

RETA 6337 – PERFORMANCE MONITORING REPORT
end December 2010

Project Name	SP13- NEP: Enhancing Local Governance	Mission Leader	: R. Shrestha/ NRM
(Amount in US\$)	450,000	Dept./Division	: NRM
Approval Date	1 Sep 2009 LOA issuance: 15 Nov 2009	Completion Date	Original: 31 Dec 11 Revised:
Executing Agency/ Implementing Agency	Asian Development Bank (ADB)	TA Status: Ongoing	: Review Missions: Jan 2010 Mar 2010 Nov 2010
Project Description	The subproject addresses two prioritized needs of Government, namely: (i) enhanced governance and service delivery at the local level, and (ii) urban sector improvements in service delivery and resources. The first focuses substantially on accountability in local level service delivery, while intertwined with both areas is gender consideration in that, to the extent possible, such service delivery enhancements will have a gender focus. The subproject proposes to take on board women experts and trainers in the capacity of volunteers (under the umbrella of the UN's National Volunteer Scheme), enhance their skills, and place them in specific local bodies to help further the local governance and community development program (LGCDP)-related work on gender and disadvantaged groups, private sector participation, and support to broad local government work as well as work that is directly associated with the welfare of women at the local level. The subproject will also pilot the use of small-scale projects with private sector participation in the areas of basic urban infrastructure and urban service delivery. This is proposed to be done through seed financing of suitable projects with local businesses so as to not only provide more effective services but also help generate own-source revenues for municipalities.		
Impact	More effective and accountable service delivery at local level.		
Outcome	Stronger local governance through greater capacity for—and accountability in—service delivery, and increased own-source revenue in selected municipalities.		

Financing Plan/TA Utilization (US\$)

-----Financing Plan-----				-----TA Amount-----		Total Commitment	Uncommitted Balance	Total Disbursement	Undisbursed Balance
ADB	Others	Gov't.	Total	Approved	Revised				
450,000		50,000	500,000	500,000		341009.00	108,991.00	134,384.10	206,624.90

Implementation Progress

Activities with Milestones	Assessment of Progress to date
<ul style="list-style-type: none"> Put in place women's volunteer program, enhance their skills, and place them in local bodies (defined as 3,915 village development committees, 58 municipalities, and 75 districts) Initiate relevant programs in local bodies so that their capacity to respond to disadvantaged groups is greater Develop small-scale projects for private sector participation in municipalities, and fund them 	<ul style="list-style-type: none"> UNV women volunteers received six different trainings - (i) PPP project development skills; (ii) Proposal writing and presentation; (iii) Gender and social inclusion; (iv) Good governance; (v) Enterprise development skills; (vi) Refresher training on PPP project development skills. As the UNV work in close coordination with municipality and CCI focal points, the focal points also participated in many of the trainings jointly with the UNVs Interactions with dedicated women and other disadvantaged groups were conducted on the formulation of PPP projects. In disbursing seed grants a special provision was made to target gender sensitive and socially inclusive projects. Capacity development provided by the project has also been targeted at women employees of municipalities or private sector. Five PPP projects have been identified and/ or implemented in municipalities, as follows; <ul style="list-style-type: none"> (i) Biogas, Dharan Municipality (ii) Slaughter shed, Dharan Municipality (iii) Children park, Dhangadi Municipality (iv) Integrated Solid Waste Management, Dhangadi (v) Dasharath Bhim Garden, Dhangadi

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<ul style="list-style-type: none"> Strengthen local accountability mechanisms, including use of citizen report cards and social audits 	<ul style="list-style-type: none"> Workshop on “PPP experience and way forward” was organized jointly with the Federation of Nepali Chamber of Commerce and Industry (FNCCI) Baseline study and scoping studies completed MLD, the EA of this project is currently developing the Accountability Mechanism Strategy of the Ministry. A central level workshop will be organized in order to share the findings of the study as well as to solicit inputs from the concerned stakeholders from before finalising the report. The local bodies, including the municipalities will subsequently be oriented about the new accountability mechanism strategy and tools. This project will fund the sharing workshop and orientation to partner municipalities.
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Consultant Details

-----Individual/Firm Name-----	Contract No.	Amount	Contract Date	Fielding Dates	-----Completion Dates-----	
					Orig/Revised	Actual
United Nations Volunteers Program	V 10033	111,900.00	2 Dec 2009	15 April 2010	14 April 2011	
Sangram S. Lama	S20606	31,566.00	04 Jan 2010	4 January 2010	4 Jan 2011/ 5 July 2011	
Private sector expert (UNDP)	123-2010 120-2010 121-2010	16,800.00	22 July 2010 20 July 2010 20 July 2010	27 July 2010 26 July 2010 26 July 2010	31 Dec 2011	

Other Issues/Problems	Actions Proposed/Taken
<p>No changes since May 2010</p> <ul style="list-style-type: none"> The Local Development Training Academy (LDTA) on <i>single-source selection basis</i> was issued a request for proposal (RFP) to provide training services to women volunteers and others on PPP. However, the leadership changes at the LDTA. Contract with LDTA - may also cover training to be provided by LDTA's associated bodies (the Women Development Training Center, and the Urban Development Training Academy). 	<ul style="list-style-type: none"> With the change in leadership, and with internal organizational instability at the Academy, there was no response to the RFP even after a hiatus of 2 months, It was hence decided to replace the single source selection of LDTA as the training service provider to one of channeling funds meant for the Academy (\$50,000) through the Administrative Arrangement for the project (UNDP) so as to ensure that: (i) UNV, which is managing the women volunteer scheme, will be in a direct position to best ascertain which service provider is the most suitable, (ii) the transaction costs of doing so will be less if the funds are channeled through the AA; and (iii) there will be scope for some competition for access to the funds given that the single-source selection modality will be amended. The funds meant for skills development in gender-related areas (\$20,000, through the Women's Development Training Center) and private-sector business-related areas (\$20,000, through the Urban Development Training Center (UDTC) have been channeled via the UNDP as opposed to being managed by ADB.

Specific contribution towards achievement of impact and outcome:

- The UNVs are involved in tracking the service delivery in their local areas through PPP projects. This is the first time in Nepal that UNVs are working with the private sector in business related activities.
- An interaction programme with women's groups in Dhulikhel was held jointly with the Municipality to identify feasible PPP projects laying special focus on gender and social inclusion

TASU Project Assistant

PROJECT OFFICER