

Strategic Management Team Monthly Review Report – June 2018

Progress against Implementation Year 4 Targets = 137.73%

Result	This month		Year four (Jul 17-June 18) Cumulative progress	% IY4 Target	IY4 Target (July 2017 - June 2018)
	Target	Progress			
LRN (km)	2,089	2,253	2,253 km DRCN maintained (Total)	107.85%	2,089km DRCN maintained
	0.50km	1.68km	10.50km 3.5m track opened	131.25%	+8 km at 3.5m track opened
	0.00km	0.00km	On-going		
	1.00km	1.22km	15.43km 4.5m full widening	128.58%	+12 km at 4.5m track opened
	3.00km	1.37km	On-going		
	8.00km	5.00km	60.00km road works completed	100.00%	+60 km road completed
Employment days	60,000	81,311	1,054,388 employment days (Total)		
		[62,953]	[Claimed from DFID in Jun-18]	170.06%	+620,000 employment days
		[18,358]	[Created from GON budget on RMG maintenance in Jun-18]		
Capacity Building	60	873	1,773 training days	218.89%	+810 training days
	1	1	2 local level workshops and GIS training to R/M staff organised, federal reset and climate resilience papers prepared and delivered.	100.00%	+4 policies/guidelines developed for and delivered to GoN
CONNECT	13%	11%	98% work plan delivered	N/A	100% work plan delivered
Safeguards	8.33%	8.33%	All activities ongoing as planned	N/A	100% work planned delivered
PMV	1	1	19 internal audits conducted	105.55%	+18 internal audits completed
	0	0	3 trimester progress reports	100%	3 trimester reports completed

Time elapsed in Year 4 = 100.00%

Remarks: Total training days generated greatly exceeded targets by 218.89%. This was caused by the additional training associated with the Federal Reset and paid from the Flexible Fund. Only 9 days are chargeable under the Capacity Building component. New construction targets were exceeded by 37.73% in IY4 as part of a concerted effort by RAP to reach substantial completion before the Monsoon and by the start of EBRW

Financial Progress Against Year 4 Budget = 97.13%

Amount (UK£)

Component	INVOICED this month (June 2018)	IY4 Cumulative Total	FORECAST for next month (July 2018)
Output 1 (LRN):	118,091.00	1,891,495.25	100,596.00
Output 2 (Employment days):	251,812.00	4,621,729.71	300,000.00
Output 3 (CBID):	24,432.00	124,915.52	0
Output 4 (CONNECT):	36,142.44	337,747.14	30,000.00
Safeguard:	4,064.32	69,164.93	5,000.00
PMV (Audit and Reports):	9,200.00	259,699.85	9,200.00
Other – TA:	78,567.00	1,127,969.00	78,567.00
Flexible Fund- (MHLR-CDEL):	29,343.00	150,015.04	25,000.00
Flexible Fund - (GIS training - RDEL):	32,430.52	243,235.09	35,000.00
OVERALL	584,082.28	8,825,971.53	583,363.00

Key issues and remarks:

Output 4 (CONNECT) and Safeguard invoiced on actual costs and others based on results. Total invoice less by £9,881.72 as GIS training cost related invoices are yet to be received.

Quality Management

Field Verification Works in IY4	Number	Actions taken
Field verifications conducted this month	18	Reporting on feedback of accomplished works has helped improved monitoring and quality of works
Total field verifications conducted to date	259	
Audit	Number	Key issues / Actions required
Audits conducted this month	1	Audit approach targeted key issues/risks. One unscheduled audit on physical verification of assets and disposal in ACH conducted during the reporting month.
Total Audits Conducted to Date in IY4	19	

Key issues:

Total issues raised by audit up till Jun-18 since the beginning of the programme has reached at 233. Continual improvement actions on all issues completed.

Narrative

Core New Construction – New construction of 97.5km road in HUM, MUG, KAL and BAJ ongoing. SDDR, KAL civil works completed. Bioengineering, road finishing, road safety & climate resilience works on 2 road corridors in BAJ and road construction and bioengineering works in 2 roads in HUM, 1 road in MUG and 1 road in KAL ongoing. The 4W test drive of 17km section from Gamgadhi of GDDR MUG successfully conducted on 15 June 2018.

Construction works in JRDR KAL, 2 roads in HUM and 1 road in MUG ongoing. RBG attendance remained low due to start-up of agricultural farming activities in SDDR, whereas it has remained at 70% in GSKDR in HUM. RBG attendance remained at 70% in JRDR KAL, GDDR remained at 75% in MUG and 100% of work assigned groups in BAJ.

Road Maintenance – RMG road maintenance of DRCN in 10 districts and 3 new construction districts except Humla, where no DRCN exists, ongoing. Federal government has allocated sufficient budget to cover cost of RMG road maintenance in 13 districts except for Humla for the next FY 2075-76 wages at the provincial level. The RAP3 management with the support of PC DOLIDAR has started communicating on RMG road maintenance budget allocation with Karnali Province Government. Orientation training to technical focal persons on RMG management to support handover to local levels of core and pilot maintenance districts completed. Preparatory tasks to close down TA support for maintenance pilot districts by end July 2018 ongoing.

SMG specific road maintenance pilots - second round in DAD, DAI, DOT and ACH and JUM substantially completed and all DTAs are about to formally close down remaining works and payments to SMGs.

Term Maintenance contracts in DAD and DAI are also substantially completed. Both DTAs are in the process of final settlements of payments to Contractors.

Lessons learned from SMG and term maintenance pilot works proposed to prepare after completion of these pilot works by TMO will be started after collecting details and feedback from respective DTAs.

Procurement – Small procurements works like cement, steel reinforcement bars and binding wires for all new construction districts completed and GPS machines ongoing. The IY5 procurement plan preparation works ongoing.

RAP3 CONNECT – Connect programme in 6 core districts (ACH, BAJ, DAD, DAI, DOT and JUM) is ongoing.

MSME #1, #4 & #7 – End of co-investment agreement communicated and partnership wind down commenced

MSME #2 – 427 Hamri Didis appointed, 334 trading with NPR 5,958,873 invested to date (UNL and BNL products)

MSME #5 – 69 MT of dried ginger exported (60.5 MT to Europe and 8.5MT to India); VCF agreement between OMF & Prabhu Bank amended and loan renewal process started

MSME #9 – Contract between HSPC and Pawan Agriculture Collection Centre (MSME #4) for purchase of seeds renewed for 5 years, in sum of NPR 103,500 annually; construction and public audit of 2 irrigation ponds completed

EE #2 – 65 Yuva Vayus (MSME #3, MSME #5 & MSME #9) complete level 3 graduation

EE #5 – 24 HDs (MSME #2) and 22 dairy farmers (MSME #3) recommended to PBL for scale-up loans

EE #7 – 49 students participated in business plan writing workshop in Dhangadhi organized with NAST Future Entrepreneurs' Club and YUNUS, Kings College, Kathmandu; 3 teams have submitted business plans to YUNUS Social Business Challenge

Safeguards – Social mobilisation, workers' and work site safety, rehabilitation and reinstatement of damaged structures and public utilities in new construction districts ongoing. Support for post construction engagement plans of ex-RBGs and use of group saving monies of RBGs in substantially construction completed road corridors ongoing.

Road safety awareness raising training programme to about 2,872 students of all schools located in the road zone of influence in BAJ and KAL completed. Road Safety awareness raising leaflets and cartoons distributed to people residing along the road corridor settlements in BAJ, KAL and MUG.

MHLR Design – District reports on forest clearing from MUG and HUM prepared to submit a proposal for GoN approval through Department of Forest and MOFE before the commencement of construction works in MHLR. Proposal preparation works including request for NPC's recommendation for submission of report for GoN approval ongoing.

As the part of EBRW pilot works, practical sessions of the training exercise of excavator operators in the existing sub-standard bulldozed section of MHLR ongoing. The practical session is focused to improve the road geometry of the bulldozed section of MHLR to the acceptable design standards. In addition community consultation meetings, training on work site and workers' safety and preliminary works on road building group formation and social mobilisation ongoing.

Capacity Building – Radio programme "Bikashko Baato" through local FM stations is ongoing and contract due for renewal.

Six days basic level GIS training course to municipality IT technicians and other technical staff of 14 programme districts and RAP Graduate Engineers completed. 127 municipality staff and IT technicians and 22 RAP3 Graduate Engineers successfully completed the GIS training.

GIS based digitised maps of 109 of 135 Rural/Municipalities of RAP3 districts prepared and preparation of the remaining Rural/Municipalities ongoing. Karnali Province has asked RAP to include staff from 5 non-RAP districts in the program.

PMV – Continual improvement actions on 233 total issues raised by audit up till June 2018 completed.

External third party financial audit report of programme spend incurred during Feb 2016 – Jun 2017 raised 102 issues and recommended to take corrective measures by RAP3 management. Management actions on all issues completed.

Report on achieved annual results of IY4 implementation submitted and IY5 Implementation Plan preparation completed.

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

GoN budget allocation for RMG road maintenance works in 14 RAP3 districts – GoN has allocated budget for RMG maintenance works in 13 RAP3 districts, except for HUM under provincial level budget heading for the next financial year. However, the wage funding mechanism to RMGs working at the field level is yet to be cleared, which could delay RMG wage payments in the beginning of GON next FY.

Others – An introductory meeting with Chief Minister and other Ministers and staff of Karnali Pradesh held on 29 June 2018 in Surkhet. The RAP3 visiting team briefed on programme activities and discussed on programme areas of support during the remaining programme period to the Provincial Government in the meeting.

Annex

CBID	Capacity Building and Institutional Development
DFID	Department for International Development (UK Aid)
DLI	Disbursement Linked Indicator
DoLIDAR	Department of Local Infrastructure Development and Agricultural Roads
DoR	Department of Road
DRCN	District Road Core Network
DTO	District Technical Office
EBRW	Equipment Based Road Work
EE	Enabling Environment
EO	Engineering Officer
GE	Graduate Engineer
GIS	Geographic Information System
GoN	Government of Nepal
LRN	Local Road Network
LRUC	Local Road User Committee
MHLR	Mugu Humla Rink Road
MSME	Micro, Small and Medium Enterprises
NEC	Nepal Engineering Council
PC	Programme Coordinator
PMV	Performance Management and Verification
PPE	Personal Protective Equipment
RAP	Rural Access Programme
RMG	Road Maintenance Group
SBG	Special Building Group
SMG	Specific Maintenance Group