

# Governance Mechanisms for a Cluster-Approach to FSM Service Delivery in Tamil Nadu, India

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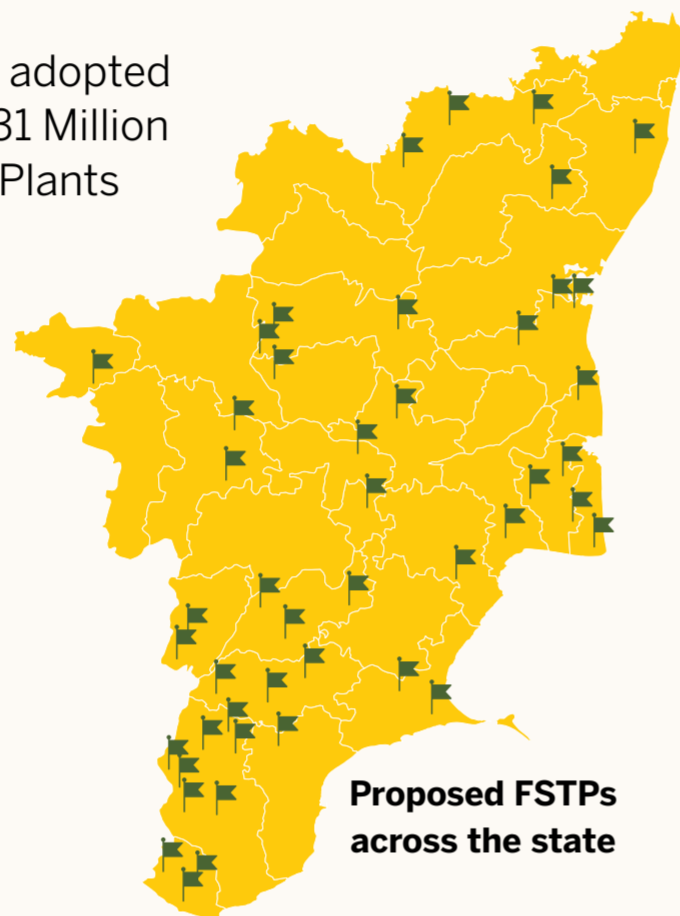
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## Context

- De-sludging operators often resort to open dumping in storm water drainage systems or nearby surface water bodies.
- The shortage of adequate and appropriately located disposal facilities was a significant reason for the prevalence of unsafe disposal which in turn causes severe environmental pollution and contamination of water bodies.
- A State Investment Plan (SIP) adopted to create treatment facilities within reasonable distance from customer sites and scale across the state on the basis of the cluster approach.
- Government of Tamil Nadu (GoTN) adopted SIP and allocated a budget of USD 31 Million to build 60 Fecal Sludge Treatment Plants (FSTPs) across the state.

Urbanisation Structure in Tamil Nadu		
ULB	No.	% of Population
Corporations	12	43%
Municipalities	124	32%
Town Panchayats	528	25%
<b>Total</b>	<b>664</b>	<b>100%</b>

Source: Census 2011



Proposed FSTPs across the state

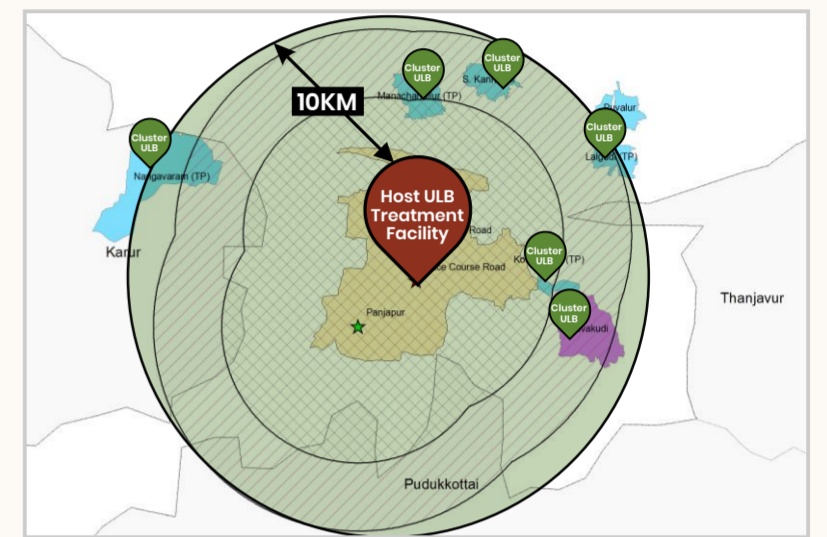
## Cluster Approach

- In the cluster approach, the Urban Local Bodies (ULBs) in Tamil Nadu, are clustered around existing treatment or proposed facilities (STPs or FSTPs) within a radius of 10 km.
- The 10 km radius of cluster was identified through discussions with de-sludging operators across the state, as the optimum travel distance from customer sites to disposal / treatment facilities.

A cluster contains:

- 'Host ULB' i.e. the ULB where the treatment facility is located.
- 'Participating ULBs' i.e. ULBs that cluster around the said treatment facility.

Clustering to optimise ULB capacity & investment requirements



The GoTN established the need to formalise the cluster approach and establish mechanisms to govern the operationalisation of the approach.

The GoTN issued two governance mechanisms in May 2020 through Government Order (G.O (2D) 35):

- Memorandum of Understanding (MoU)
- Standard License Agreement (SLA)

## Adoption of Two Governance Mechanisms

### Memorandum of Understanding

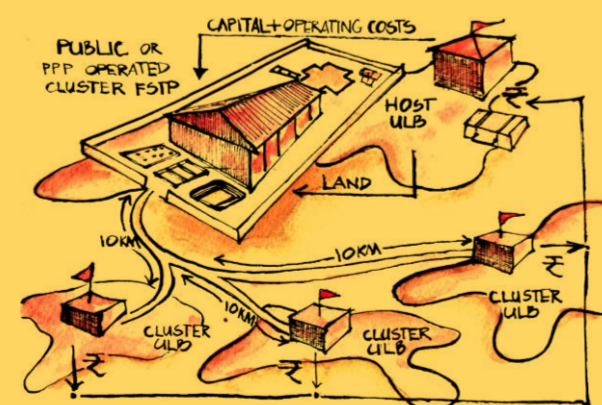
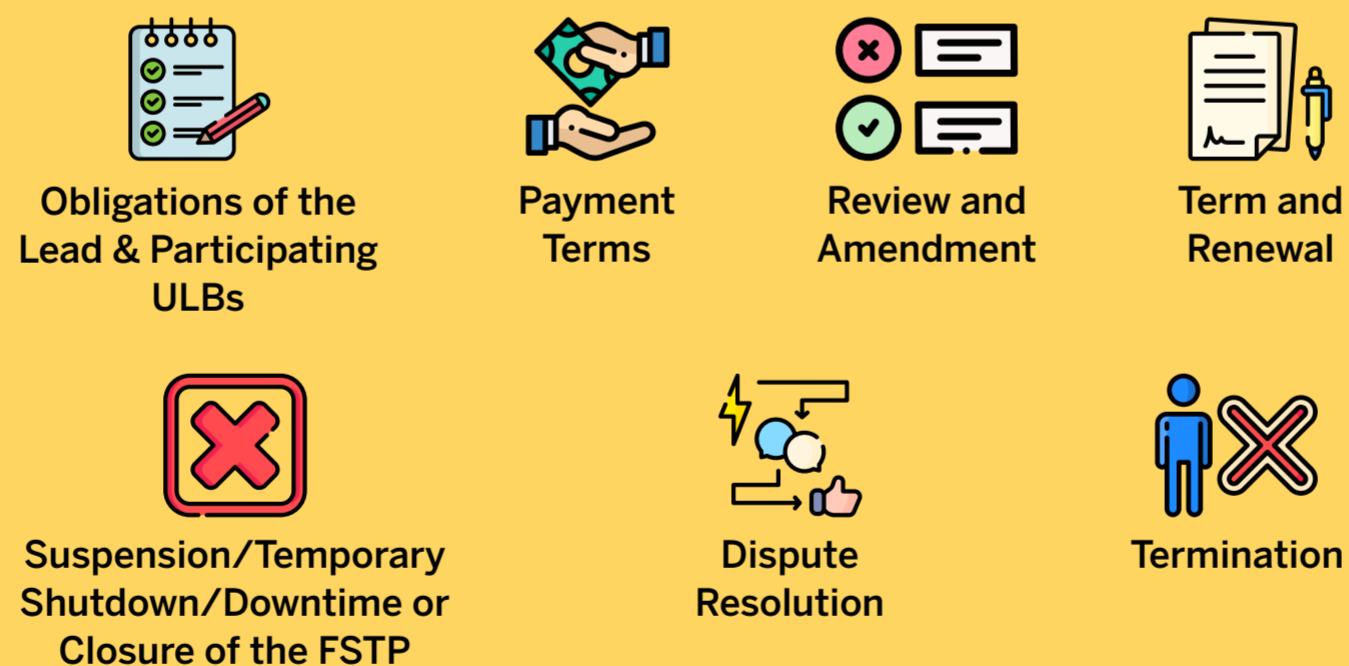
The MoU formalises the working arrangements between cluster ULBs for the use of shared treatment facilities including sharing cost of O&M.

Encourages usage of treatment facilities, whilst affording Host ULBs the right to recover costs of operating and maintaining these facilities.

Establishes a rule and process by which O & M costs are shared between the ULBs served by an FSTP.

**Objective:** To maximise utilisation of these treatment facilities and enable sharing of Operation and Maintenance (O&M) costs for financial sustainability of the treatment systems to ensure sustained delivery of FSM services within these ULB clusters.

### Salient features of the MoU:



The MoU assigns Host and Participating ULBs the responsibility of ensuring that all de-sludging operators operating within their jurisdiction are licensed.

### Standard License Agreement

The SLA for private desludging operators regulates the collection and conveyance process, ensuring safe disposal of fecal sludge and septage.

### Salient features of SLA

- Provides desludging operators with access to larger market through the cluster approach.
- Nominal Tipping and License Fees that reduce financial burden and promotes utilisation of treatment facilities.
- Mandates training on Occupational Health and Safety to improve the health and safety of de-sludging workers.
- Allows ULBs to track disposal by mandating operators to equip vehicles with approved GPS devices.
- Prohibits the disposal of non-domestic waste at FSTPs and STPs.
- Mandates ULBs to publish a list of licensed operators and provide public recourse to grievance redressal.

## Learnings and Challenges

The cluster approach has been critical to scaling FSM in Tamil Nadu. It facilitates smaller ULBs to share treatment facilities with larger, better-equipped ULBs, thereby optimising the use of the existing and upcoming treatment infrastructure.

Given the nascent state of FSM and the few precedents, the implementation of first-of-its-kind governance mechanisms is likely to be an iterative process that incorporates lessons learnt along the way.

Building capacity as well as developing unique implementation and monitoring approaches is key to operationalise, and ensure effective enforcement and sustainability of the governance mechanisms.

