



**Ministry of Federal Affairs and Local Development**  
**Local Governance and Community Development Programme-II**

**13<sup>th</sup> Sub-NAC**

**Meeting Minutes**

Date: 23<sup>rd</sup> November 2015

Location: MoFALD Meeting Hall

Start time: 11:00 am. End time: 1:30pm

Chair: Mr. Reshmi Raj Pandey, National Programme Director/Joint Secretary, MoFALD.

DP Chair: Ms. Laura Leyser, DP Focal Person/Governance Advisor, DFID

Following the JFA for LGCDP-II, MoFALD organized Sub-NAC meeting to discuss progress status of 2014-15, PRF status, an update on Mid-Term Review of LGCDP II, Terai unrest and policy recommendation for the consideration of NAC. Key highlights, discussion points and decisions are given below.

**Welcome and Opening Remarks**

Mr. Reshmi Raj Pandey, National Programme Director welcomed participants and highlighted main agendas of the meeting. Mr. Pandey mentioned that due to transition in the LGCDP II management, there might have been few delays. Similarly, it was highlighted that the reconstruction authority was supposed to be set up by now that would guide and steer all the reconstruction related activities, including those from MoFALD. However, due to political difficulties, it is delayed. Regarding authorization, with the festive season and also a longer period of approval from NPC, it was slightly delayed. Despite that, 80% authorization sent to Local bodies in the first quarter.

With regards to the VDC temporary office construction, authorization released to 12 districts except for Kathmandu and Bhaktapur, since it has no VDCs. 178 million dispatched so far. The management is working to send the remaining budget to

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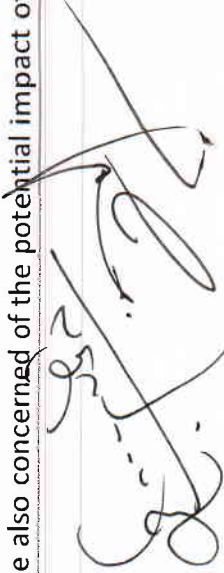
municipality wards in the remaining two districts. The discussion is ongoing. Management will send clarification on delay in budget spending to donor partners.

The FRRAP deadline has surpassed. A zero draft report has been prepared which will be presented at the meeting.

#### Opening Remarks by DP Chair-Ms. Laura Leyser (DFID)

The DP Chair thanked MoFALD National Programme Director, Joint Secretaries, Government Officials, all colleagues for the opportunity to speak on behalf of the LGCDP Donor Partners. It was highlighted that it is important Sub-NAC as it leads up to the Annual Joint Progress Review to be concluded with the NAC following week. As such that it is looking back at a very challenging and eventful year including the disastrous earthquakes and now a new constitution and ongoing unrest in the Terai has brought most of the country to a halt. In these circumstances, MOFALD, the local bodies and the LGCDP team have demonstrated remarkable resilience and have been able to achieve significant progress under LGCDP, extraordinarily high budget execution rates, and a remarkable immediate emergency response after the earthquakes. The DP chair further emphasized that this positive trajectory seems likely to have gained good momentum with authorisations of over 80% of the annual budget already sent to the local bodies during the first trimester of this fiscal year. It is a very notable achievement, but it still seems that some local bodies, especially VDCs are not receiving their budget on time – it needs to be understood why these bottlenecks are persisting. Similarly, Donor Partners are also concerned with a number of other issues:

- The delay in implementing the temporary office space for VDCs. Donor partners are keen to understand the underlying reasons for these delays, would like to receive regular updates on progress going forward and would need to be reassured that similar situations do not arise with the planned large-scale reconstruction effort.
- Related to this Donor Partners are also very concerned that an update has not been received on the hiring of additional staffs in the 14 most earthquake affected districts. This is crucial to ensure local bodies are able to support the reconstruction effort which has been budgeted under the ASIP with DP funds. Thus, requires clarity on the status.
- The validity of the FRRAP has recently expired and a zero draft of a revised version was shared yesterday. It needs to be ensured the revision is finalized, taking the recommendations of the draft sub-national PEFA assessment into account, without any further delay.
- In this regard, JFA donor partners are also very concerned about the repeated audit observations from the OAG reports. Donor Partners would like to understand what MoFALD plans to do in this regard.
- The current unrest in Terai is a great concern to all the donor partners. DPs are also concerned of the potential impact of



this on achieving the SIP targets in these affected areas as well as the impact on the staff. DPs would like to receive an update in these matters and understand if the staff has been relocated or are still in the field.

- The mid-term review is planned for early next year. It is very important to understand what has worked very well in LGCDP II so far and what should be amended going forward. DPs are very concerned that the baseline study still has not been finalised. This will be a key document for the MTR and must be finalised as soon as possible.
- And last but not least, on behalf of all DPs it is reiterated that the delay in receiving key documents for the Sub-NAC, i.e. the annual progress review, is really unacceptable and a breach of the JFA. Therefore, it is really urged to the LGCDP team to ensure such delays will not happen again in the future.
- Similarly, the DP Chair underlined data inconsistency issues with the reports which needs to be corrected as soon as possible and avoided in the future.

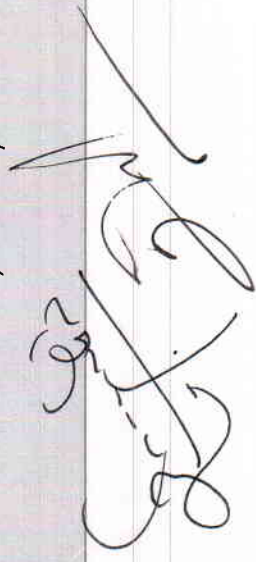
**Presentation by NPM:**

Mr. Eshor Raj Poudel, National Programme Manager highlighted the status of previous Sub NAC decisions, T3 FMR, PRF status, an update on recovery and reconstruction, Mid-Term Review update, Terai unrest situation and impact on LGCDP II implementation, FRRAP revision and presented policy recommendation for the consideration of NAC which is given below.

1. Status update on action taken on previous sub-NAC meetings

It was reported that most of the decisions of the previous Sub NAC meeting have been complied with. Some of the key issues were:

- All the output groups meetings organized in November including output 9. Special task team constituted for output 9 under the leadership of Output Manager.
- Two PRF task team meeting conducted and recommendation presented to Sub NAC for consideration.
- Output group 9 task force has decided to take up holding DIMC meeting with Honorable Minister MoFALD
- 33 DPPs' reviewed and recommendation made to the district authority and through planning section
- The activity to categorize VDC by their needs is suspended as the VDC restructuring is initiated by GoN
- Provide UCPA data to development partner by 15<sup>th</sup> July 2015. More than 70% VDC covered, currently under review for quality assurance.



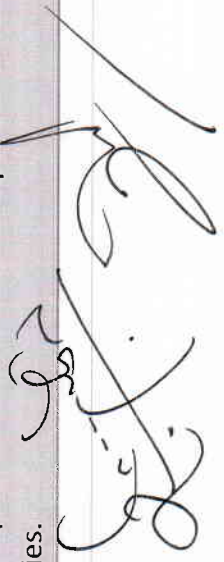


## 2. Progress status on 2014-15

Some of the key progress are highlighted below:

- 2946 VDCs and 191 Municipalities conducted ward level planning workshop in which 951,342 people participated (41% women)
- 2941 VDCs and 151 Municipalities conducted Council on time as per the provision of LSGA
- 253589 citizens participated in VDC and Municipality Council (30% women)
- WCFs forwarded 137,765 projects to LBs of which 63711 projects included in annual plan of LBs ( 46% ) amounting Rs 8.37 billion
- 62,449 representatives of IPFC, CAC and WCF received orientation on local level planning.
- Representatives of 66 Civic Society Organizations comprising of 330 personnel trained on compliance monitoring guidelines and are currently put in practice.
- 72 DDCs, 151 Municipalities and 494 VDCs conducted public hearing
- Revenue enhancement plan of 3 municipalities (Itahari, Tansen and Dhankuta) and 2 DDCs (Dhanusa and Surkhet) prepared.
- 54 Municipalities introduced Integrated Property Tax.
- Study on cost index completed.
- VDC accounting software installed in 1196 VDCs.
- Procurement Unit established in all the DDCs and Municipalities.
- 75 DDCs and 130 Municipalities provided a financial progress report on time.
- Internal Audit Guidelines revised (draft)
- Local PEFA study completed
- Training on local level planning (LLP) organized for LBs, WCF and CAC including representatives of political parties.
- Performance Contract signed between Secretary of MoFALD and 75 Local Development Officers and 129 Executive officers
- Study on Programme Recruitment Facility completed
- Institutional Development Plan of LDTA prepared.
- New websites launched for all DDCs, and all Municipalities, and MoFALD
- Conducted Training on Building Code for municipal engineers/ designers and training on earthquake resistant construction

<p>of buildings for local masons.</p> <ul style="list-style-type: none"> <li>• Mapping of existing quality lab completed</li> <li>• Guidelines for preparation of Municipal Transportation Master Plan prepared and circulated to 72 new Municipalities.</li> <li>• Four sample model office building for new Municipalities designed</li> <li>• Vital registration and Social Protection software prepared and implemented in Lalitpur, Palpa, Jhapa, Ilam and Kathmandu Municipality</li> <li>• Additional 20 Community Mediation Centre established to bring the total to 115</li> <li>• 35 DDCs and 18 Municipalities adopted EMP in their infrastructure development projects</li> <li>• Rural Renewable Energy Program such as Solar Home System (20 watts), Solar Panel at Birthing Center, Solar for Community School, Bio-gas, Bio-briquette, Solar Tuki, Improved Cooking Stoves, Solar Street Light implemented in 4 districts and 11 Municipalities</li> <li>• <i>District Periodic Plan (DPP) is in place in 32 districts and preparation of DPP is in progress in 27 districts</i></li> <li>• LDTA institutional development plan (IDP) prepared and LDTA Council formed committee to review and implement new structure in line with IDP</li> <li>• Study and workshop organized on restructuring of local bodies and criteria for federal capital</li> <li>• Organized Restructure Technical Committee meeting time to time to formulate a federal system.</li> </ul>
<p>3. <u>FMR of 2014-15</u></p> <ul style="list-style-type: none"> <li>• Overall LGCDP II 2014/15 financial performance- Budget Spent: 97.2%.NPR 664,186,489 under spent.</li> <li>• Opening balance in FCGO account by 02 Nov 2015: NPR -736,885,715</li> <li>• Status of DPs Commitment, Disbursement and Outstanding: Reconciliation to FCA Deposits- 50, 623, 434 (55%)</li> </ul>
<p>4. <u>PRF Task Force meeting 4<sup>th</sup> Nov 2015</u></p> <p>Some of the key decisions are as follows:</p> <ul style="list-style-type: none"> <li>• The Ministry/PCU will map out relevant and existing human resources of all Municipalities and DDCs in order to hire additional Engineers and Programme Officers (Social Development).</li> <li>• As for the Municipalities, one Programme Officer each will be provided to all the Municipalities to facilitate the LGCDP activities and one Engineer will be provided for 88 Municipalities.</li> </ul>





- MoFALD will prepare a timeline, on the whole, recruitment process and will complete the recruitment by 31st March 2016. The timeline will include the whole process from preparation of the guideline to the hiring of staff which will be based on the PRF guideline.
  - MoFALD will send a guideline to all DDCs and Municipalities as soon as possible to recruit the Programme Officers and Engineers to have the POs/engineers latest by 31st March 2016.
  - As for quality assurance of POs and Engineers, the RCU coordinator will monitor the hiring process based on the guideline to be forwarded by the Ministry.
  - MoFALD to prepare the recruitment guideline along with quality control and quality assurance of the whole process and present it to the Task Force for its endorsement.
  - Ministry has to agree to review the PCU and RCU human resources based on the required positions after its internal discussion with the output managers and this should feedback the next task force meeting. The recommendation of the PCU and RCU retreat report will also be taken into considered by the Ministry
5. PPSF extension will cover
- DGE & UGE until July 2016.
  - PCU and 6 RCUs and NUNV until July 2017.
  - Additional support 1 federalism expert, 1 local revenue expert at the PCU and 6 PFM experts at the RCU.
  - 2 National retreats of the PPSF supported technical assistance staff.
  - 1 Institutional Assessment.
6. Update on Recovery and Reconstruction
- Authorization and funds transferred to cover 670 CAC in 12 Earth Quake-affected district, with the support from Norway.
  - Authorization and Guideline issued to all 14 Earth Quake-affected district for setting up temporary office space based on ASIP 2015/16.
  - MoFALD sends the proposal to DPs for additional support for 14 Earth Quake-affected districts to restore government functions. Based on this initial proposal a team of experts are working to prepare detail Project Document to be completed by December 2015.
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7. Update on Mid-Term Review of LGCDP-II

MTR team composed which are as follows along with timeframe and the sequence of activities:

- Local Governance/ Decentralization expert cum Team Leader (**International**)
- Public Financial Management expert with Fiscal Decentralization and Internal Revenue –(**International**)
- Social Mobilization/ Accountability Expert with Cross-cutting Themes (GESI, CFLG) (**International**)
- Capacity Development expert (Covering PPSF TA, aligned programme and overall CD)– (**National**)
- Local Service Delivery and Decentralized Planning Expert (**National**)
- Institutional / Organisational Expert (**National**)

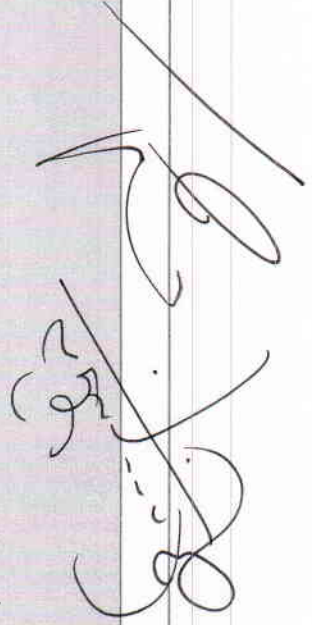
8. Political unrest and Tarai situation and impact on LGCDP-II implementation

It was reported that working environment in local bodies and line agencies are severely affected due to the protracted bandh in the 15 districts of Terai. In Dhanusha, Mahotari, Saptari, Siraha, Sarlahi, Rautahat, Bara and Parsa districts, staff feel insecure to stay in office to carry out regular activities.

9. Revised FRRAP

Following are the proposed outcomes (which has specific activities) in revised FRRAP (July 2015-July 2017)

- Outcome 1: Improved planning and budgeting
- Outcome 2: Improved programme implementation
- Outcome 3: Improved transparency and downward accountability of LBs
- Outcome 4: Improved accounting and auditing system
- Outcome 5: Improved revenue management





## Key Discussions and Comments

### NPD:

NPD made note that the Deputy Prime Minister has stressed to prioritize local level election. The new constitution also states for a local election to be held within six months. The new constitution also mentions that during the transition management, existing local bodies will continue working, the tenure will last until new governance structure are established. Likewise, Local Bodies' officials will continue as long as new officials are appointed.

Legal provisions will also determine how the national government will share revenue at different levels of the government. For that, there is also the provision of Natural Resource Fiscal Commission. Likewise, various commissions need to be established and draft necessary laws. Also, draft legislation for different levels of the government. One of the challenges is to define tax sharing. Constitution provides for two concurrent functions- central and provincial; central, provincial and Local government. There is a risk of overlapping, for eg. In case of Tax sharing. Thus, close coordination with other line ministries such as the ministry of finance and ministry of general administration is needed.

Hiring of engineers: 72 older municipalities hired engineers. 61 municipalities provided authorization/funding to hire engineers. 26 new municipalities will be provided funding to hire 1 engineer each. For 58 older municipalities, those that do not have engineers will be provided a budget to hire one.

### **MUAN (Mr. Kala Niddhi Devkota)**

The MUAN representative made note of the followings:

- LED: The presentation proposes shifting the activity from output 1 to output 6. However, it should come under relevant output such as output 3.
- EFLG, LGAF, CFLG: Local bodies Implemented cross-cutting issues such as CFLG-balbhela, LGAF activities at the local level for a year. Such contributions of local bodies associations need to be recognized as a strong partnership at forums like Sub NAC and NAC.
- New hiring: In the past while recruiting human resources on behalf of LGCDP, there were a lot of dissatisfaction from local bodies. Also, the ToR of Programme Officers that LGCDP is planning to hire is of interest to Local Bodies associations in order to ensure that the ToR is more demand driven than supply driven.
- Institutional capacity development of Local bodies associations: Institutional development of Local bodies associations should also be a priority of the donor partners so that the development activities can be better monitored and sustained at the local level. Initially, it seemed there was an allocated budget of 5.2 million USD for the entire 4-



yearplan from the DPs side regarding the same. Such commitments is needed.  
**DFID:** Institutional development of LDTA: The representative noted that there is not enough funding to hire human resources as required by the LDTA as part of its institutional development activity.

**Denmark (Ms. Marie Thrane)**

The representative stated that the presented issues and challenges were very impressive. However, it would have been good to see how these issues and challenges will be addressed or approached. The MTR timeline was acknowledged but also stated that there was not enough time to provide comments on the document due to a short period of receiving the document.  
Information: The representative informed a new financial bill was accepted by the new government in Denmark. The development aid has been cut down from 0.87 % to 0.71 %. It will have severe consequences to the Danish Aid in Nepal. The Danish Embassy will eventually close. The support will phase out in next couple of years. Thus, during the transition period, ongoing projects will be completed; however, will not be able to engage in new projects. It is a political situation.

**Mr. Purushottam Nepal, Under Secretary, Federal Affairs Section:**

Update on Federalism: The output 8 and 9 activities are under revision- discussed during the output group meeting. Only small number of activities shall remain in output 8 while output 9 will be revised based on the new constitution. Currently, the section is working on preparing a roadmap of local and national government. How to institutionalized local government into the federal system including human resources and various structures? The policy support team is composed of donor partners and Government authorities and is regularly working on it. Various commissions need to be formed. Restructuring local government and commission requires developing standard and norms. The section is also planning to orient various stakeholders nationwide jointly with political parties. Likewise, the section is also listing various professionals (national and international experts) to design tools. The work is currently ongoing and soon there will be concrete activities.

**UN Women (Mr. Durga Prasad Khatiwada):**

Reporting: The indicators in all outcomes and outputs should be the basis of reporting. How far the progress has been achieved against the indicators and what needs to be achieved? This would provide clarity to the presentation and reporting, especially in forums like Sub NAC. In the report many outputs, indicators are not taken into consideration.  
Establishment of constitutional body: UN Women would be interested to contribute in the ongoing discussion regarding the new Constitutional Bodies including National Women Commission provisioned in the Constitution of Nepal as there are avenues of contributing on the cross cutting issues including gender equality and women's empowerment.



**Norway (Mr. Bholu Prasad Dahal):**

The representative made note of the followings:

- The presentation is mostly activities based. It needs to be more result based in forums like Sub NAC and NAC.
- What is the status of target resource grant? Will it be reported in the coming NAC? What is the status of the allocation and utilization of the 10% grants?
- Issues and challenges: what is the way out? How to address? Specifically- terai unrest-what has MoFALD been doing to address that? Some sort of strategy?
- PRF: It was agreed upon that wherever there are vacant positions of D/UGEs, the recruitment for programme officers should start immediately. It does not have to wait until January next year together with others. It should be reflected and reported upon.
- Periodic plan: Regarding 14 affected districts, the planning section needs to come up with a different strategy to address periodic plan in these districts. MoFALD position needs to be reflected regarding that.
- Output 8 & 9: The output meeting already agreed to merge both 8 & 9. Likewise, the activities in the current ASIP require revision. The Sub NAC policy recommendation needs to reflect that.
- FMR: The budget in the FMR needs to be revised - 4.5 million in the EQ affected areas, it needs to be corrected in the FMR.
- Delay in the construction of temporary VDC offices: Based on the procurement act- temporary office set up needs to be discussed and agreed. Need to have amendment request letter from MoFALD to Norway- a letter needs to be sent soon.
- FRRAP Zero draft: It reflects the milestone indicators rather than activities.

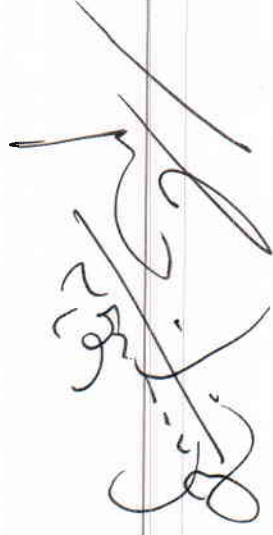
**DP Cell:** AMEP document is the only document that is the basis for tracking. The presentation only provides key highlights. It has been captured as per the JFA document requirement.

**Mr. Purushottam Nepal (Under Secretary- Federal Affairs Section)**

The zero draft of the FRRAP has been shared. Feedback is requested from donor partners within this week prior to NAC. It shall be presented to NAC for approval.

**UNDP (Mr. Yam Nath Sharma):**

The representative made note of the followings:



PFM Cum LGAF specialist: M & E and accountability expert position already exists at RCU. Considering the new position seems to have the dual role of taking responsibility of both PFM and LGAF activities, the position may likely be overburdened. Also, the current ToR of the PFM specialist may not rightly address the requirement of both the position. In such case, it would be appropriate to revise the ToR of the position.

Recovery plan: Team on the ground to study the recovery plan. Extensive stakeholder workshop is being held next week in Gorkha. Based on the methodology, it will be tested in Gorkha. It will serve as a role model and template to other DPs.

Lastly, how to restructure the output 8 & 9? It should be left to NAC decisions.

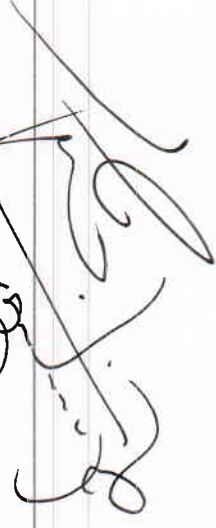
**SDC (Mr. Prakash Regmi):**

- The format of the reporting: As per the JFA document, the reporting requirement is Output based on Output indicators while Outcome based on outcome indicators. In future, adopt accordingly.
- Local PEFA study completed: It is an important requirement for MTR and crucial document for local PFM reform strategy.
- Performance Contract – What is the current status? Follow up needed.
- Slide 30: There needs to be slight correction on the T3 FMR document. SDC commitment is 17.5 Million Swiss Franc which is nearly 18 million USD.
- PFM cum LGAF position- As discussed before, the position requirement may need further discussion.
- MTR: Objectives of the MTR-last sub-NAC meeting already approved three objectives. Elaborate ToR based on objectives. Stick to objective number 3.

**NPD:** The NPD clarified regarding the PFM/LGAF position, for now the position will have a dual responsibility, if overburdened, the position shall be separated depending on further discussion.

**UNICEF:**

The representative sought clarity that the data reported in the output 1 presentation regarding Balbhela is different to that reported in the annual report. Data inconsistencies are needed. Likewise, the fund disbursement is reported differently in the presentation.



Finally, it was informed that UNICEF provided social security cash grant in the EQ affected areas which were channel via DDF. It was well received and needs to be highlighted in the report.

**DFID (Ms. Laura Leyser):**

The representative queried following:

Status on the additional human resources that were supposed to be recruited in the EQ affected areas which were budgeted under ASIP this year. Current status prior to NAC should be provided.

Terai unrest: How much has it impacted the programme implementation in terms of achieving SIP targets? What intervention is being planned in this regard?

**NPD:**

NPD clarified that only parts of the Terai districts are disturbed. RCUs are in close contact with Local bodies and staffs. Unavailability of vehicle fuel is also one of the issues in field monitoring. Once the unrest subsides, more focus and concentration will be required in these areas.

**Closing remarks by DP Co-Focal Person: Mr. DiepakElmar, Head of Development Cooperation, SDC**

The representative on behalf of DPs appreciated programme's achievement. The positive effect was seen in the planning process via Social Mobilization. Likewise, the MTR timeline was appreciated. The representative at the same time highlighted few issues.

Issues:

- Findings of audit report- Audit arrears are increasing every day. The highest amount of arrears was reported by MoFALD. The issue needs to be taken seriously.
- Hiring LSPs- Needs to be completed as soon as possible in the forefront of MTR.
- UCPA data needs to be made available.
- Still awaiting the final version of the PEFA assessment.
- Terai situation: Regular updates from the programme regarding the situation and its effect on programme implementation would be appreciated.



- New constitution: DPs are eager to support the ministry in implementing the new constitution. DPs are waiting to receive roadmap of activities from the Ministry.

**Closing remarks by NPD:** The NPD welcomed remarks from all participants and appreciate the active participation. It was reiterated that in the current situation, enhanced DPs support is required. Once the unrest is over, more funding will be required to empower people. NPD also appreciated the voice of supports for designing the federal structure.

### Decisions:

- **Temporary VDC building construction:** The management is working to send the remaining budget to municipality wards in the ~~the remaining districts~~ <sup>the remaining districts (Kathmandu and Bhaktapur).</sup> Management will send clarification on delay in budget spending to donor partners.
- **Data Inconsistencies:** There is some inconsistency in the data presented in different reports AMEP, Annual Report and the presentation), in particular that of Output 1 and Output 7 (planning). It needs to be verified and made consistent.
- **Hiring of Engineers:** 26 new municipalities will be provided funding to hire 1 engineer each. For 58 older municipalities, those that do not have engineers will be provided a budget to hire one.
- **Reporting:** At the level of Sub NAC and NAC, reporting should be done against the output and outcome indicators and should be on results not on activities.
- **Issues and Challenges:** Highlight approaches/solutions to address the issues and challenges as well.
- **Terai Unrest:** Regular updates to be provided to DPs on the impact in programme implementation of the ongoing unrest. Also, MoFALD strategy to address the challenges confronted due to these ongoing unrest in the programme implementation.
- **T3 FMR:** The budget in the T3 FMR needs to be revised and presented to the NAC as there are some inconsistencies in the budget as notified by SDC and Norway. Unaudited project account is underway. Final verification will be shared.
- **Status of target resource grant:** The status of target resource grant and the allocation, expenditure and utilization including sectors of investment of the earmarked grants of 10% for women, 10% for Children and 15 % for DAG need to be tracked and reported to the upcoming NAC.
- **Delay in the construction of temporary VDC offices:** Based on the procurement act- temporary office set up needs to be discussed and agreed. MoFALD needs to send amendment request letter to Norway for surpassing the 30th October deadline as per the grant release condition.
- **FRRAP Zero Draft:** Feedbacks from donor partners to be received within a week time and the revised draft to be presented in NAC. The milestone needs to be mentioned in the FRRAP document.

• **PFM/LGAF position:** For now the position will have a dual responsibility. If overburdened, the position shall be separated depending on further discussion. The ToR will be finalized in discussion with GoN and DPs.

• **MTR Objectives:** The objective of the MTR to be reset to the 3 objective as originally presented to previous Sub NAC as the current object 2 and 3 are well captured in objective 1. **To Ram Co-ordination**

**Policy Recommendation for the consideration of Sub NAC**

**Output 1:**

- Need to revisit to identify the vulnerable population of urban core areas of the municipality and to incorporate economic empowerment in the social mobilization process.
- Capacity development of NSP ( lack of human resources)
- LED activity to be shifted in output 6 from output 1. Recommend to Sub NAC for apolicy decision.

**Output 2:**

- LGAF secretariat needs to be strengthened with the adequate human resource. PFM cum LGAF specialist at the RCU

**Output 3:**

- Need to develop acts, rules and regulations on revenue administration and sharing as per Constitution.

**Output 4:**

- For effective operation of VDC Accounting Software, continue support of Capacity development including technology.

**Output 5:**

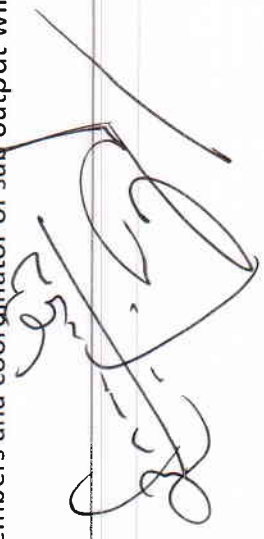
- Institutional Development Plan of LDTA developed but still need to be implemented, to strengthen LTDA as National Service Provider.

**Output 6:**

- In order to strengthen the Quality lab established at the district level, there is a need to support to establish a quality lab at the center level.
- Community mediation guidelines need to be developed by the ministry.
- In terms of vital event registration there need to be a coordination mechanism established between the ministry of health and Vital event registration and social security Division of MoFALD.

- There is a need for creating a separate sub output focusing on Municipal development to carry on the recommendation of Road Map study Report of New Municipality focusing on municipal development with integrated manner. Sub output group composition will be: Output 1,3,4,5 and 6 as members and coordinator of sub output will be section chief of Municipal Management Section.


**Output 7:**




- CFLG current SIP target of declaring District and Municipality might not be feasible and the targets are revised to VDC and Municipal wards and MoFALD to develop a concrete rollout strategy with the engage line ministries and another child right organization to implement CFLG.
  - SIP Target: At least 300 VDCs, 4 Municipalities and 4 DDCs will be declared as EFLG by 2016/17 should be revised as 100000 HH and 200 Wards will be declared as EFLG by the end of 2017
  - SIP Target: At least 30 % projects of local bodies will have Environment Management Plan (EMP) by the end of 2016/17 should be revised as 80% districts and 75% Municipalities adopt Environment Management Plan (EMP) and Municipality target includes only first 58 municipalities
- Output 8 & 9:**
- Since the constitution was promulgated in September 2015, activities in output 8 and 9 need to be revised, with more strategic activities need to be supported in output 9 to pave the way for federalization.
  - A common strategy and plan are required to implement federalism. Needs to develop a position paper detailing the roadmap of federalization, including the role of different Ministries.

**Attendance Log:**

S.NO	NAME	DESIGNATION	ORGANIZATION
1.	Mr. Reshmi Raj Pandey	Joint Secretary	MoFALD
2.	Mr. Eshor Raj Poudel	US	MoFALD
3.	Ms. Laura Leyser	Governance Adviser	DFID
4.	Mr. Diepak Elmer	Deputy Head of Mission	Embassy of Switzerland
5.	Mr. Shaligram Rijal	Director	DOCR
6.	Mr. Prakash Regmi	P. O	SDC
7.	Mr. Chakra Pani Sharma	US	MoFALD
8.	Mr. Kalanidhi Devkota	Executive Secretary	MuAN
9.	Mr. Narahari Bhandari	Under Secretary	MoFALD
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 Government of Nepal  
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 SO-ordinating Unit  
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