

Institutional and Policy Reforms Implementation Matrix

1. The project has supported improvements to national-level policy and institutional mechanisms that are necessary to support farmer-managed irrigation systems. The current project also financed advisory services for reforms in water resources and agriculture. The key actions and achievements are summarized in Table 1.

Table 1. CMIASP Institutional and Policy Reforms

Key Actions	Achievements
Maintain regular dialogue with ADB on agriculture sector reforms	ADB provided a separate technical assistance to prepare a new agricultural development strategy (ADS) during the period February 2011 and December 2013. The new ADS is awaiting Cabinet approval.
Update the Irrigation Policy of 2003	A new Irrigation Policy was approved by the Cabinet in June 2013.
Prepare an integrated water resources management policy	The Water and Energy Commission Secretariat prepared the policy and the policy concept was endorsed by a high-level Policy Steering Committee under the leadership of the Vice Chair of the National Planning Commission on 8 September 2009 the policy concept.
Prepare a national water plan	The National Water Plan was completed in 2005 in order to implement the provisions of the Water Resources Development Strategy 2002.
Prepare a policy and guidelines for non-conventional irrigation	Draft micro-irrigation policy and implementation guidelines were prepared in 2007 through a complementary TA (4774) that piloted micro-irrigation technologies.
Prepare an institutional development vision and strategy for the Department of Irrigation (DOI)	Draft prepared. Finalization is subject to decisions on Nepal's governmental reforms.
Promote decentralization of irrigation development operations	DOI led a working group on decentralization during 2009–2010 and implementation of irrigation schemes through district development communities is supported through the ADB-financed Grant 0219-NEP: Community Irrigation Project.
Strengthen human resource management including provision of improved incentives and promotion of association organizers and improving staff capacity development plan	Comprehensive staff development plan awaits the finalization of DOI's institutional vision and strategy. Association organizers' qualification for regular promotion was confirmed in 2013.
Strengthen financial resources management	The following need further consideration and support: (i) performance-based budgetary allocation, (ii) regular monitoring and auditing of completed schemes, and (iii) mechanism to rehabilitate schemes damaged by disasters.

Improve farmer-managed irrigation systems guidelines and manuals, including revised design standards	Revised planning and design manuals were completed in 2008. Guidelines for subproject preparation and implementation were also perfected during CMIASP implementation, including an automated system and templates.
Strengthen internal quality control mechanisms	Guidelines for quality control and quality assurance were completed but require further review and refinement.
Apply external technical auditing method in irrigation and rural infrastructure sector	A procedure for technical audit of completed schemes by the National Vigilance Center was established and will be continued.

2. Institutional and policy strengthening for the irrigation subsector will continue to be supported through additional financing. Table 2 lists the agreed upon actions.

Table 2. Planned Institutional and Policy Reforms under Additional Financing

Key Issues and Actions	Action by	Agreed Action Date	Remarks
1. Policy, Planning, and Legal Framework of Irrigation			
a. Based on the provisions of the Irrigation Policy 2013, update Irrigation Regulation 2000 (amendment 2004).	Ministry of Irrigation (MOI), DOI	July 2014	
b. Prepare new Irrigation Act to comply with the provisions of Irrigation Policy 2013.	MOI, DOI	July 2016	Act requires approved by both Cabinet and Parliament. ADB Grant 0299-NEP: Water Resources Project Preparatory Facility (WRPPF) will provide advisory consultant services to draft it.
c. Prepare a long-term investment plan for irrigation subsector.	MOI, DOI	July 2016	Preparation of new irrigation master plan is supported under WRPPF.
2. Institutions of Department of Irrigation			
Continue to support decentralization of irrigation by providing technical assistance to the Department of Local Infrastructure Development and Agricultural Roads (DOLIDAR) in the on-going ADB funded Grant 0219-NEP: Community Irrigation Project.	DOI, DOLIDAR	On-going activity	

Key Issues and Actions	Action by	Agreed Action Date	Remarks
<p>3. Human and Financial Resources Management</p> <p>a. Establish a performance-based evaluation system for DOI staff working on CMIASP-Additional Financing (CMIASP-AF).</p> <ul style="list-style-type: none"> • Prepare staff performance evaluation criteria; • Select good performing CMIASP-AF staff for foreign training programs; and • Monetarily award and recognize on each Irrigation Day best performing field staff of CMIASP-AF. <p>b. Establish a system for performance-based budgetary allocation to irrigation development divisions</p>	<p>DOI</p> <p>DOI</p> <p>MOI, DOI</p> <p>MOI, DOI</p>	<p>By loan negotiations</p> <p>By July 2014</p> <p>Annually</p> <p>By Dec 2014</p>	<p>Study and exposure trips are financed under WRPPF.</p>
<p>4. Manuals and Guidelines</p> <p>Prepare guideline for irrigation management transfer providing criteria for qualifying for partial or full management transfer. The guideline will also include periodic review of performance in harmonization with other similar projects.</p>	<p>MOI, DOI</p>	<p>By Dec 2016</p>	
<p>5. Sustainability of FMIS</p> <p>a. Establish an appropriate mechanism to support Water User Associations in carrying out the required repair and rehabilitation of their irrigation systems, with micro-finance support. The mechanism should include criteria for their selection, general size of investment, vehicle for work implementation, and modality of financial arrangement.</p> <p>b. Design and implement a mechanism to support repair of irrigation systems damaged by natural disasters. The mechanism should include criteria for their selection, general size of investment, vehicle for work</p>	<p>MOI, DOI</p> <p>MOI, DOI</p>	<p>By Dec 2014</p> <p>By Dec 2014</p>	<p>Analysis and recommendations will be prepared by CMIASP-AF consultants.</p> <p>Analysis and recommendations will be prepared by CMIASP-AF consultants.</p>

Key Issues and Actions	Action by	Agreed Action Date	Remarks
implementation, and modality of financial arrangement.			
6. Quality Control/Technical Audit a. Train DOI staff on contract management, quality control and quality assurance, and technical audit requirements. b. Monitor performance of DOI staff on contract management and quality control.	DOI DOI	By December 2014 and annually Ongoing activity	