

# Strategic Management Team Monthly Review Report – September 2018

## Progress against Implementation Year 5 Targets = 36.14%

Result	This month		Year Five (July 18 - June 19) Cumulative Progress	% IY5 Target	IY5 Target (July 2018 - June 2019)
	Target	Progress			
LRN (km)	2,089 [989] [1,100]	1,934 [834] [1,100]	4,983 km DRCN maintained (Total) 3,883 km DRCN of core districts maintained [1,100 km DRCN of pilot districts supported by RAP3 Help Desk]	38.08%	13,086km DRCN maintained
	1.00km 1.00km	1.45km 0.00km	5.41km 3.5m track opened On-going	72.42%	+7.47km at 3.5m track opened
	1.0km 1.00km	1.43km 3.72km	5.26km 4.5m full widening On-going	51.16%	+10.28km at 4.5m track opened
	0.00km	0.00km	0.00km road works completed	0.00%	+37.5km road completed
Employment days	30,700 [10,000] [20,700]	143,151 [136,292] [6,859]	288,079 employment days (Total) [Claimed from DFID in Sept-18] [Created from GON budget on RMG maintenance in Sept-18]	72.02%	+400,000 employment days
Capacity Building	50	120	183 training days	73.20%	+250 training days
	0	0	0 policies and guideline developed and delivered.	0.00%	+4 policies/guidelines developed for and delivered to GoN
CONNECT	15%	14%	55% 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	0	2 internal audits conducted	22.22%	+9 internal audits completed
	0	0	1 trimester progress report	25.00%	4 trimester reports completed

## Time elapsed in Year 5 = 25.00%

**Remarks:** As part of efforts to speed up construction in HUM, and the GSDR Gulphagad road in particular, number of SBGs added in July have continued working. Currently all RBGs and SBGs are working on GDDR, MUG and GSDR, HUM and are succeeding in accelerating construction substantially. Desk verification of trends to recast forecasts for a possible Dec 2018 finish of all except SDDR new construction corridors rather than March 2019 ongoing.

## Financial Progress Against Year 5 Budget = 43.81%

Amount (UK£)

Component	INVOICED this month (Sept 2018)	IY5 Cumulative Total	FORECAST for next month (Oct 2018)
Output 1 (LRN):	51,186.00	234,378.00	25,650.00
Output 2 (Employment days):	681,460.00	1,297,490.00	250,000.00
Output 3 (CBID):	5,760.00	8,784.00	25,200.00
Output 4 (CONNECT):	21,245.80	70,172.01	20,000.00
Safeguard:	3,672.67	12,750.91	3,500.00
PMV (Audit and Reports):	1,200.00	39,600.00	9,200.00
Other – TA:	78,567.00	287,701.00	78,567.00
Flexible Fund- (MHLR-CDEL):	34,574.67	69,645.71	0.00
Flexible Fund - (GIS training - RDEL):	0.00	16,438.12	30,510.00
<b>OVERALL</b>	<b>877,666.14</b>	<b>2,036,959.74</b>	<b>442,627.00</b>

### Key issues and remarks:

Output 4 (CONNECT) and Safeguard invoiced on actual costs and others based on results. Total invoice exceeded by £444,679.14 as employment days created remained significantly higher than the forecasted figures at double the dry season intensity. This variance reflects concerted efforts by the KAL, MUG and HUM teams to use SBGs to speed up completion of works.

## Quality Management

Field Verification Works in IY5	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 in IY5	40	
Audit	Number	Key issues / Actions required
Audits conducted this month	0	Audit approach targeted key issues/risks.
Total Audits Conducted to Date in IY5	2	One scheduled audit on asset disposal in Parbat cancelled as the office is closed before. The audit team engaged for ongoing desk verification of trends to recast forecast of possible early completions of works in new construction road corridors.

**Key issues:** Total issues raised by audit up till Aug-18 since the beginning of the programme has reached at 244. Continual improvement actions on 242 issues completed and improvement actions determined for the 2 remaining issues ongoing.

**Narrative**

**Core New Construction** – New construction of 97.5km road in HUM, MUG, KAL and BAJ ongoing. Out of 7 road corridors, SDDR KAL completed and handed over to Raskot Municipality in Jan-18, construction works of MTC and MKB roads in BAJ and GDD in MUG substantially completed and scheduled to handover to Tribeni Municipality in Nov-18, construction works of JR road in KAL, SD and GK roads in HUM on going. Remaining works of new construction corridors looking likely to be completed ahead of schedule, especially GSDR. Desk verification of construction progress trends to recast forecasts for possible early finish ongoing.

RBGs and SBGs monthly attendance remained at 80% in JR KAL, over 95% in GDD MUG and 100% in GS and 60% in SD HUM continued working during the reporting month.

**Road Maintenance** – RMG road maintenance works of DRCN is disturbed since July 2018 due to appropriation of budget in provinces. Despite GON budget for the current FY, RMG contracts are not renewed. However, local levels in DAD, DOT and ACH managed to continue RMG maintenance works for Aug and Sept 2018 in view of allocated budget at provincial levels for the purpose. But the flow of funds from provinces to the respective local levels to pay for RMG wages is not cleared. It is learnt that in response to the request of MOFAGA for change of budget line headings to district and local levels to MOF, MOF has sought recommendation from provinces to reallocate budget in the name of RAP3 core maintenance districts as originally proposed. In view of unanticipated delays in fund flow from GON to pay RMG wages and to ease the RMG management handover training to technical focal persons of local levels, RAP3 utilising part of IY5 LRN budget has reengaged RMGs in core maintenance districts in Sept/Oct for a month.

Technical support to pilot maintenance districts continued from the 'Help Desk' from TMO on demand led basis. Communication linkage established with local levels of pilot districts through Help Desk. GIS maps of all local levels despatched through electronically requesting road network updates in maps after RAP3 GIS training to technicians of local levels.

Report on Specific Maintenance Group works feedback prepared. The SMG guideline prepared based on lessons learnt from two cycles of SMG pilot implementation in core maintenance districts finalised.

**Procurement** – Procurement process of tools and materials for IY5 implementation and EBRW ongoing. Contracts with preferred bidders of 4 procurement packages signed and contracts on i) gumboots and ii) GPS machine supplies will be signed soon.

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

MSME #2 – 474 Hamri Didis appointed, 402 trading with NPR 8,506,557 invested to date (8,399,229 UNL and 107,328 BNL);

MSME #3 – 8 farmers submitted loan applications for purchase of 10 buffaloes; Dullu Municipality have committed co-investment of NPR 30,000 for transportation of livestock purchased by BDC DSSs.

MSME #5 – 160 DSSs (Sahajpur) recommended for loans totaling NPR 82,36,000 and 120 DSSs (Surkhet) recommended loans totaling NPR 28,92,000; MOU signed between OMF and Shikhar insurance.

MSME #9 - Supply chain expanded and contract signed with Shree Biu Utpadan MBC (25 farmers). 13 farmers have insured hybrid maize field from Shikhar Insurance, covering 34 ropanies (1.73 hectares) of land.

EE #2 – 44 YVs across all MSMEs partners graduated to level 4.

EE #4 - DCCI DOT & JUM held elections on 8 & 16 Sept-18 ensuring 33% seat reservation for women members in Executive Committees.

EE #5 – 38 Hamri Didis in DAI have opened PBL bank accounts.

EE #6 – 8 KUSOM students have started their 3-week placements in DAI and ACH to provide consultancy support to 8 businesses.

**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 distribution and use of group saving monies of RBGs in substantially construction completed road corridors ongoing.

Climate resilience and road safety audits of GDD in MUG, JR in KAL, SD and GS in HUM planned for Nov and Dec 2018.

**MHLR Design** – Contract between DFID and IMC for MHLR implementation is expected to sign soon. Department of Forest forwarded forest clearance proposal to Ministry of Forest and Environment for cabinet approval.

Thirty-five days of basic level excavator operators training ongoing and scheduled to complete on 5 Oct 2018. Improvement of existing sub-standard bulldozed and track opening works of MHLR ongoing. In addition 26 RBGs continued working building structures in improved sections of the road as well. Site office building construction works in Bama ongoing.

**Capacity Building** – Radio programme "Bikashko Baato" through local FM stations ongoing and the contract with Antenna Foundation to continue the radio programme renewed.

GIS based maps of 135 R/M of RAP3 districts, 40 R/M of non-RAP3 districts of Karnali province and 5 province maps prepared. First batch of GIS training to IT staff and technicians of 40 R/M from outside RAP3 districts of Karnali province completed and the second batch training is scheduled for next month. GPS machines handed over to 101 R/M offices out of 135 total R/M RAP3 districts.

**PMV** – Continual improvement actions on 242 issues completed and actions on 2 remaining issues raised by audit on MSME sustainability (seed production and dairy cooperatives in DAI) ongoing.

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

*GoN budget for RMG road maintenance works in RAP3 districts* – RMG payments in maintenance districts are delayed due to appropriation of budget at provinces by the federal government and lack of spending mechanisms to finance RMG maintenance works at local levels. Efforts are being made through Local Infrastructure Department (formerly DoLIDAR) to find ways for release of budget to continue RMG maintenance in 5 pilot and 8 core maintenance districts.

But to ease the RMG management handover training to technical focal persons of local levels, RAP3 utilising LRN budget managed to reengage RMGs of core maintenance districts and continued works in Sept/Oct for a month.

**Others** – RAP3, NCCSP and DFID finalised TOR on the type and modality of RAP3 technical assistance to implement NCCSP subprojects in 7 RAP3 districts. As per the agreed TOR RAP3 technical assistance will limit to design and estimates of subprojects and provide on-site training to technicians during implementation except for water supply subprojects to be implemented in 7 of the 9 RAP3 core districts. RAP3 will participate on 3 day workshop to be organised by NCCSP in Kathmandu next month for the proposed collaboration on project implementation.

The first phase of RAP3 CONNECT review on the role of market systems development in contexts of thin markets by MEL completed and RAP3 provided comments to DFID. The second phase review will commence early next year.