

Strategic Management Team Monthly Review – December 2016

Progress against Implementation Year 3 Targets = 79.10%

Result	This month		IY3 Cumulative progress to date	% IY3 Target	IY3 Target (Mar 2017)
	Target	Progress			
Employment (days)	40,000	51,650	1,108,952 employment days	76.71	+1,400,000 employment days
LRN (km)	2,000	2,216	2,216 km DRCN maintained	110.80	2000 km DRCN maintained
	2.20	1.15	8.95 km 2.5m track opened	52.65	+17 km at 2.5m track opened
	0.80	0.74	On-going		
	4.00	3.88	22.90 km 3.5m track opened	76.33	+30 km at 3.5m track opened
	3.00	4.13	On-going		
	4.20	4.27	24.81 km 4.5m full widening	82.70	+30 km at 4.5m full widening
	3.00	3.44	On-going		
CONNECT	13%	12%	86% work plan delivered	N/A	100% work plan delivered
Capacity Building	300	687	4,719 training days	81.36	+5,800 training days
	Positive increase year on year		82% satisfaction (Aug 2015)*	100	+5% in satisfaction
	Positive increase year on year		6.52 District CIM Score (Aug 2016)*	100	Increase in District CIM Score

Time elapsed in Year 3 = 78.57%

Key Issues: SED targets are suspended and implementation of Connect programme with input based approach started from June 2016. Recast LogFrame to be adopted after DFID's approval.

In view of extended IY3 implementation period to mid-July 2017, progress is reported against targets provisionally set for Mar 2017 and will continue reporting until LF milestone targets are agreed for programme extension.

*Measured in August each year: CIM scores for 2014 & 2015 were 6.73 & 7.05 for Pilot districts and 5.09 & 5.81 for Core districts with average 5.77 & 6.34 for 14 districts.

Financial Progress against IY3 Budget = 74.49%

Amount (UK£)

Component	INVOICED this month (December 2016)	Third Year Cumulative Total	FORECAST for next month (January 2017)
Output 1 (Employment days):	170,699.62	2,001,582.15	390,500.00
Output 2 (LRN):	384,968.39	2,276,853.52	311,000.00
Output 3 (CONNECT):	31,728.69	158,876.23	30,000.00
Output 3 (Safeguard):	10,234.37	54,463.10	10,000.00
Output 4 (CBID):	33,496.75	113,841.18	17,500.00
PMV	41,313.38	289,497.79	15,424.19
Other – TA	79,644.63	1,075,202.17	67,131.63
OVERALL	752,085.83	5,970,316.14	841,555.82

Key issues:

(Do we need to revise any DLIs or the amounts allocated to them?) Output 3 – to be invoiced on actual costs and others on result based. Unit rates are based on DFID approved rates. Trimester milestones is charged £25,889.19, upon submission of the trimester progress report in Nov-16, as approved in Amendment 5.

Quality Management

Field Verification Works	Number	Actions taken
Field verifications conducted this month	22	
Total field verifications conducted to date in IY3	148	
Audit	Number	Key issues / Actions required
Audits conducted this month	1	Audit approach targeted at key issues/risks.
Total Audits Conducted to Date in IY3	26	Planning and Monitoring of LRN, Connect, Safeguard and M&E at TMO.

Key issues:

(Feedback arising from audits and opportunities for continual improvement. Any actions required?) Of the 6 issues raised by the audit in the reporting month, all issues are related to RAP3 management. Total issues raised by audit up till Dec since the beginning of the programme has reached at 176 and 155 issues have been settled as the part of continual improvement by the management with 21 issues in hand.

Monthly Review
Narrative

Core New Construction – New construction of 97.5km road in HUM, MUG, KAL and BAJ is on-going.

RBGs remobilised after celebrating two festivals and agricultural harvesting in all districts. Most of RBG members reengaged in construction works in BAJ, KAL and in one road corridor of HUM, whereas in Salisalla Darma, the other road corridor of HUM and in MUG road RBGs attendance remained at 80% and expected to increase in the next month. Hand drills for rock breaking works are also being used in these districts.

Road Maintenance – RMG road maintenance in 10 districts (5 core - ACH, DAI, DOT, DAD & JUM and 5 pilots – PAR, SAN, SIN, MOR & JHA) continued as planned.

As decided in the RAP3 SC meeting on 28 Nov 2016, GON will provide additional NPR 70 million in this FY to meet budget shortfall of RMG maintenance works in pilot districts. RAP providing “Light Touch” TA in SAN, SIN and DAD.

Arrangements made for the continued road maintenance supervision by recruiting mid- and low-level technical support consultant staff directly under the programme.

RAP3 TA for Road Improvement Works – The RAP3 technical assistance on construction supervision of contract works implemented using GoN funds through DDF in JHA, MOR and PAR districts is on-going. Improvement works of DOT district completed.

The last meeting organised by DDC Morang with the contractor in the presence of the DoLIDAR PC and RAP3 agreed to appoint an independent expert to come up with alternate proposal after field assessment by the DDC. The DDC Morang has yet to formally move in appointing an independent expert.

Contractors restarted works in JHA, MOR & PAR stopped during monsoon and festivals.

Procurement – Contract agreements to supply tools and materials for SMG road maintenance works signed.

Supplies of G.I. wires and boxes in KAL and BAJ and First Aid Kits complete. Supplies of G.I. wires and boxes in HUM and MUG and gumboots in new construction districts ongoing.

RAP3 CONNECT – Connect programme in 5 core districts (ACH, BAJ, DAI, DOT and JUM) is on-going.

- MSME #1 Aastha General Store & Suppliers (AGS), Jumla - 31 Micro Business Clusters (MBCs) across 5 VDCs formed, oriented on Yuva Bayu (CYBs) and 93 CYBs selected across 31 MBCs.
- Negotiations initiated with Bhatbateni Super Market (BBSM) to supply 8MT of mixed Jumli beans currently in stock with AGS.
- MSME #2 Unilever Nepal Limited (UNL) appointed 2 full time women supervisors to oversee Cluster 1 and 2 based in Dailekh Bazaar and Dipayal and 4 Hamri Didis (2 each in Doti and Dailekh) sourced start-up capital from personal funds.
- MSME #3 Belpata Dairy Cooperative (BDC) - The 2-week pilot with downstream suppliers has been completed.
- MSME #5 Organic Mountain Flavour Private Limited (OMF) - Facilitated completion of credit assessment by Prabhu Bank.
- EE #3 DCCI Policy Reform Paper seeking 50% reservation of seats for women on the Executive Committee is endorsed by the District Chamber of Commerce and Industry, Doti.
- Off work plan developments include - 3 MOUs signed with technical schools for recruitment of interns and The DNET Global delegation reconnaissance visit to assess feasibility of replicating the Infolady model in CONNECT districts has begun.

Safeguards – Social mobilisation, workers’ and work site safety in all programme districts and group saving and credit schemes in new construction corridor districts are continued.

This month First Aid Kit medicines replenished in all new construction districts. Rehabilitation works of damages of public utilities-foot trails, water supplies, irrigation channels and dwellings and agricultural land due to construction works in all new construction roads ongoing. Environmental management and climate resilience measures continued in new construction corridors.

Capacity Building – CPD programme continued in all programme districts. Preparation of next year’s ASPs on-going. 1 year extension contract to run “Bikash Ko Baato” through local FM stations.

Support to DoLIDAR on digitisation of DRCN maps continued and publication of Rural Road Statistics ongoing. Map digitisation works of all (75) districts completed. NEC on Professional Engineering programme is under review.

PMV –Continual improvement actions on 21 issues are being taken through management and district levels. Of the 132 total issues raised by external financial auditor 127 issues are settled and management actions are ongoing for the remaining.

Actions on issues raised in the internal audits are ongoing. Issues related to preparation of safeguard guideline and brief notes on RBG saving and credit are underway and need to develop a common approach of ARAMP preparation applicable to all projects of DoLIDAR is under consideration.

Risks and Mitigations – Mitigation measures on risks taken by the programme include as per the following:

- *RMG budget shortfall in road maintenance districts* – RAP3 Steering Committee meeting held on 28 Nov 2016 decided to meet shortfall of RMG maintenance budget by NPR 50 million from GoN source for current FY and agreed to internalise RMG maintenance works in pilot districts in GoN agencies from next FY;
- *Donation demand* – Donation drives to operate party programmes by CPN Maoist (Biplav) reinitiated in some western districts; and
- *Delay on VAT refund to the RAP3 partners* – Despite continuous follow up NPR 28.8 million is still pending in IRD GoN on VAT refund requests made by the programme. Total VAT amount released by IRD in this month was NPR 9.8 million, which is encouraging compare to the earlier amount of refunds.

Others – Recast Logical Framework for extended programme implementation to be adopted after determining milestone targets with DFID.

DTMP - 19 out of 20 additional districts are complete with Sarlahi waiting for the final approval.

EIA study report of Mugu Humla link road – Approved by MOPE.