efficiency in funds allocation, utilization, enhance enterprise level efficiency, etc. A working committee was also formed to suggest measures to enhance efficiency in the functioning of the Department and WB team also held detailed discussions with the group. Based on the discussions, an ICE frame work with the objectives was outlined in the Aide memoire of May-June 2014 WB mission as annexed to this order. The above ICE Plan proposal was put up for consideration and in principle approval of the Empowered Committee. After consideration the Empowered Committee has accorded, in Principle approval for the Institutional Capacity Enhancement Plan.

3. The Project Director, Tamil Nadu Road Sector Project-II has therefore, requested the Government to issue orders for approving the Institutional Capacity Enhancement Plan in Principle.

4. The Government having carefully examined the proposal of the Project Director, Tamil Nadu Road Sector Project-II based on decision taken by the Empowered Committee, accord in Principle approval of "the Institutional Capacity Enhancement Plan" as detailed in the annexure to this order.

(By Order of the Governor)

Rajeev Ranjan,  
Principal Secretary to Government.

To

The Project Director, Tamil Nadu Road Sector Project-II, R.A.Puram, Chennai-28.

The Pay and Accounts Officer (South), Chennai-35

The Accountant General, Chennai-18/35

The Director General, Highways Department, Chennai-5.

**Copy to:-**

The Additional Special P.A.to Hon'ble Minister for Highways and Minor Ports, Chennai-9

The Private Secretary to Chief Secretary to Government, Chennai-9

The Private Secretary to Principal Secretary to Government,

Highways & Minor Ports Department, Secretariat, Chennai-9.

The Finance (PW I/ LC) Department, Chennai-9.

The Resident Audit Officer / O/o. Principal Accountant General,

(General and Social Sector Audit) Tamil Nadu, Secretariat, Chennai - 9

SF/SC

// Forwarded by Order//

Section Officer.

**Annexure to G.O.(D) No.3, Highways & Minor Ports Department,**  
**dated 05.01.2015**

**Institutional Capacity Enhancement Component**

1. Stepping up overall allocations for the sector, by about [15%] p.a. over the next five years.
2. Develop a toll policy linked to providing specific service levels and implementing them on high traffic CRN and four lane upgrading and adopting annuity mode for upgradation when toll mode of development is not viable.
3. Introduce e-procurement to enhance transparency in tendering and develop capacity to implement the same;
4. Gradually increasing the share of large contracts for upgrading 30-40km in length in the capital allocation using better contracting modes such as EPC, BOT Toll or modified annuity beginning with 10 to 15% in FY 15-16 to 40 to 50% over a period of 5 years.
5. Undertake a comprehensive study on PBMC approach in two years and if found beneficial gradually increase the share of PBMC contracts.
6. Strive to enhance adoption of Road Management System for selection of roads and budget allocations for maintenance and capital works;
7. Introducing e-billing and e-payment and use of PFMS for financial management;
8. Upgrading IT-ICT infrastructure such as RMS, PFMS, RADMS, GIS, augmentation of IT data storage systems, introducing, mobile applications and increased deployment in field offices
9. Provision for vehicle hire/purchase in Project estimates costing more than Rs 10 Cr so as to facilitate close supervision of the works by the Engineers in charge
10. Organizational Restructuring
  - a. Restructuring Jurisdictions based on geographic distribution, norms and quantum ability to handle implementation and enhance tender powers at different levels so as to ensure efficient working of the Highways department.
  - b. Creation of a Traffic Engineering and Road Safety Cell as a knowledge center for traffic and road safety, conducting regular traffic counts, dynamic traffic forecasting, preparation of Highway Master Plans, finding engineering solutions for reducing road accidents, black spot improvements and give training on technical advancement and updates.
  - c. Decentralize the decision making process by merging the NABARD & RR wing, Project Wing and C&M wing and creation of Regional Chief Engineers and single point contact for general public at field level so as to ensure efficient administration, decision making and service delivery as done in PWD and WRO.

- d. Revamping the designs and Investigation wing and create regional designs Divisions to support field execution wings in design of roads, bridges and culverts to ensure timeliness in completing designs, drawings and estimates.
- e. Create an exclusive Quality Control wing and regional Quality Control Circles and equip the officers with advanced equipments, vehicle etc so as to ensure Quality Assurance at all levels. It is also proposed to separate Research and Training wing from Quality control activities so as to make HRS as a Centre for Excellence in Highway Research.
- f. Re-designation of Director General Post as Engineer-in-Chief (Roads and Bridges) and keeping it one cadre above the Chief Engineer so as to have a Managerial Coordination and Control of the Department and make it vibrant.
- g. Other related measures so as to make the Department vibrant and able to handle present day challenges and need for ensuring safe and comfortable road transport.

11. Formation of Tamil Nadu State Highway Authority (TANSHA) as a Nodal agency for preparation of shelf of projects with a clear long term vision, handle sourcing of funds and implementation of for Corridor initiatives and PPP development in the State for achieving Vision 2023 objectives and implementation of State Highway Development Programme (SHDP) in the State in line with NHDP at the National level.

12. Formation of a "Institutional Enhancement Component and the Road Safety" ICERS Cell under DG Control to carry out intra and inter Departmental Coordination, micro planning on components, procurement and implementation and Review of ICE and Road Safety components task with following structure.

SI No	Post Name	No	Duties and Responsibilities
1	Superintending Engineer	1	Head of the Cell with responsibility for component planning, inter and intra Departmental Coordination, Procurement of components, implementation and review etc.
2	Divisional Engineer	1	Budgeting, bill payment, accounting etc
3	Assistant Divisional Engineer	2	For Assistance in preparation of ToR, RFP, communication, Procurement and payment.
4	Assistant Engineer	2	For Assistance in preparation of ToR, RFP, Procurement and payment.
5	Divisional Accountant	1	For assisting DE in budgeting, bill payment, accounting etc

13. Any other recommendation by members of the Empowered Committee

Rajeev Ranjan,  
Principal Secretary to Government.

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Section Officer.