

# Strategic Management Team Monthly Review Report – September 2017

## Progress against Implementation Year 4 Targets = 27.77%

| Result            | This month |          | IY4 Cumulative progress to date                                  | % IY4 Target | IY4 Target (July 2017 - June 2017)                        |
|-------------------|------------|----------|--|--------------|---|
|                   | Target     | Progress |  |              |   |
| LRN (km)          | 2,089      | 2,292    | 2,292 km DRCN maintained (Total)                                 | 109.72       | 2,089km DRCN maintained                                   |
|                   | 0.70km     | 1.28km   | 2.45km 3.5m track opened   | 30.63%       | +8 km at 3.5m track opened                                |
|                   | 2.00km     | 2.56km   | On-going   |              |   |
|                   | 1.50km     | 2.28km   | 2.98km 4.5m full widening  | 24.83%       | +12 km at 4.5m track opened                               |
|                   | 5.00km     | 4.92km   | On-going   |              |   |
|                   | 0.00km     | 0.00km   | 0 km road works completed  | 0.00         | +60 km road completed                                     |
| Employment days   | 60,000     | 88,083   | 202,414 employment days (Total)                                  |              |   |
|                   |            | [69,427] | [Claimed from DFID in July]                                      | 32.65%       | +620,000 employment days                                  |
|                   |            | [37,611] | [Created from RMG works in 2 months also claimed from DFID]      |              |   |
| Capacity Building | 90         | 103      | 260 training days  | 32.10%       | +810 training days  |
|                   | 0          | 0        | 0 policies/guideline with influencing agenda developed/delivered | 0.00%        | +4 policies/guidelines developed for and delivered to GoN |
| CONNECT           | 12%        | 12%      | 34% 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               | 2          | 3        | 5 internal audits conducted                                      | 27.78%       | +18 internal audits completed                             |
|                   | 0          | 0        | 1 trimester progress report                                      | 33.33%       | 3 trimester reports completed                             |

## Time elapsed in Year 4 = 25.00%

**Remarks:** The RAP3 IY4 implementation plan covers a period for July-17 to June-18. Due to belated GoN RMG budget release and payments, RMG wages of 10 maintenance districts for the first 2 months (July and August) of current GoN FY paid using DFID fund available for the programme.

## Financial Progress Against Year 4 Budget = 27.42%

Amount (UK£)

| Component                           | INVOICED this month (September 2017) | IY4 Cumulative Total Cumulative Total | FORECAST for next month (October 2017) |
|-------------------------------------|--------------------------------------|---------------------------------------|--|
| Output 1 (LRN):                     | 165,182.52                           | 446,512.06                            | 154,215.92                             |
| Output 2 (Employment days):         | 300,529.26                           | 670,681.48                            | 129,861.26                             |
| Output 3 (CBID):                    | 5,022.07                             | 12,677.08                             | 26,833.59                              |
| Output 4 (CONNECT):                 | 32,974.43                            | 98,283.74                             | 22,500.00                              |
| Safeguard:                          | 10,251.68                            | 24,136.91                             | 5,000.00                               |
| PMV (Audit and Reports):            | 43,696.25                            | 100,433.82                            | 15,424.19                              |
| Other – TA:                         | 80,000.00                            | 300,000.00                            | 80,000.00                              |
| Flexible Fund- (RMG Payment):       | 150,015.04                           | 150,015.04                            | -                                      |
| Flexible Fund - (MHLR, Safetyknot): | 25,305.38                            | 89,773.18                             | -                                      |
| <b>OVERALL</b>                      | <b>812,976.63</b>                    | <b>1,892,513.31</b>                   | <b>433,834.96</b>                      |

### Key issues:

Output 4 (CONNECT) and Safeguard invoiced on actual costs and others based on results. September spend more than the forecast amounts due to additional spend of RMG wage payments of 10 maintenance districts not envisioned from the programme budget in the beginning.

## Quality Management

| Field Verification Works in IY4             | Number | Actions taken   |
|---|--------|---|
| Field verifications conducted this month    | 16     | Reporting on feedback of accomplished works has helped improved monitoring and quality of works   |
| Total field verifications conducted to date | 54     |   |
| Audit                                       | Number | Key issues / Actions required   |
| Audits conducted this month                 | 3      | Audit approach targeted at key issues/risks. Two audits proposed one each in BAJ and KAL on RBGs Health and Safety at works. But KAL audit postponed. Two additional audits in DAD and DOT on delivery of contractual commitments by Private Sector Partners of Connect accomplished. |
| Total Audits Conducted to Date in IY4       | 5      |   |

### Key issues:

Total issues raised by audit up till September 2017 since the beginning of the programme has reached at 217. Continual improvement actions on 210 issues completed. Management actions on 7 remaining issues related to monthly plan of action and public audit of connect activities, low level of understandings of connect partners on programme modality and Health and Safety related issues at work sites ongoing.

| Narrative   |
|---|
| <p><b>Core New Construction</b> – New construction of 97.5km road in HUM, MUG, KAL and BAJ ongoing. Review of construction plans for remaining works reconfirmed that deviations in earlier proposed date of construction completion are minimal and all roads scheduled to complete before the end of the programme period.</p> <p>RBG works resumed in all new road construction corridors and continued up till Dashain festival. New construction works are stopped for celebrating festivals and expected to resume after celebration of Tihar (Deepawali) festival in most of new construction districts.</p>   |
| <p><b>Road Maintenance</b> – RMG road maintenance of DRCN in 10 districts and 3 new construction districts except Humla, where no DRCN exists, ongoing.</p> <p>Emergency maintenance works of flood damaged DRCN roads in JHA complete and ongoing in MOR.</p> <p>SMG specific road maintenance works in DAI, DOT, ACH and JUM of IY3.5 completed. Lessons learned from SMG pilot works compiled. Positive lessons will be continued whereas advance payment system based on attendance days in volume based payment found mismatched and will be reviewed during IY4 implementation.</p> <p>Term Maintenance contracts started in DAD and DAI. Works on insurance and erection of signboards of first work order complete. Emergency maintenance works of second work order in DAD complete, whereas it's ongoing in DAI.</p>  |
| <p><b>Procurement</b> – Supplies of 5 packages of IY4 contracts started.</p> <p>Supply of gabion boxes and wires contract retendered and signed an agreement with the preferred bidder except for KAL. Retender notice published in national daily for supply of gabion boxes and wires for KAL with changed delivery site from construction site to Jite Bazaar, starting point of Karnali road corridor.</p>  |
| <p><b>RAP3 CONNECT</b> – Connect programme in 6 core districts (ACH, BAJ, DAD, DAI, DOT and JUM) ongoing.</p> <p>15 of the highest performing Hamri Didi's attended a scale-up workshop in Kathmandu from 1st – 4th September.</p> <p>A 2-day dairy workshop for BDC YVs delivered by Madhya Paschim Technical School.</p> <p>Installation of 76 poly houses and irrigation systems completed in DAI.</p> <p>Value Chain Financing (VCF) loans, total sum of NPR 1.6 million delivered to 56 farmers in Sahajpur.</p> <p>New contract signed with existing supplier Seed Entrepreneurs Association Nepal (SEAN) and contracts signed with two new buyers Everest Agro and Kathmandu Agro Seeds for 2400kg and 300kg respectively.</p> <p>Dadeldhura DCCI agreed for a minimum Female Representation of 33% women on DCCI Executive Committees.</p> <p>3 interns have completed their induction and joined as full members of the CONNECT team on 6 month internships.</p>   |
| <p><b>Safeguards</b> – Social mobilisation, workers' and work site safety, rehabilitation and reinstatement of damaged structures and public utilities in new construction districts ongoing.</p> <p>Implementation of mitigation measures by Climate Resilience Audit of SSSR, KAL ongoing. New construction corridor level action plans on MEL's study findings and recommendations on beneficiaries' feedback report related to group saving prepared and the implementation started.</p> <p><i>Scoping Study for Safer Communities (SS4SC) in Mugu</i> – The Study Team produced the draft report and submitted for comments and suggestions.</p>   |
| <p><b>MHLR Design</b> – Design review and implementation plan finalised. Discussions between MOF and DFID on project implementation and funding modality under the proposed co-funding arrangements ongoing. Draft proposal on Financing and Management Arrangement (FMA) of MHLR is shared between GoN and DFID for review and waiting for response. Negotiation on financial proposal with DFID nearly completed.</p> <p>Preparation for engineering field survey works of remaining section in Humla district of the proposed route of alignment ongoing. The field survey works scheduled to commence immediately after Tiwar festival.</p>   |
| <p><b>Capacity Building</b> – CPD programme continued in all programme districts. Implementation of District ASPs for the year 2016-17 and Radio programme "Bikashko Baato" through local FM stations is ongoing. Contract extension proposal of AFN to continue Radio Programme for a year is finalised. Support to NEC to introduce Professional Engineering programme ongoing.</p> <p>As a part to support federal set-up, district level review and municipal engagement workshops organised to explore needs and support strategies accomplished. Compilation of workshop proceedings ongoing.</p> <p>Support to DOLIDAR for the preparation of GIS maps of new (rural) municipalities and re-classification of DRCN ongoing.</p>  |
| <p><b>PMV</b> – External financial audit of programme spends incurred during Feb 2016 – Jun 2017 ongoing. District visits of external auditor in 11 DTAs for preliminary audits completed.</p> <p>Continual improvement actions on 210 issues raised by audit up till September completed. Improvement actions on 7 remaining issues picked-up by the audit up till Sept 2017 from the beginning ongoing.</p>   |
| <p><b>Risks and Mitigations</b> – Mitigation measures on risks taken by the programme include the following:</p> <p><i>Effects of provisional and federal level elections in new construction road corridor works</i> – As of the local election, the proposed elections scheduled in two phases for Nov and Dec 2017 shall stop construction works during political campaigning to vote casting and counting period. The potential delays will be recovered increasing number of working groups after the election.</p> <p><i>Donation drive by party cadres during elections</i> - Neutrality shall be maintained by all and BOQs and "no donation policy" of DFID shall be fully adhered to avoid such drives.</p> <p><i>MHLR co-financing and engagement of management consultant</i> – To mitigate implications of increased project construction costs and slippage of the project construction period due to further delays in project implementation, DFID has agreed to utilise part of the programme funds available under flexible fund of RAP3 to cover procurement of works in advance for MHLR.</p> |
| <p><b>Others</b> – Comments and suggestions on MEL's draft report on verification of employment days results provided. Action plan to be prepared for implementation after finalisation of the report.</p>  |