

Strategic Management Team Monthly Review – January 2017

Progress against Implementation Year 3 Targets = 96.04%

Result	This month		IY3 Cumulative progress to date	% IY3 Target	IY3 Target (Jan 2017)
	Target	Progress			
Employment (days)	161,500	191,671	1,300,623 employment days	130.06	+1,000,000 employment days
LRN (km)	2,000	1,944	2,216 km DRCN maintained	97.20	2000 km DRCN maintained
	1.60	1.70	12.0 km 2.5m track opened	70.59	+17 km at 2.5m track opened
	1.00	1.06	On-going		
	1.40	1.27	24.17 km 3.5m track opened	83.34	+29 km at 3.5m track opened
	5.00	4.02	On-going		
	2.00	1.71	26.52 km 4.5m full widening	91.45	+29 km at 4.5m full widening
	5.00	5.20	On-going		
CONNECT	13%	13%	99% work plan delivered	N/A	100% work plan delivered
Capacity Building	400	403	5,776 training days	99.59	+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 = 100%

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.

New construction progress delayed by protracted monsoon.

*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 = 92.27%

Amount (UK£)

Component	INVOICED this month (January 2017)	Third Year Cumulative Total	FORECAST for next month (February 2017)
Output 1 (Employment days):	460,010.40	2,461,592.55	292,800.00
Output 2 (LRN):	290,679.11	2,567,532.63	330,043.07
Output 3 (CONNECT):	31,745.77	190,622.00	38,000.00
Output 3 (Safeguard):	5,673.93	60,137.03	15,000.00
Output 4 (CBID):	19,649.48	133,490.66	14,627.40
PMV	1,288.16	290,785.95	29,560.22
Other – TA	67,131.63	1,142,333.80	67,131.63
OVERALL	876,178.48	6,846,494.62	787,162.32

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.

Spend reduced mainly due to savings from in-house supervision staff replacing supervision consultants.

Quality Management

Field Verification Works	Number	Actions taken
Field verifications conducted this month	37	
Total field verifications conducted to date in IY3	185	
Audit	Number	Key issues / Actions required
Audits conducted this month	0	Audit approach targeted at key issues/risks.
Total Audits Conducted to Date in IY3	26	

Key issues:

(Feedback arising from audits and opportunities for continual improvement. Any actions required?) Total issues raised by audit up till Dec 2016 since the beginning of the programme has reached at 176 and 166 issues have been settled as the part of continual improvement by the management with 10 issues in hand.

Narrative

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

Most of RBG members reengaged in construction works in BAJ, KAL and HUM, whereas in MUG road RBGs' attendance remained at 80%. Hand drills for rock breaking works are also continued in these districts.

Detailed engineering survey of entry sections of RAP3 roads bulldozed by DDCs in MUG and BAJ complete. Rehabilitation works to be followed after completion of design works in MUG, including land take works in the case BAJ soon. Length of entry sections is 3.1km in MUG and 1.8km in BAJ with a total of 4.9km of rehabilitation works.

Road Maintenance – RMG road maintenance in 10 districts (5 core - ACH, DAI, JUM & DOT except DAD and 5 pilots – SAN, SIN, MOR & JHA except PAR) continued as planned. RMG maintenance in PAR stopped from 1 Jan-17 and in DAD it will discontinue from 1 Feb-17 due to unavailability of fund supposed to be released from the GoN source.

Approval of additional fund to meet budget shortfall of RMG maintenance works in pilot districts for the current FY from GON is underway and expected to be finalised soon. Allocated budget of NPR 20 million for the current FY from GON source to run out from Feb-17 in most of the pilot districts.

RAP providing “Light Touch” TA in SAN, SIN and DAD. Arrangements made for the continued road maintenance supervision by technical staff recruited 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 and MOR districts on-going. Improvement works of DOT district completed and PAR district substantially completed.

The DDC Morang requested DoLIDAR to form a panel of independent experts to re-examine defective works of the contractor and recommend corrective measures. The DoLIDAR is expected to act on DDC's request soon.

Procurement – Procurement process of hand drill spare parts on-going. Contract for supply of gumboots extended due to demonetisation of IR 500 and IR 1000 notes effects in India on manufacturing of gumboots to be imported by the local supplier. Supplies of G.I. wires and boxes in HUM & MUG and tools & material supplies for SMG works in core maintenance districts on-going.

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

- i. Long term agreements signed with 18 Micro Business Clusters (MBCs) across 3 VDCs and dialogue initiated with retail chain Big Mart to trial sales of mixed Jumli beans.
- ii. Practical Action have sought support to access markets for 10 MT of raw ginger produced by 14 farmer groups under the EU funded POSAN-FS project in Achham.
- iii. 19 Hamri Didis (HDs) activated, NPR 62,407 in start-up capital invested to-date; discussions on to expand HD numbers to 500 across 6 districts and support on (i) design of rural recruitment strategy and (ii) recruitment of UNL Star Sellers and 14 HD / SS supervisors in the Mid and Far West.
- iv. Working capital loan of NPR 20 million and Value chain financing (VCF) loan of NPR 16 million sanctioned and agreements signed. Working with PBL and OMF to detail VCF loan disbursement modalities.
- v. 10 KUSOM MBA students received orientation training to be placed within 10 SMEs in Doti and Achham.
- vi. Assessing two out-of-shelves software products (FieldSight and REMO) for district SED online database intervention.
- vii. Agreed to collaborate with NAST College, Dhangadhi to set-up satellite incubation centre and Future Entrepreneurs Club.

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.

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. District ASPs for the year 2016-17 finalised. Radio programme “Bikash Ko Baato” through local FM stations ongoing.

Two days annual review workshop organised in Kathmandu. The workshop opened by the Secretary, MoFALD was participated by LDOs and DTOs of all programme districts and representatives of MoFALD and DoLIDAR.

Provided GIS based LRN data of 14 earthquake hit districts to Housing Recovery and Reconstruction Platform (HRRP) Nepal, 75 districts to WFP and continued support to strengthen GIS section of DoLIDAR. 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 131 issues are settled and management action is ongoing for the one 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:

- *Donation demand* – Donation drives to operate party programmes by CPN Maoist (Biplav) reinitiated in some western districts; and
- *VAT refund to the RAP3 partners* – Significant progress made on VAT refund during this month. Total VAT amount released by IRD in this month was NPR 21.5 million with remaining 2.5 million of requests.

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

Prepared Feb-June 2017 workplan to bring annual Implementation plans in line with GON financial year