

**GOVERNMENT OF INDIA  
WATER RESOURCES  
LOK SABHA**

UNSTARRED QUESTION NO:595  
ANSWERED ON:26.07.2000  
CESS ON IRRIGATION PROJECTS  
A. VENKATESH NAIK;RAMSHETH THAKUR

**Will the Minister of WATER RESOURCES be pleased to state:**

- (a) whether the Union Government have directed the State Governments to collect cess from farmers, beneficiaries under the various irrigation projects being funded by the World Bank;
- (b) if so, the reasons therefor and the State which have followed above directions;
- (c) the steps taken by the Union Government to safeguard the interest of poor farmers;
- (d) whether Centre has also agreed to help and assist the State Governments in completing the irrigation projects in the States; and
- (e) if so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SMT. BIJOYA CHAKRAVARTY)

(a) to (e) Water being a State subject, irrigation projects are planned, funded and executed by the State Governments. Water rates for irrigation are also fixed by the State Governments. In pursuance of the legal covenant under the financing agreement signed by the respective State Governments with the World Bank, collection of water charges to cover the operation and maintenance cost and participation of farmers/beneficiaries in the management of the respective projects/schemes in the phased manner is taken care of by the concerned states. The World Bank assistance is transferred to the State Governments by Government of India in the form of Additional Central Assistance i.e. 70% loan and 30% grant in case of General States and 90% grant and 10% loan in case of Special Category States. Union Government also extends Central Loan Assistance to the State Governments for completion of irrigation projects under Centrally sponsored Accelerated Irrigation Benefit Programme (AIBP). The assistance under AIBP is given on sharing basis i.e. 2/3 Central Government and 1/3 by State Government in case of General States and  $\frac{3}{4}$  by Central Government and  $\frac{1}{4}$  by State Governments in case of Special Category States and drought prone KBK districts of Orissa.