

# Strategic Management Team Monthly Review – October 2016

## Progress against Implementation Year 3 Targets = 76.24%

Result	This month		IY3 Cumulative progress to date	% IY3 Target	IY3 Target (Jan 2017)
	Target	Progress			
Employment (days)	30,000	35,029	1,022,810 employment days	102.3	+1,000,000 employment days
LRN (km)	2,000	2,171	2,167km DRCN maintained	100	2000 km DRCN maintained
	0.0	0.0	7.7km 2.5m track opened	45.3	+17 km at 2.5m track opened
	0.0	0.0	On-going		
	0.2	0.0	18.7km 3.5m track opened	64.5	+29 km at 3.5m track opened
	2.5	2.25	On-going		
	0.5	0.0	20.7km 4.5m full widening	71.4	+29 km at 4.5m full widening
	4.0	4.84	On-going		
SED	NA	NA	SED benefited hh	N/A	+1,200 SED benefited hh
	NA	NA	Benefited infrastructure hh	N/A	+1,320 benefited hh
	NA	NA	Business service providers	N/A	+92 service providers
Capacity Building	200	209	3,375 training days	58.2	+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 = 75%

**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.

\*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 = 60.63%

Amount (UK£)

Component	INVOICED this month (October 2016)	Third Year Cumulative Total	FORECAST for next month (November 2016)
Output 1 (Employment days):	115,768.39	1,716,888.89	66,098.60
Output 2 (LRN):	383,057.45	1,505,277.45	348,887.68
Output 3 (CONNECT):	23,438.27	103,481.49	56,196.00
Output 3 (Safeguard):	6,523.47	38,414.36	11,000.00
Output 4 (CBID):	10,190.42	48,310.42	14,627.40
PMV	29,560.22	232,760.22	15,424.19
Other – TA	141,935.44	853,622.10	141,935.44
<b>OVERALL</b>	<b>710,473.66</b>	<b>4,498,754.93</b>	<b>654,169.31</b>

### 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.

## Quality Management

Field Verification Works	Number	Actions taken
Field verifications conducted this month	2	
Total field verifications conducted to date in IY3	117	
Audit	Number	Key issues / Actions required
Audits conducted this month	2	Audit approach targeted at key issues/risks.
Total Audits Conducted to Date in IY3	24	Internal financial management audit in MOR and district level communication audit in DAI accomplished.

### Key issues:

(Feedback arising from audits and opportunities for continual improvement. Any actions required?) Of the 17 issues raised by audits in the reporting month, 4 issues are related to RAP3 management leaving others for actions related to district coordinators and DTAs. Total issues raised by audit up till Sept since the beginning of the programme has reached at 163 and 138 issues have been settled as the part of continual improvement by the management with 25 issues in hand.

Narrative
<p><b>Core New Construction</b> – New construction of 97.5km road in HUM, MUG, KAL and BAJ is on-going.</p> <p>RBGs remobilised after end of monsoon rains continued works till Dashain festival and is likely to stop construction works for another month to celebrate the second big festival, Tihar and agricultural harvesting. As communicated by DTAs, RBGs will remobilise by mid-November 2016 in these districts.</p>
<p><b>Road Maintenance</b> – RMG road maintenance in 10 districts (4 core - ACH, DAI, DOT &amp; JUM and 6 pilots – DAD, PAR, SIN, SAN, MOR &amp; JHA) continued as planned.</p> <p>GON issued letters of authorisation to LDOs to utilise NRs 20m budget allocated for current GON FY for RMG maintenance works in Pilot districts, which will cover RMGs cost for 2-3 months only. Continued effort to find possible ways to top-up on current GON fiscal year's budget allocation to cover budget shortfalls with DoLIDAR on-going. RAP providing "Light Touch" TA in SAN, SIN and DAD.</p> <p>Arrangements made for the continued road maintenance supervision services by recruiting mid- and low-level technical staff directly under the programme.</p>
<p><b>RAP3 TA for Road Improvement Works</b> – 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.</p> <p>In response to the Individual Consultant's report on road surface failure of Khursane Kerabari road improvement works in Morang communicated through DDC, the Contractor's surface failure rectification proposal is found unacceptable. 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.</p> <p>Contractors to restart works in JHA, MOR &amp; PAR stopped during monsoon and festivals soon.</p>
<p><b>Procurement</b> – Contract agreements of two supply contract packages (Gumboots and First Aid Kits) signed.</p> <p>Supplies of geotextile, G.I. wires and boxes and construction tools to new construction districts on-going.</p>
<p><b>RAP3 CONNECT</b> – Connect programme in 5 core districts (ACH, BAJ, DAI, DOT and JUM) is on-going.</p> <ul style="list-style-type: none"> <li>• DD Report for Micro, Small and Medium Enterprises (MSME) #1 Aastha General Store &amp; Suppliers, Jumla received and agreement signed.</li> <li>• Negotiations with Prabhu Bank Limited completed for extending value chain financing for ginger farmers and credit to MSME partner #5 OMF; agreed with PBL to dispense with Guarantee Fund requirement; formal approval pending.</li> <li>• Recruited District Officer for Jumla and District Officer in Doti transferred to Safeguards team, realigning resources based on field level needs. 14 staff recruited into 7 MSME partners (#3, 4, 5, 6, 7, 8 and 9).</li> <li>• Idea Studio Nepal: RMBA curriculum design initiated.</li> <li>• Community engagements to recruit long-term downstream suppliers on-going at MSME partners.</li> </ul>
<p><b>Safeguards</b> – Social mobilisation, workers' and work site safety in all programme districts and group saving and credit schemes in new construction corridor districts are continued.</p> <p>Environmental management and climate resilience measures continued with bio-engineering in new construction corridors.</p>
<p><b>Capacity Building</b> – CPD programme continued in all programme districts. Preparation of next year's ASPs on-going. District and Central level CIMs reviewed. 1 year extension contract to run "Bikash Ko Baato" through local FM stations.</p> <p>Support to DoLIDAR on digitisation of DRCN maps continued and preparation of Rural Road Statistics proposed to publish soon. Map digitisation works of 70 districts completed. NEC on Professional Engineering programme is under review.</p>
<p><b>PMV</b> – Field verification works took place in ACH only. Continual improvement actions on 25 issues remaining are being taken for the remaining through management and district levels. Actions on external financial auditor's recommendations are being undertaken.</p> <p>Actions of issues related to RBG work measurement, bill payments and documentation, erection of RAP3 information board in office premises, preparation of safeguard guideline on-going. RMO training on safe and effective development for HUM &amp; KAL DTAs to be organised in consultation with RMO. Issues related to programme DDCs and DTOs needs to be dealt through GoN and will be forwarded to the upcoming SC meeting for decisions.</p>
<p><b>Risks and Mitigations</b> – Mitigation measures on risks taken by the programme include as per the following:</p> <ul style="list-style-type: none"> <li>• Damage of existing DRCN due to monsoon rains in 10 maintenance districts – Damage assessments revealed need of NPR 29.945 million for emergency maintenance works of the existing DRCN. With availability of funds from GoN and other development partners, budget shortfall for maintenance in SAN, MOR, DAI, JUM, ACH &amp; DOT has remained at NPR 4.51m;</li> <li>• Continued undue pressure and threat of LRUC members to inflate daily wage rates of RBG members to DTA in Humla – Following the interaction meeting with DDC/DTO and district level political party representatives in the presence of visiting Hon. Minister Mr. Jeevan B. Shahi at HUM HQ on 15 Sept 2016, threats of LRUC members muffled. But personal grumblings with construction supervision technicians to inflate daily wage rates still continued;</li> <li>• RMG budget shortfall in road maintenance districts – Effort to top-up on GoN budget allocated for current FY 2073-74 and internalise RMG maintenance system in GoN agencies continued; and</li> <li>• Delay on VAT refund to the RAP3 partners – Despite continuous follow up NPR 40.14 million is still pending in IRD GoN on VAT refund requests made 5-13 months before by the programme.</li> </ul>
<p><b>Others</b> – DFID annual review completed. Recast Logical Framework for extended programme implementation to be adopted after approval.</p> <p>DTMP - 19 out of 20 additional districts are complete with Sarlahi waiting for the final approval.</p> <p>EIA study report of Mugu Humla link road – The MOPE review committee's comments on draft report incorporated and submitted for approval.</p> <p>RAP Steering Committee meeting is fixed for 28 Nov 2016.</p>