



BUDGET BRIEFS

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Jal Jeevan Mission (JJM) Gol, 2021-22

Jal Jeevan Mission (JJM) is Government of India's (Gol's) rural drinking water programme to provide functional tap connections to every household for drinking, cooking, and other domestic needs on a sustainable basis by 2024. It subsumes the previous National Rural Drinking Water Programme (NRDWP).

Against the backdrop of the COVID-19 pandemic, this brief uses government data to report on:

- Gol allocations, releases, and expenditures;
- Component-wise trends;
- Progress on coverage; and
- The 100 days programme to ensure water supply in schools and Anganwadi Centres (AWCs).

Cost share and implementation:

Fund sharing ratios between Gol and states vary as per components. For 'Coverage', funds are shared in a 50:50 ratio. For 'Support Activities' and 'Water Quality Management System', the ratio is 60:40. For states in the North Eastern Region (NER) and Himalayan states, the ratio is 90:10.

HIGHLIGHTS

₹ 60,030 cr

Gol allocations for Department of Drinking Water and Sanitation (DDWS) in FY 2021-22

₹ 50,011 cr

Gol allocations for JJM in FY 2021-22

SUMMARY & ANALYSIS

- For Financial Year (FY) 2021-22, Gol allocated ₹50,011 crore for JJM, which is an increase of more than fourfolds from the previous year's Revised Estimates (REs). JJM now accounts for 83 per cent of total DDWS allocations for the year.
- In FY 2020-21, allocations were lower than the amount approved by the Cabinet. Gol allocated ₹11,500 crore Budget Estimates (BEs) for JJM. Despite additional funding of ₹12,000 crore through Extra Budgetary Resources (EBR), total funding (both Gol and EBR) was 32 per cent lower than the amount of ₹34,753 crore approved by the Cabinet for the year.
- Release of funds by Gol was slow in FY 2020-21. By the end of the third quarter, Gol had released ₹6,872 crore or only 30 per cent of its BEs.
- The scheme aims to provide all rural households with Functional Household Tap Connections (FHTCs) by 2024. As on 11 January 2021, a total of 6.4 crore or 41 per cent of rural households had been provided FHTCs. Goa is the first state in the country to provide FHTCs to all rural households in the state.
- On 2 October 2020, DDWS launched a 100-day campaign to provide Piped Water Supply (PWS) to all rural schools, AWCs, and *ashram shalas*. By 12 January 2021, new PWS connections were provided to 4.84 lakh rural schools and 4.3 lakh AWCs. PWS had been provided to every school and AWC in six states, including Andhra Pradesh, Haryana, and Himachal Pradesh.

- On 15 August 2019, Government of India (GoI) launched the Jal Jeevan Mission (JJM) with the aim to provide water supply through Functional Household Tap Connections (FHTCs) to every rural household at a capacity of at least 55 litres per capita, per day (lpcd) by 2024. JJM subsumes past efforts to ensure rural water supply, most recently the National Rural Drinking Water Programme (NRDWP) launched in 2009. It is implemented by the Department of Drinking Water and Sanitation (DDWS) under the Ministry of Jal Shakti (MJS).
- The broader objectives of the JJM are:
 - **Community-owned and driven operations and maintenance (O&M):** The Mission proposes a 10 per cent capital cost contribution towards in-village water supply infrastructure to ensure greater ownership within the community. Separate accounts are to be maintained for user charges at the village-level.
 - **Institutional reforms:** Strengthening State Water and Sanitation Missions, and District and Village level Water and Sanitation Committees, which are responsible for decentralised implementation.
 - **Prioritising quality-affected villages:** Provision of FHTCs in quality-affected areas and villages in drought prone and desert areas.
 - **Source sustainability:** Rainwater harvesting, groundwater recharge, and other water conservation measures along with 'grey' water management are to be undertaken in convergence with the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), and grants under the Finance Commission (FC).
- The COVID-19 pandemic highlighted the urgent need for clean water in rural areas. As per a writ petition order of the Supreme Court dated 3 April 2020, DDWS issued an advisory to states requiring them to ensure safe, potable water to all households, with priority to water deficient areas and vulnerable populations. Since social distancing and regular handwashing are among the most effective measures to contain the spread of the disease, states were advised to prioritise FHTCs to reduce clustering at places where people gather to fetch water, such as at public hand pumps, wells, public stand posts. GoI also revised the guidelines of the Disaster Management Act to permit water supply infrastructure activities to continue through the COVID-19 induced lockdown period.
- In the Budget Speech for FY 2021-22, GoI announced the launch of JJM for urban households with an allocation of ₹2.87 lakh crore over five years.
- This brief looks at the impact of the COVID-19 pandemic on both finances and the progress made in ensuring FHTCs to rural households.

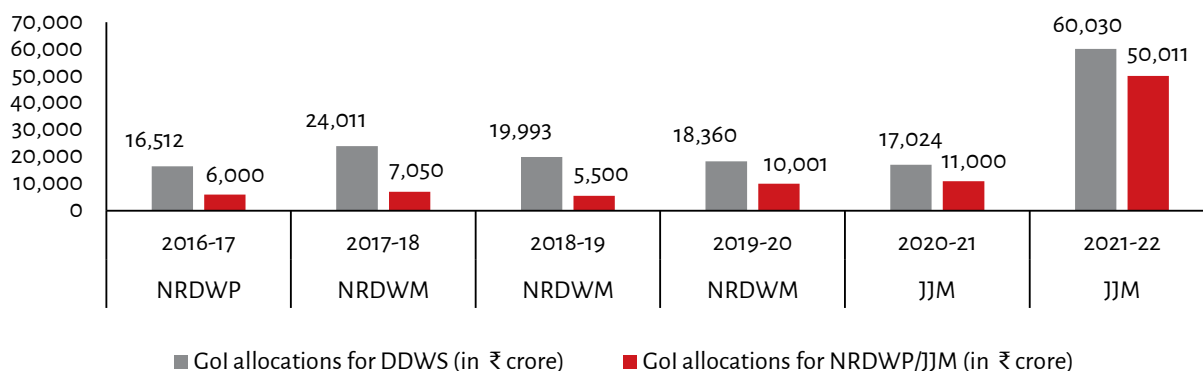
TRENDS IN OVERALL GOI ALLOCATIONS

Allocations

- The estimated budget for JJM for the five-year period 2020-24 was set as ₹3.6 lakh crore, out of which GoI's share is ₹2.08 lakh crore. Funding for the same is to come from multiple sources. This includes direct gross budgetary support or direct allocations for the scheme, and those mobilised through Extra Budgetary Resources (EBR).
- In FY 2019-20, GoI initiated a dedicated fund called the *Rashtriya Jal Jeevan Kosh* to receive contributions from individual donations, trusts, foundations, and Corporate Social Responsibility (CSR). Other sources of financing include: funds through convergence with other schemes, such as MGNREGS, and the Compensatory Afforestation Fund (CAMPA) to be used to create sustainable water resources; Members of Parliament and Members of Legislative Assembly funds for Local Area Development (MPLADs/MLALADs) for the development of village-level infrastructure, and 15th Finance Commission (FC) grants to Rural Local Bodies (RLBs).
- For FY 2021-22 Budget Estimates (BEs), ₹60,030 crore has been allocated for DDWS, which is an increase of more than threefolds from the previous year's Revised Estimates (REs). The increase in DDWS allocations were due to significant increases in allocations for JJM.

- For FY 2021-22, Gol allocated ₹50,011 crore for JJM, which is an increase of more than fourfolds from previous year's REs.
- The increase in allocations come on the back of significant shortfall in previous commitments. At the start of FY 2020-21, Gol had allocated ₹11,500 crore for the scheme, 67 per cent lower than the ₹34,753 crore approved for JJM for the year. Given this shortfall, EBR of ₹12,000 crore was proposed. Even with this, there had remained a shortfall of 32 per cent between approvals and BEs. Allocations for FY 2021-22, however, are higher than the approved figure for the previous year by almost 1.5 times.

GOI ALLOCATIONS FOR JJM IN 2021-22 INCREASED MORE THAN FOURFOLDS



Source: Union Expenditure Budget, Volume 2, MJS for FY 2017-18 to FY 2021-22. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 1 February 2021.

Note: Figures are in crores of Rupees and are Revised Estimates (REs), except for FY 2021-22 which are Budget Estimates (BEs). The figures do not include Extra Budgetary Resources.

- DDWS recognised the effect of the COVID-19 pandemic on the ability of both Gol and state governments to mobilise resources towards JJM, and advised states to focus on utilising unspent balances before claiming releases from Gol. DDWS proposed that states utilise the flexi fund available under JJM to meet drinking water needs arising due to the pandemic, and take measures to ensure that the essential service of water supply is maintained.
- Funds for JJM are also available through the 15th FC grants to RLBs. Out of the grants for RLBs, 60 per cent is tied for drinking water supply, rainwater harvesting, and sanitation. Between FY 2020-21 and FY 2025-26, ₹1.42 lakh crore has been allocated by the FC for this purpose.
- The FC had also stated that if a Gram Panchayat saturates its sanitation needs, then the entire tied fund (30 per cent for water-related needs and 30 per cent for sanitation) could be used towards water-related needs.

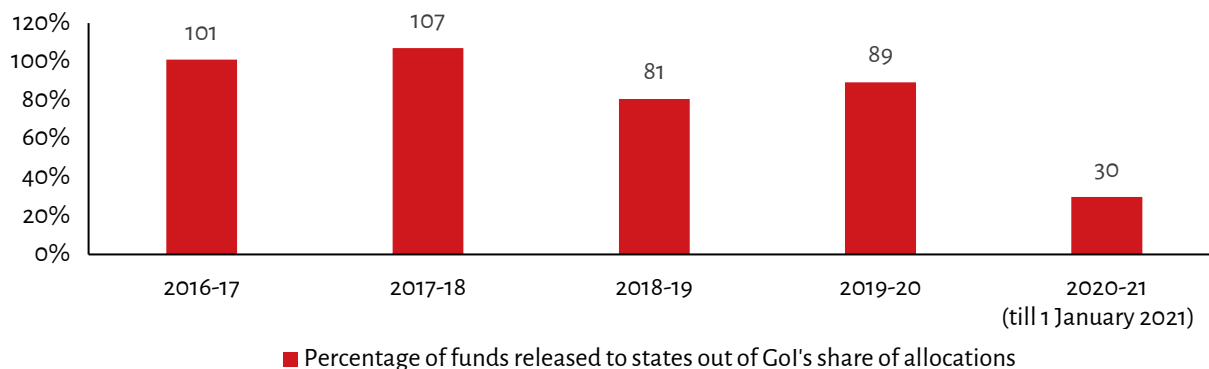
TRENDS IN STATE-WISE RELEASES AND EXPENDITURES

Releases

- State-wise allocations and releases are based on State Action Plans (SAPs) and Annual Action Plans (AAPs) submitted by states to the DDWS. SAPs are an aggregation of activities to be undertaken through bottom-up planning, starting at the village-level with the formation of a Village Action Plan (VAP). This is then collated into a District Action Plan (DAP) and further into a SAP. The AAP includes an estimation of financial requirements for the proposed activities, and this is submitted online each year in February through the Integrated Management Information System (IMIS).
- Once SAPs are approved, state-wise central shares to be released are determined using a formula. This takes into account the rural population as per the latest Census report, proportion of Scheduled Castes (SCs) and Scheduled Tribes (STs), weightage given to hilly states, drought-prone areas, and water quality-affected habitations.

- Data on releases and expenditures, including the EBR, are publicly available only for Gol's share. Since the scheme was started in FY 2019-20, a comparison has been made with the erstwhile NRDWP.
- In FY 2018-19, 81 per cent of Gol's share had been released to states. This increased to 89 per cent in FY 2019-20.
- The COVID-19 pandemic resulted in a slowdown of releases. In FY 2020-21, till 1 January 2021, Gol had released ₹6,872 crore or 30 per cent of its share of allocations.

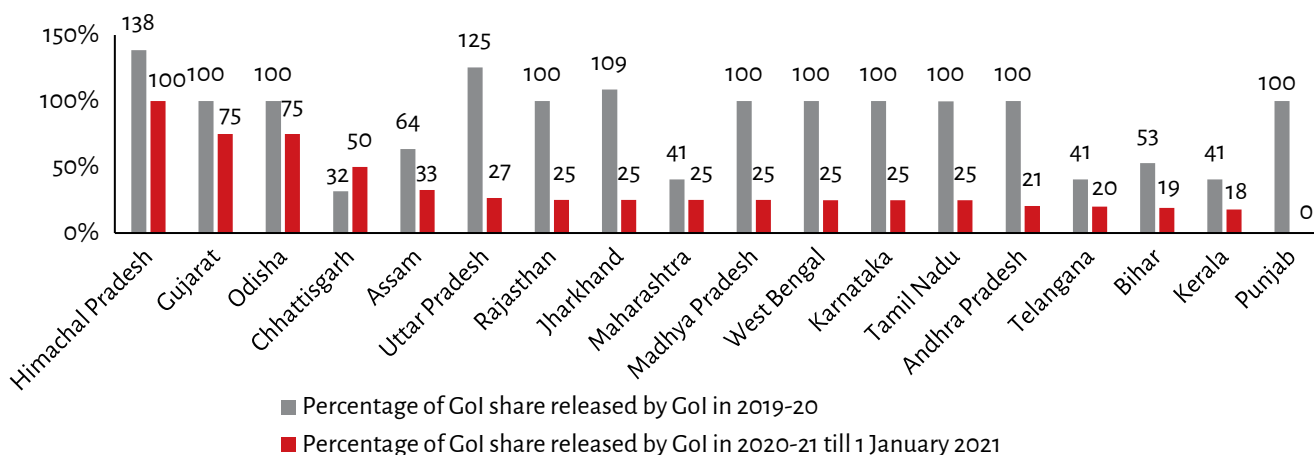
IN 2020-21, 30% OF GOI'S SHARE HAD BEEN RELEASED TILL 1 JANUARY 2021



Source: JJM IMIS system, Financial Progress, Format D1 – State wise Allocation, Release and Expenditure. Available online at: https://ejalshakti.gov.in/IMISReports/Reports/Financial/rpt_RWS_StatewiseAllocationReleaseExpenditure_S.aspx?Rep=0&RP=Y. Last accessed on 1 January 2021.

- There are, however, variations across states. Himachal Pradesh was the only state to have already received 100 per cent of Gol's allocated share for FY 2020-21 by 1 January 2021. Other states with relatively high releases included Gujarat and Odisha, at 75 per cent each.
- On the other hand, Punjab received no funds from Gol till 1 January 2021, despite receiving the complete amount allocated in the previous year. Other states with relatively low releases despite receiving full share in FY 2019-20 included Rajasthan, Madhya Pradesh, Karnataka, West Bengal, and Tamil Nadu.
- Interestingly, Gol releases to Chhattisgarh in FY 2020-21 as a proportion of its share exceeded the amount released in FY 2019-20 by 18 percentage points.

22 STATES AND UTs HAD RECEIVED LESS THAN HALF THEIR GOI SHARES TILL 1 JANUARY 2021

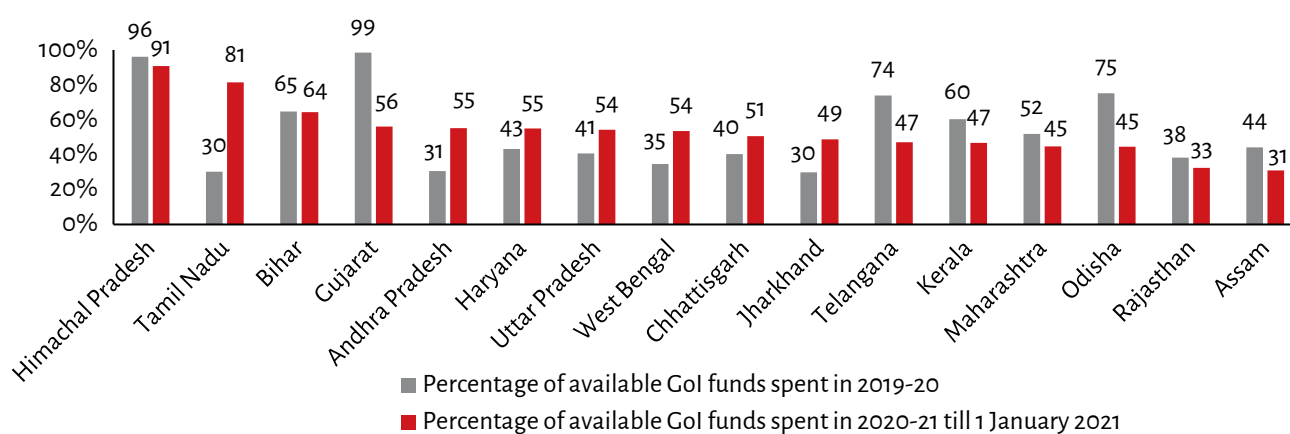


Source: JJM IMIS system, Financial Progress, Format D1 – State wise Allocation, Release and Expenditure. Available online at: https://ejalshakti.gov.in/IMISReports/Reports/Financial/rpt_RWS_StatewiseAllocationReleaseExpenditure_S.aspx?Rep=0&RP=Y. Last accessed on 1 January 2021.

Expenditures

- Total available Gol funds to states in a given financial year include Gol opening balances, Gol releases, and interest earned.
- Even prior to the pandemic, expenditures as a proportion of funds available were low. In FY 2019-20, only 48 per cent of Gol funds available were spent by states, down from 71 per cent spent under NRDWP in FY 2018-19.
- In FY 2020-21, till 1 January 2021, (three-fourths into the fiscal year) in terms of total quantum, states had spent 10 per cent more funds than the previous full fiscal year. This, however, amounted to 50 per cent of the total funds available. Low expenditures out of funds available were partly due to large opening balances lying with states, amounting to ₹6,432 crore at the start of the fiscal year.

16 STATES HAD SPENT LESS THAN 50% OF THEIR AVAILABLE GOI FUNDS IN 2020-21 TILL 1 JANUARY 2021



Source: JJM IMIS system, Financial Progress, Format D1 – State wise Allocation, Release and Expenditure. Available online at: https://ejalshakti.gov.in/IMISReports/Reports/Financial/rpt_RWS_StatewiseAllocationReleaseExpenditure_S.aspx?Rep=0&RP=Y. Last accessed on 1 January 2021.

- There are state variations. In FY 2019-20, 15 states and UTs spent less than 50 per cent of their total available Gol funds. Substantial unutilised funds remained in states such as West Bengal (₹1,146 crore), Rajasthan (₹995 crore), and Assam (₹452 crore).
- Similarly, in FY 2020-21, 16 states and UTs had utilised less than half their Gol available funds till 1 January 2021, including Kerala (47 per cent), Maharashtra (45 per cent), Odisha (45 per cent), and Rajasthan (33 per cent). Assam had one of the lowest expenditures out of total available Gol funds. In contrast, Himachal Pradesh had already utilised 91 per cent of its Gol available funds, and Tamil Nadu had utilised 81 per cent.

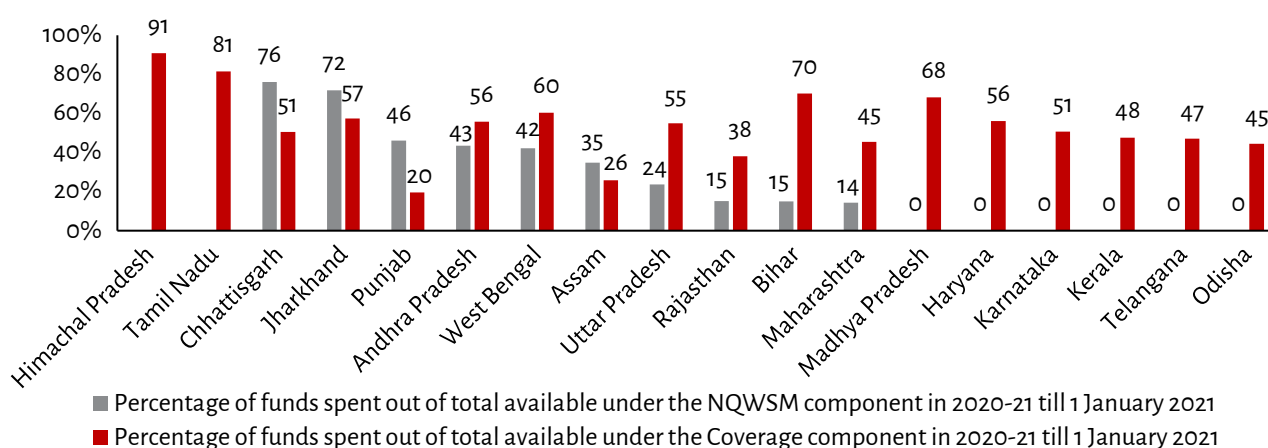
COMPONENT-WISE TRENDS

- Funds under JJM are given for three major components:-
 - o **Coverage:** Funds are given for infrastructure provision under FHTCs.
 - o **National Water Quality Sub-Mission (NWQSM):** Launched in March 2017, the NWQSM aims to provide safe drinking water to 27,544 arsenic and fluoride affected habitations. Previously under the NRDWP, it has now been subsumed under JJM. As of February 2020, it is applicable in 16 states where arsenic/fluoride affected habitations have been identified. Under the NWQSM component, Gol gives states the flexibility to allocate 10 per cent of their total allocations to habitations affected by chemical contaminants. NWQSM will come to a close on 31 March 2021.

o **Japanese Encephalitis - Acute Encephalitis Syndrome (JE-AES):** Sixty high-priority districts across five states - namely Assam, Bihar, Tamil Nadu, Uttar Pradesh, and West Bengal - which are the most affected with JE-AES, have been identified by Ministry of Health and Family Welfare (MoHFW). These states can allocate 0.5 per cent of Gol's share to protect against JE-AES.

- In FY 2019-20, 97 per cent of total JJM allocations were towards Coverage, 2 per cent was provided for NWQSM, and 0.5 per cent for JE-AES. For NWQSM, the allocations were concentrated only in Rajasthan.
- Releases were high for NWQSM (100 per cent) and Coverage (85 per cent). On the other hand, only 47 per cent of funds allocated to JE-AES were released in FY 2019-20.
- In FY 2020-21, the focus was on Coverage with 99 per cent of total Gol allocations going to it. Release of funds, however, slowed down with only 29 per cent of allocations released. JE-AES funds were only released to Uttar Pradesh despite allocations for Assam, Bihar, Tamil Nadu, and West Bengal. In contrast, the entire allocations for NWQSM were already released by 1 January 2021.
- There are also variations in the proportion of available Gol funds spent across the different components. In FY 2019-20, while 98 per cent of funds available for JE-AES were utilised, proportions for Coverage and NWQSM remained low at 51 per cent and 23 per cent, respectively.
- The trend was a little different in FY 2020-21, and more funds were spent till 1 January 2021. For instance, expenditure increased by 1 percentage point for Coverage and by 9 percentage points for NWQSM.
- Till 1 January 2021, three states had spent a high proportion of funds available for Coverage: Himachal Pradesh (91 per cent), Tamil Nadu (81 per cent), and Bihar (70 per cent). In contrast, utilisation was low in Kerala (48 per cent), Telangana (47 per cent), and Odisha (45 per cent).
- For NWQSM, Chhattisgarh spent the highest proportion at 76 per cent, followed by Jharkhand (72 per cent). While Bihar and Madhya Pradesh had spent 70 per cent and 68 per cent, respectively, of their available funds for Coverage, expenditure for NQWSM was low. Bihar spent only 17 per cent and Madhya Pradesh did not spend any funds available for this component.
- Despite having funds available in the form of opening balances, Haryana, Karnataka, Kerala, Madhya Pradesh, Odisha, and Telangana did not spend any funds towards NQWSM in FY 2020-21 (till 1 January 2021).

13 STATES & UTs SPENT LESS THAN 50% OF THEIR GOI FUNDS AVAILABLE FOR THE COVERAGE COMPONENT IN 2020-21, TILL 1 JANUARY 2021



Source: JJM IMIS system, Financial Progress, Format D1 – State wise Allocation, Release and Expenditure. Available online at: https://ejalshakti.gov.in/IMISReports/Reports/Financial/rpt_RWS_StatewiseAllocationReleaseExpenditure_S.aspx?Rep=O&RP=Y. Last accessed on 1 January 2021.

TRENDS IN COVERAGE

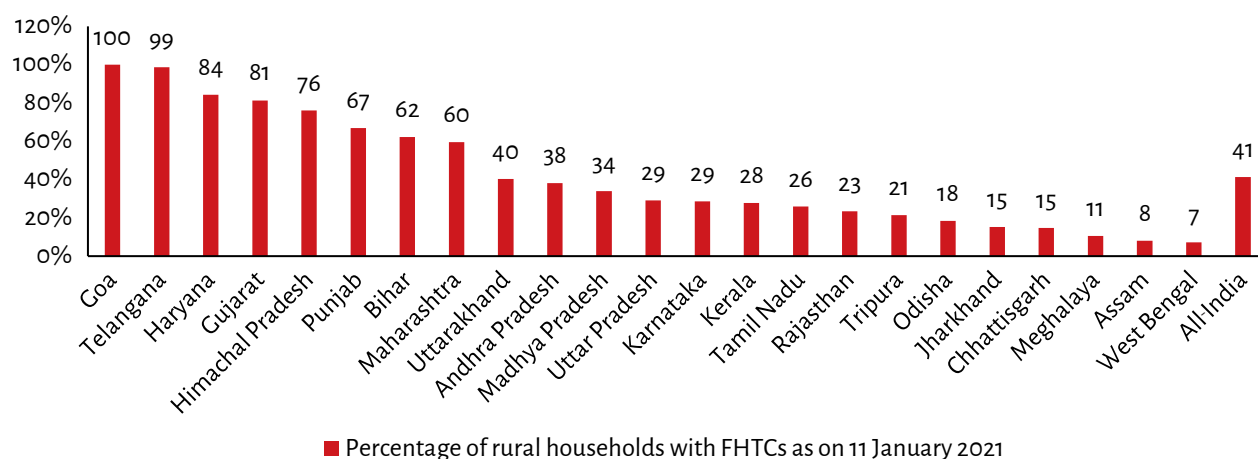
Litres per capita, per day (lpcd)

- JJM aims to provide 55 lpcd to households, up from 40 lpcd in the 11th Five Year Plan. As on 1 April 2020, using the 40 lpcd norm, 11 states and UTs had coverage of over 80 per cent. This dropped to five states and UTs using the 55 lpcd norm, including Gujarat, Jharkhand, Madhya Pradesh, and Telangana.

Har Ghar Jal

- *Har Ghar Jal* aims at providing FHTCs to every rural household by 2024. The programme focusses on service delivery at the household-level through regular water supply in adequate quantity, defined under JJM as 55 lpcd, and of prescribed quality. This necessitates the use of modern technology in planning and implementation of water supply schemes, development of water sources, treatment, and supply of water.
- In FY 2020-21, prior to the COVID-19 pandemic, several states had committed to achieve the declared targets for JJM well before the 2024 deadline. For instance, Bihar, Goa, and Telangana had planned for complete coverage of rural households by 2021. The COVID-19 pandemic, however, has impacted the scheme's finances, targets, outputs, and outcomes.
- From the launch of JJM in August 2019 to the end of FY 2019-20, 85 lakh rural households were provided with new tap connections. Provision of FHTCs continued in FY 2020-21. From the scheme's launch till 11 January 2021, a total of 6.4 crore rural households had been provided FHTCs. This accounted for 41 per cent of rural households, up from 24 per cent in FY 2019-20 (prior to the scheme's launch).
- As on 11 January 2021, Goa was the first state in the country to provide FHTCs to all rural households in the state. Other states with high coverage included Telangana (99 per cent), Haryana (84 per cent), and Gujarat (81 per cent). On the other hand, less than 20 per cent of rural households had FHTCs in Odisha (18 per cent), Jharkhand (15 per cent), Chhattisgarh (15 per cent), Meghalaya (11 per cent), Assam (8 per cent), and West Bengal (7 per cent).

AS ON 11 JANUARY 2021, 41% OF THE RURAL HOUSEHOLDS HAD FHTCS



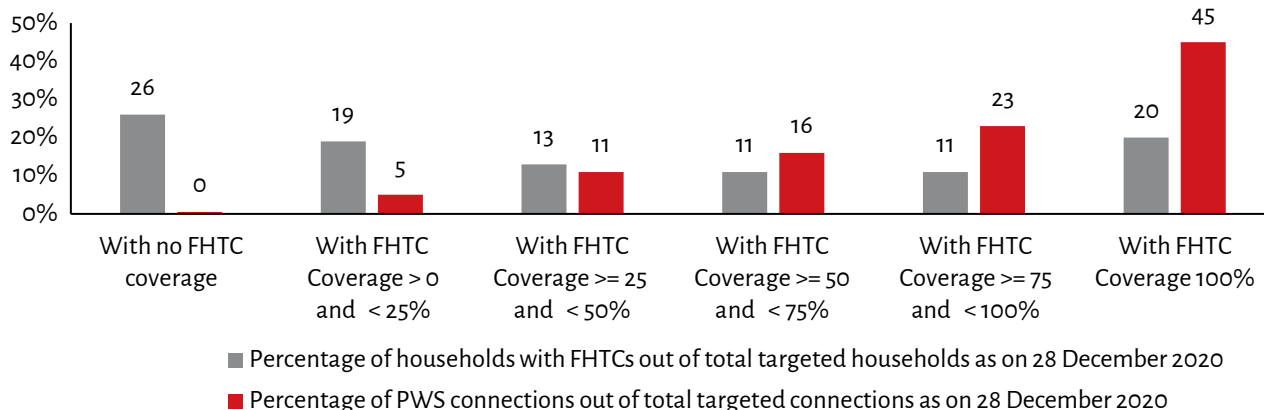
Source: JJM IMIS system, Format C30: Population having FHTCs. Available online at: https://ejalshakti.gov.in/IMISReports/Reports/Physical/rpt_RWS_StateWiseTapConnection.aspx?Rep=O&RP=Y. Last accessed on 11 January 2021.

Habitation-wise FHTC coverage

- A village is declared a '100 per cent FHTC village' if every household (across all wards or habitations) listed in the baseline is provided an FHTC and all targeted Piped Water Supply (PWS) connections are in place.

- As on 28 December 2020, 2.02 lakh targeted habitations or 20 per cent of the targeted households were fully covered with FHTCs. Similarly, of the total targeted PWS household connections, 45 per cent had achieved 100 per cent coverage. On the other hand, 26 per cent of the targeted households had no access to FHTCs.

20% OF THE HABITATIONS WERE COVERED WITH 100% FHTCS AS ON 28 DECEMBER 2020

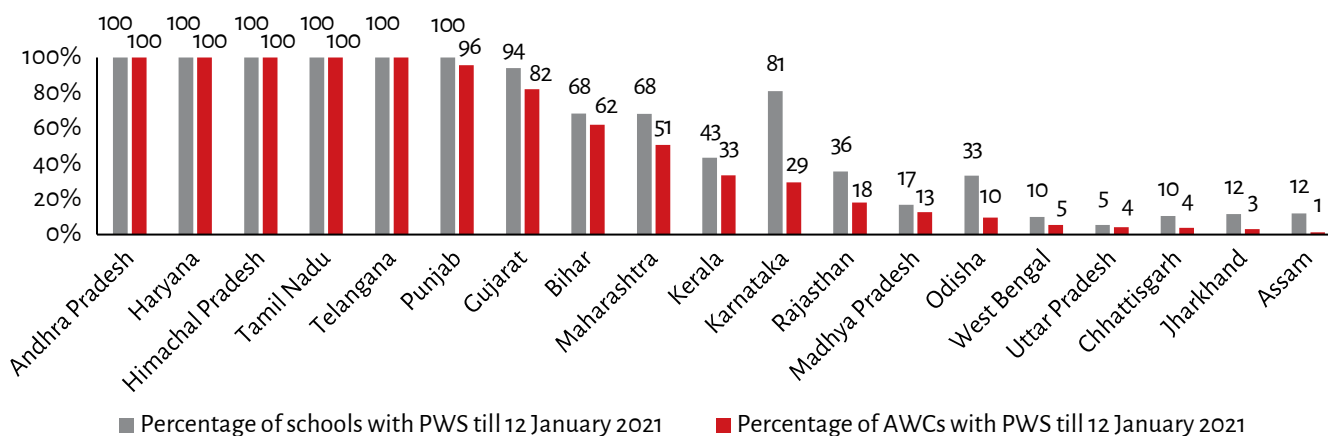


Source: JJM IMIS system. Habitation wise FHTC coverage. Available online at: https://ejalshakti.gov.in/imisreports/Reports/Physical/rpt_RWS_FHTCCoverage_S.aspx?Rep=0&RP=Y. Last accessed on 28 December 2020.

100 days mission-mode campaign to provide potable PWS in schools and Anganwadi Centres (AWCs)

- On 2 October 2020, MJS launched a mission-mode campaign to provide potable PWS in all rural schools and AWCs in the country within 100 days. The campaign was spearheaded by state Public Health Engineering Departments (PHEDs) and involved Gram Panchayats and their sub-committees, along with the departments of Education, Women and Child Welfare, and Tribal Welfare.
- From 2 October 2020 to 12 January 2021, 9.14 lakh new PWS connections were provided under the campaign to 4.8 lakh rural schools and 4.3 lakh AWCs. Andhra Pradesh, Goa, Haryana, Himachal Pradesh, Tamil Nadu, and Telangana have become the first six states to provide every school and AWC with PWS. On the other hand, coverage for both schools and AWCs was less than 15 per cent in Assam, Jharkhand, Chhattisgarh, Uttar Pradesh, and West Bengal.

12 STATES & UTs HAD PWS IN LESS THAN 50% OF SCHOOLS; 19 STATES & UTs HAD PWS IN LESS THAN 50% OF AWCs



Source: Tap water supply in schools and AWCs. Available online at: https://ejalshakti.gov.in/jjmreport/School/JJMSchool_India.aspx. Last accessed on 12 January 2021.