LOCAL GOVERNANCE AND COMMUNITY DEVELOPMENT PROGRAMME-II

ANNUAL PROGRESS REPORT- 2072/73

Government of Nepal
Ministry of Federal Affairs and Local Development
Singhadurbar, Kathmandu

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ABBREVIATIONS

ADB	Asian Development Bank
ADDCN	Association of District Development Committee of Nepal
AMEP	Annual Monitoring and Evaluation Plan
AORTS	Audit Observation Tracking System
ASIP	Annual Strategic Plan
AWP	Annual Work Plan
BB	Branchless Banking
CAC	Citizen Awareness Centre
CBO	Community Based Organization
CD	Capacity Development
CDF	Community Development Fund
CFLG	Child-Friendly Local Governance
CIAA	Commission for Investigation of Abuse of Authority
CM	Community Mediation
CSO	Civil Society organization
D/MSMCC	District/ Municipality Social Mobilization Coordination Committee
D/MTMP	District/Municipal Transport Master Plan
DAG	Disadvantaged Group
DDC	District Development Committee
DFID	Department for International Development
DGE	District Governance Expert
DoLIDAR	Department of Local Infrastructure and Agriculture Road
DP	Donor Partners
DPMAS	District Planning Monitoring and Analysis System
DRR	Disaster Risk Reduction
DSMCC	District Social Mobilization Coordination Committee
EFLG	Environment-Friendly Local Governance
EMS	Environment Management Section
EO	Executive Officer
EOI	Expression of Interest
ERS	Emergency Relief Support
FAD/S	Foreign Aid Division Section
FAS	Financial Administration Section
FCGO	Financial Comptroller General Office
FMR	Financial Management Report
FP	Focal Person
FRRAP	Fiduciary Risk Reduction Action Plan
GESI	Gender Equality and Social Inclusion
GGPS	Good Governance Promotion Section
GIDC	Government Integrated Data Centre
GIS	Geographic Information System
GoN	Government of Nepal
GRB	Gender Responsive Budgeting
HRS	Human Resource Section
ICT	Information and Communication Technology
IDD	Infrastructure Development Division
IEC	Information and Electronic Communication
IEE	Initial Environment Examination
INGO	International Non-Government Organization
IPFC	Integrated Plan Formulation Committee
IT	Information Technology
JFA	Joint Financial Arrangement
JFTA	Joint Fund for Technical Assistance

JICA	Japan International Cooperation Agency
LA	Line Agency
LB	Local Body
LBFC	Local Body Fiscal Commission
LBRMMG	Local Body Resource Mobilization and Management Guidelines
LDF	Local Development Fund
LDO	Local Development Officer
LDTA	Local Development Training Academy
LEDP	Local Economic Development Programme
LG	Local Governance
LGAF	Local Governance Accountability Facility
LGCDP	Local Governance and Community Development Programme
LGI	Local Governance Institution
LIP	Livelihood Improvement Programme
LLRC	Local Level Restructuring Commission
LOCAL	Climate Change Adaption Living Facility
LRS	Local Revenue Section
LSGA	Local Self-governance Act
LSGR	Local Self-governance Regulation
LSP	Local Service Provider
M&E	Monitoring and Evaluation
MARS	Municipal Administration and Revenue System
MCPM	Minimum Conditions and Performance Measures
MIS	Management Information System
MMS	Municipality Management Section
MoFALD	Ministry of Federal Affairs and Local Development
MoGA	Ministry of General Administration
MSMCC	Municipality Social Mobilization Coordination Committee
MTBF	Medium Term Budget Framework
M-ToT	Master Training of Trainers
MuAN	Municipal Association of Nepal
MuN	Municipality
NAC	National Advisory Committee
NAVIN	National Association of Village Development Committee Nepal
NGO	Non-Governmental Organization
NPC	National Planning Commission
NPR	Nepalese Rupee
NSP	National Service Provider
NVC	National Vigilance Centre
OAG	Office of Auditor General
ODF	Open Defecation Free
OPMCM	Office of the Prime Minister and Council of Ministers
PBMC	Performance-based Management Contract
PCU	Programme Coordination Unit
PEI	Poverty and Environment Initiative
PFM	Project Funding Matrix
PFM1	Public Financial Management
PIS	Personal Information System
PO	Programme Officer
PPA	Public Procurement Act
PRF	Programme Recruitment Facility
PPMO	Public Procurement Monitoring Office
PPR	Public Procurement Regulation
PPSF	Policy and Programme Support Facility
PRSP	Poverty Reduction Strategic Plan
PSA	Public Service Announcement

QWP	Quarterly Work Plan
RAIP	Revenue Improvement Action Plan
RBM	Result-based Monitoring
RCU	Regional Coordination Unit
REFLECT	Regenerated Freirean Literacy through Empowering Community Techniques
RTI	Right to Information
SALGP	Strengthening Accountability Local Governance Programme
SDO	Social Development Officer
SIP	Small Infrastructure Project (SIP)
SLA	Sectoral Line Agency
SM	Social Mobilization
SMG	Social Mobilization Guidelines
SPMP	Strengthening Public Management Programme
Sub-NAC	Sub-National Advisory Committee
TA	Technical Assistance
TASC	Technical Assistance Sub-Committee
TOR	Terms of Reference
TOT	Training of Trainers
UCPA	Underlying Causes of Poverty Analysis
UGE	Urban Governance Expert
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNJP	United Nations Joint Partner
UNSCR	United Nations Security Council Resolution
UNV	United Nations Volunteers
UNV FU	United Nations Volunteers Field Unit
USAID	United States Agency for International Development
USD	US Dollar
VDC	Village Development Committee
VERSS	Vital Event Registration and Social Security
VSMC	Village Supervision and Monitoring Committee
WBRS	Web-based Reporting System
WCF	Ward Citizen Forum

Contents

PROGRAMME PROFILE

Programme Period:	16 July 2013 - 15 July 2017
Executing Agency:	Ministry of Federal Affairs and Local Development
Implementing Agencies:	Local Bodies Local offices of Sectorial Ministries
Supporting Agencies:	Sectorial Ministries Non-Government Organizations, Civil Society Organizations, Private Sector Organizations
Geographic Coverage:	75 Districts, 217 Municipalities and 3157 Village Development Committees
Development Partners:	JFA partners: DFID, SDC, Norway, Denmark, UNDP, UNICEF, UNCDF, UNFPA, UN Women AA partners: ADB, GIZ, JICA, UNV, USAID
Financial Contribution:	Government of Nepal: US$ 1126 million Development Partners: US$ 236 million Total US$ 1362 million
Financing Modality:	Joint Financing Arrangement (JFA): US$ 194.9 million Joint Funding for Technical Assistance (JFTA): US$ 13.5 million Programme Alignment Arrangement (PAA): US$ 27.6 million
Programme:	Governance Reform: Supply: Service Delivery and Capacity Development Demand: Citizens Empowerment Local Development: Socio-Economic and Infrastructure
Sectors of Investment:	(1) Local Government Restructuring (2) Federal Governance (3) Fiscal Decentralization (4) Fiduciary Risks Reduction (5) Results Based Management (6) Capacity Development (7) Social Mobilization (8) Child Friendly Local Governance (9) Gender Equality and Social Inclusion (10) Information, Education and Communication (11) Local Governance and Accountability Facility (12) Environmentally Friendly Local Governance (13) Vital Registration (14) Community Mediation (15) Social Security (16) Local Community Infrastructure Development (17) Social Development (18) Local Economic Development (19) Livelihood Improvement Schemes (20) Research and Development (21) Public Financial Management

1   EXECUTIVE SUMMARY

LGCDP-II: Local Governance and Community Development Programme (LGCDP) II is a government led program jointly financed by the Government of Nepal and Development Partners that mainly focuses on local governance and community development sectors. LGCDP has been supporting 75 District Development Committees (DDCs), 217 Municipalities and 3,157 Village Development Committees (VDCs).

ABOUT THE REPORT: This report covers progress achieved by the LGCDP II during mid-July 2015 to mid-July 2016 (NFY 2072/73), that is third year of program implementation. Since the program is currently running in 4th year of its implementation, this report also reveals progress trends of key program targets in the past three years, important accomplishments as well as brief highlights on key intervention areas. This report is based on both quantitative and qualitative information. However, the basic information source remained the Results Based Monitoring (RBM) system, which was prepared, compiled and updated by Regional Coordination Units (RCUs). The qualitative and quantitative data have been presented in line with Annual Monitoring and Evaluation Plan (AMEP) indicators and output themes. The results based reporting principles have been adopted while preparing this report by organizing progress and results under the respective outcome and output headings. There are 6 major chapters in the report including programme introduction.

OUTPUT ONE: Social mobilization (SM) has been recognized as a mainstay of community development part of the programme. So far, social mobilization has created 31,280 Ward Citizen Forums (WCFs), covering 99.7 % of Village Development Committees (VDCs) and Municipalities. A total of 771,355 citizens (46 % women and 54 % men) are directly engaged in WCF's activities like project planning, monitoring and evaluation; social development; advocacy; coordination with service providers; engaging in disaster and environment protection activities and helping communities in economic development opportunities.

A total of 10,976 Citizen Awareness Centers have been formed (including CDP). Total CAC members have reached to 294,811 with 87.4% women. CACs are instrumental mechanisms established through which people are widely engaged in creating awareness on civic rights and duties; informing people about government services and facilities; resolving social problems; engaged in income generating activities, community infrastructure and environment protection; increasing social harmony etc.

Significant progresses have been achieved against the set physical targets in the current fiscal year. Some of the instances are: 98% LBs (VDC and municipalities) conducted ward level planning (target-90%); 4,704 CACs received LIP supports (target-5,000), 80% WCFs upgraded to A & B category (target-65%); 54% WCFs engaged in civic oversight functions (target-55%) etc.

OUTPUT TWO: The Local Governance Accountability Facility (LGAF) has mobilized 75 Civic Society Organizations (CSOs) to carry out downward accountability activities at local level. Some of the cumulative achievements in accountability include: compliance monitoring of 65% VDCs, 90% municipalities and 100% DDCs; social audit conduction by 50% Municipalities

and 30% DDCs; public hearing conduction by 68% VDCs, 98% Municipalities and 100% DDCs; grievance mechanism operationalized in 90% DDCs.

While looking at progress against set physical targets in the reporting year, it is found that 54% WCFs oriented on social accountability tools (target-80%); 89% DDCs established grievance handling mechanism (target-60%); 60% of the grievances reported during the public hearing by local bodies (target-50%) etc.

OUTPUT THREE: MoFALD has amended the Local Body Revenue Administration Regulation by changing house and land tax rate and base of valuation. A total of 61 Municipalities (28%) have been practicing integrated property and house-land taxation system. 42 DDCs and 131 Municipalities have increased internal annual revenue by 10%. A total of 30 VDCs, 53 Municipalities and 15 DDCs have prepared Revenue Improvement Action Plan.

The significant progress in the reporting period includes studies on LB's grant equalization formula and MCPM assessment criteria ; 100% budget disbursed by the end of fiscal year 2015/16 (target-50%); disbursed NRP 24.96 billion to LBs (target- NRP 29.10 billion) etc..

OUTPUT FOUR: During the program period, a total of 1,492 VDC staff are trained on accounting software, accounting software is made functional in 14% VDCs; 256 LBs' staff (DDC and Mun.) are trained in public procurement and initiated e-bidding; 75 LBs (DDC and Mun.) prepared procurement plan out of which 63% are able to implement the plan; 50% LBs (DDC and Mun.) have established internal audit section etc.

During the year 2-15-16, 73 DDCs and 141 Municipalities prepared procurement plans (target-75 DDCs and 191 Mun.); 67 DDCs and 71 Municipalities initiated e-bidding (target- 75 DDC and 217 Mun.); 100 VDC installed accounting software (target- 200 VDCs); 7% LBs adopted Gender Responsive Budgeting System (target- 10% LBs); Fiduciary Risk Reduction Action Plan (FRRAP) is revised for the period of July 2015 to July 2017.

OUTPUT FIVE: During the program period, various trainings have been conducted to capacitate stakeholders associated with LGCDP. Some of the achievements include - social mobilization training to 1,370 social mobilizers; CFLG training to 25,565 WCFs; EFLG to 28,589 persons ; GESI to 13,269 persons ; ICT to 6,401 persons ; building code to 4,994 technicians; community mediation to 1,124 persons ; DPMAS to 513 staff of LBs and sectoral line agencies.

The progress in the reporting includes fulfillment of 89.77% VDCs secretary posts (target-90%); 15% Municipality and DDC adhere to two years tenure (target-90%); Programme Recruitment Facility (PRF) Operational Guideline and LDTA Institutional Development Plan prepared; 93% DDC and 27% Municipalities scored more than 60% in Performance Measures; 60% of training activities completed by LDTA (target- 80%); 100% DDCs maintained digitized information system.

With the termination of DGE and UGE positions, the programme has introduced a concept of LGCDP focal person in DDCs and Municipalities to coordinate and facilitate LGCDP activities as well as to support in reporting and database management. All DDCs and Municipalities have designated LGCDP focal person either by recruiting Programme Officer/ Social Development Officer/Engineer or by mobilizing existing officer level staff. ICT UN volunteers at PCU and

RCUs are providing ICT related support to the MoFALD. In the area of improving information dissemination at all levels, ICT capacity building, use of ICT tools, GIS and creation of increasingly IT aligned working environment.

OUTPUT SIX: Till the date, 2quality labs are functional and 1,117 projects have passed the quality testes. Similarly, 29% DDCs have prepared DTMP and 57% Municipalities have prepared MTMP so far.

While looking at progress against set targets in the reporting year, it is found that quality labs established in 6 districts (target-10); a training manual prepared for LB's technicians; 193 community mediation centers established (target-200) and 81% disputes settled; 41 lab technicians trained on quality assurance of local Infrastructures (target-60 persons); 23 DDCs adopted MIS system (target-14).

OUTPUT SEVEN: A total of 55 DDCs have prepared District Periodic Plan (DPP) while DPP of 5 districts are in the process of approval. MoFALD has published District Periodic Plan Guideline, 2072. A 3-days training in Results Based Planning conducted in five development regions in which 223 participants including LDOs, Planning Officers, Program Officers and some of the DTOs' staff participated. Moreover, Supervision and Monitoring Committees are functional in 2,333 VDCs (74%), 191 Municipalities (88%) and 75 DDCs (100%). Monitoring and Evaluation (M&E) Section of MoFALD has reviewed existing annual monitoring indicators and reporting structure.

The progress in the reporting period includes District Period Plan of 12 additional districts (target 12 DDC); 43 Municipalities (old) prepared periodic plan (target-58); CFLG adopted by 62 DDC, 127 Municipalities and 575 VDCs (target-75 DDC and 191 Mun.); 48 VDCs and 5 Municipalities are in pipeline towards child friendly declaration (target 10 VDC); EFLG adopted local bodies are successful to declaring 12,205 Households and 7 wards as environmentally friendly; a mid-term evaluation (MTR) of the Local Governance and Community Development Programme (LGCDP)- Phase II has been completed.

OUTPUT EIGHT: After promulgation of the constitution, LGCDP-II backed to raise awareness and confidence building process at grassroots level on constitutional provisions through dissemination of various ICT materials.

OUTPUT NINE: The Programme has contributed to strengthen in local bodies restructuring and policy formulation processes. Key contributing elements include technical support to prepare various documents such as draft criteria/standards and ToR to constitute Local Level Restructuring Commission (LLRC), draft bill for various constitutional commissions including national fiscal commission, amendment bill on Local Self Governance Act, 1999.

BUDGET UTILIZATION: Total allocated budget of the program for the reporting year was NPR. 29.10 billion of which NPR. 24.96 billion has been spent (85.78%).

2   INTRODUCTION

BACKGROUND

LGCDP II is a programme framework for local governance and community development. The Programme has brought all actors, institutions, and donors within a framework of network, collaboration, coordination mechanisms. The Programme envisaged to improve systems, procedures, structures, tools and capacities to improve local governance for effective service delivery and citizen empowerment. The program focuses on social mobilization, service delivery and resource mobilization, local economic development and livelihood improvement aspects. The core development principles of LGCDP II are sector-wide approach, equity, subsidiary, harmonization and alignment, participation and collaboration, sustainability and value for money.

PROGRAM RESULTS

2.1.1   Goal

The overall goal of the LGCDP II is *to contribute towards poverty reduction through better local governance and community development*. To achieve the goal, the Programme has identified local governance as an essential element which is directly linked to people in their day-to-day life. Accountable governance, quality infrastructure and efficient service delivery, public financial management, economic development and community development are major areas of the Programme.

2.1.2   Purpose

The purpose of the programme is *to improve local governance for effective service delivery and citizen empowerment*. The programme has adopted a framework to strengthen decentralization, devolution and accountable local governance system which makes basic service delivery effective and efficient and empowers citizens mainly women, children and disadvantaged groups.

2.1.3   Program Components:

LGCDP II comprises of four key components of intervention that include: citizen's empowerment (demand side improvements); service delivery and capacity development (supply side improvements); Socio-economic and infrastructure development (local development) and governance reform (policy).

2.1.4   Outcomes and Outputs

LGCDP II has aimed to achieve four outcomes in the areas of downward accountability, LB responsiveness, effective local services and policy strengthening. In total, there are nine outputs within the four outcome areas.

Outcome 1: Citizens and Communities hold their local governance actors accountable: In this outcome, LGCDP aims to achieve results in the areas of citizens empowerment including women, children, disadvantaged groups and their institutions through social mobilization processes. The outcome also intends to achieve results in the areas of local governance

particularly holding LB accountable toward disadvantaged groups including women and children by engaging people in planning process, monitoring and oversights activities. This outcome contains two outputs (outputs 1 &2).

> Output 1. Citizens and community organizations are empowered to participate actively and assert their rights in local governance
> Output 2. Accountability mechanisms for local governance are in place

Outcome 2: Local Bodies are more responsible for citizen's demand: On this outcome, expected result areas include: LBs become more resourceful to provide local services to the citizens, LBs increase their own resources, capacity development, formula-based fund transfer to LBs by the adoption of equitable principles on their performance measured by MCPM. Supply-driven capacity development initiatives are also emphasized aiming of improved local Public Financial Management (PFM) and reduced fiduciary risks. There are three outputs (outputs 3, 4 &5) under this outcome in the program result framework.

> Output 3. LB's access to resources increased
> Output 4. Public financial management system improved
> Output 5. Institutional and human resource capacities of LBs and central level agencies involved in local governance strengthened

Outcome 3: All citizens are provided with efficient and effective local services: This outcome mainly aims to achieve results in the areas of improvement of services delivery of LBs for core services and improvement of development activities operating at the local level. The local services including social and infrastructure development are expected to deliver effectively and efficiently in a harmonious and integrated manner as per citizens' needs and preferences. There are two defined outputs (outputs 6&7) contributing to this outcome.

> Output 6. Access to and quality of local infrastructure and other socio-economic services administered by LBs are improved
> Output 7. Strengthening integrated planning, budgeting, monitoring and evaluation and coordination amongst local governance actors

Outcome 4: Strengthened policy and institutional framework for devolution, sub-national governance, and local service delivery: Policy and institutional frameworks for devolution, sub-national governance, and local service delivery are expected key areas of expected results of this outcome that need to be updated and improved in the context of state restructuring process. The policy outcome mainly focuses on the political rights, administrative arrangement and devolution of responsibilities for improved local services including sectoral services. The institutional arrangements as per the constitutional provisions are other institutional framework areas that cover mainly local and sub- national (provincial) arrangements. This outcome result is dependent on following two outputs (output 8 &9).

> Output 8. Refined policy on local governance and improved inter-agency cooperation
> Output 9. Policies developed for devolution and federalism

2.1.5 Cross-cutting Areas

LGCDP is being operated with thematic and cross-cutting areas of the development in relation to local governance and community development. Capacity Development (CD) has been recognized as a major cross- cutting area of the Programme as many activities of it is related to capacity development. Social mobilization, strengthening accountability, improvement in local service delivery all are associated with a   capacity enhancement   for better local governance   through community empowerment, human resource development and strengthening institutional capacities. Similarly, LGCDP has adopted Gender Equality and Social Inclusion (GESI), Child-Friendly Local Governance (CFLG), Environment-Friendly Local Governance (environment safeguards, climate change adaptation mitigation and disaster risk management) and Results-based Management as key cross-cutting areas in the programme. These cross-cutting themes are to be integrated into all aspect of the program implementation.

2.1.6 Program management:

LGCDP II has various stakeholders at central and local levels. Sector ministries, oversight agencies and development partners are the key stakeholders at the central level. Similarly, at the local level, local bodies, local line agencies, CSOs, NGOs, private sector, and citizens are the key stakeholders.

MoFALD is the GoN lead ministry for implementation of LGCDP II with overall responsibility for the program execution. To coordinate with other ministries and its development partners, a National Advisory Committee (NAC) has been established which is chaired by the Secretary of MoFALD. NAC's key responsibilities are to act as a program review and policy making the body, to approve annual strategic plans and review overall progress periodically. A National Advisory Sub-committee chaired by Joint secretary of MoFALD has been formed under the NAC to implement the policy decisions made by the NAC, to make operational level decision making, coordinating and managing for TA activities. To coordinate LGCDP II day to day operations and to ensure the internal coordination of policy matters by the PCC, a Program Coordination Unit has been established under the Joint Secretary of Local Governance Division, who serves   as a National Program Director (NPD). A full-time Under Secretary has been serving as a National Program Manager responsible for the day to day management of the program. The Division Chiefs/Joint Secretaries of MoFALD are Outcome Coordinators of the program. Moreover, Output Groups are led by Under Secretaries who are responsible for undertaking detailed progress and technical reviews periodically.

3 OVERALL ACHIEVEMENT AND ANNUAL PROGRESS

OUTCOME-1: CITIZENS AND COMMUNITIES HOLD THEIR LOCAL GOVERNANCE ACTORS ACCOUNTABLE

3.1.1 OUTPUT 1: Citizens and community organizations are empowered to actively participate and assert their rights in local governance

A. Progress of key targets:

The main thrust of social mobilization component is to ensure meaningful participation of citizens, especially the poor, women, child and socially and economically deprived communities in all sorts of decision-making process at the local level and make local bodies accountable to them. For this, social mobilization has created more than forty thousand citizen institution in the name of Ward Citizen Forum (WCF) and Citizen Awareness Center (CAC). These citizen institutions have largely engaged in local planning, implementation and oversight and social reformation process. So far, Ward Citizen Forums have been formed in 99.7 percent VDCs and Municipalities. At present 28,316 WCFs have been formed in 3,157 VDCs and 2,964 WCFs in 217 Municipalities. This way, total number of WCFs have come up to 31,280.

By mobilizing the WCFs, as important local institutional apparatus, people are actively engaged in project planning, monitoring, and evaluation; social development; advocacy; coordination with service providers; engaging in disaster and environment protection activities; helping communities in economic development opportunities. On the other hand, CACs are instrumental mechanisms established through which people are widely engaged in creating awareness in civic rights and duties; informing people about government services and facilities; resolving social problems; engaging in income generating activities, community infrastructure, and environment protection; increasing social harmony, etc.

Table-1: Status of performance indictors

	Performance Indicators	Year wise progress		
		2070/71	**2071/72**	**2072/73**
1	Ward Citizen Forum established	35,419	31,642	*31,280
2	People engaged in WCFs	844,005	754,862	771,355
3	Number of A & B category WCFs	-	-	24,977
4	Citizen Awareness Center (CAC)-LGCDP	4,289	4,504	9,204
5	CAC formed under CDP (DfID aligned)			1772
6	CAC members-LGCDP	117,737	122,249	244,735
7	CAC member under CDP (DfID aligned)	Not applicable		50,076
8	Number of graduated CAC	Not applicable	2,570	4,277
9	Percentage of VDCs that conducted ward level planning	82 %	83 %	98 %
1	Citizen participation in local level	786,476	1,209,19	1,260,175

	Performance Indicators	Year wise progress		
		2070/71	2071/72	2072/73
1	Number of WCF's demanded project	147,769	218,920	289,402
1	Total projects approved by council			145,819
1 3	WCF demanded project approved by council		100,703	117,095
1	WCF engaged in civic oversight	-		24,977
1	Number of CACs received LIP grant	1773	2,107	824
1 6	Number of CAC that received small infrastructure grant	806	2,610	788
The government has reduced VDCs number and increased Municipality number over the period, therefore the number of WCFs have been decreased this year compared to previous years. Accordingly, people engaged in WCFs also decreased.				

B. Review of annual progress:

LGCDP II has given emphasis in promoting community institutions- Citizen Awareness Centers (CAC) at settlement level and Ward Citizen Forums (WCF) at Ward level and mobilized them in local development and oversight activities. A total of 4,709 Social Mobilizers are facilitating social mobilization activities throughout the country. The table below gives the status of annual target vs. achievement in the FY 2015/16.

Table 2: Status of progress against AMEP target

| SN	AMEP Annual Target	Progress	Remarks/Reason for Deviation
1.1.	90 % VDCs and Municipalities conducted ward level planning workshop	3089 VDCs (98 %) and 214 (99 %) Municipalities conducted ward level planning	Target met
1.2.	85 % Ward level planning workshop with documented participation of women, children and DAG.	78% (2467) VDCs documented	Capacity gap of VDC and SM
1.3.	5000 CACs received LIP support till 2015/16	4704 CACs received LIP support	Resource limitation
1.4.	65% of WCFs under Category A or B by the end of 2015/16	24977 (80%) WCFs are under A& B Category	Target met
1.5.	30 DDCs, 15 Municipalities, and 500 VDC incorporated children's needs in annual plan through Bal Bhela	67 DDCs, 2977 VDCs and 198 Municipalities Conducted Bal Bhela and incorporated Child demand. 53.1 % Child demands have been addressed	Target met
1.6.	More than 55% WCFs engaged in civic oversight at local level	16,773 (54 %) WCFs are found involved in civic oversight	Target met
Source: Result Based Monitoring Report 2015 /16			

C. Key Highlights

C1. Ward Citizen Forum (WCF):

As of June 2016, 31,280 WCFs have been formed in all VDCs and Municipalities across the country with 7 71,112 citizens (46 % female and 54 % male) who are actively engaged in local level development planning and local governance activities. In the below chart depicts the three years status of WCF. This figure reflects that the number of WCFs is in decreasing trend. This happened due to the merger of 639 VDCs in Municipalities and declaration of new Municipalities. In the year 2013, there were 3,915 VDCs and 58 Municipalities, but now there are only 3,157 VDCs and 217 municipalities. As its result number of WCF member have also decreased by 8.6 % but the percentage of female member has increased from 43% in 2013/14 to 46% in 2015/16.

In line with social mobilization guidelines, ¼ members of 25,906 WCFs have been replaced. Of the total number of WCFs, 25,850 WCFs are conducting regular meetings and their main roles are: local level planning, civic oversight of public services, rooting out the ill social practices, breaking up traditional superstitious customs and supporting local bodies for updating the list of social protection beneficiaries, vital event registration and organizing different campaigns. With the objectives to find the functional status of WCF, LGCDP-II

WCF formation

35,419	31,642	31,280
3,915	3,276	3,157
2070/71	2071/72	2072/73

- - VDC - - WCF

has developed WCF performance assessment directives, and that was disseminated to all LBs thru RCUs. Based on that performance assessment, out of total 31,280 WCFs, 24,977(80 %) are found under A and B category.
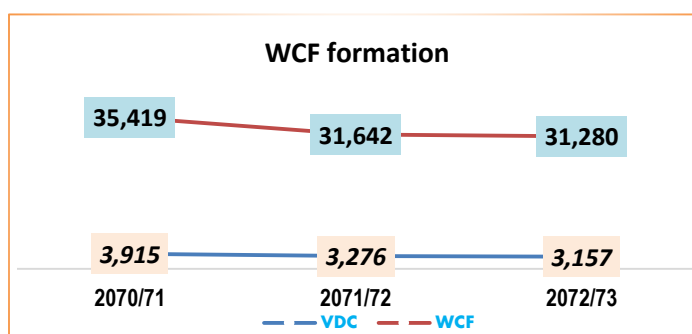
Similarly, this year, 25,906 Ward Citizen Forum have replaced 1/4th members and created more and more space for new citizens. In this process, 161 thousand new faces have entered in WCF, and the same number of old members have exited from WCF. This has fostered rotational leadership and shared responsibility practice at local level.

Civic oversight: The role of WCFs has been well recognized in civic oversight function, which put pressure to local actors and makes them more responsive and accountable towards citizen demands. In this course, WCFs are facilitated in such a way that they are aware of this matter and used to review the process and quality of public goods and services. In this part, most of the WCFs have used to review the service delivery of duty barriers and make these issues a top agenda for WCF meeting. Besides, they take an active part in social accountability measures like public hearing and public auditing. This has made local bodies to conduct public hearing and public audit on a regular basis. Before forming WCFs, these processes were almost not in practice or were ritual. Still, this practice has yet to come in full operational in entire WCFs. However, report received from local level illustrates that WCFs have to take an active part in public auditing and public hearing. This year, out of total 31280 WCFs, 16,773 (53.5 %) are engaged in oversight functions. WCFs have further reviewd the performance of ward / VDC level public agencies like health post, schools, service center, and non-state agencies

function and used to make a complaint against finding any kinds of irregularities. This has largely contributed to reducing the fiduciary risks at the local level. Many encouraging things are happening at local level.

Social reformation: Broadly, Ward Citizen Forum has four main key roles i) planning & prioritizing, ii) civic oversight iii) social transformation and iv) support in national campaign. In this regard, more than 80 % Ward Citizen Forum is found well functional. These citizen institutions are actively standing against social evils that prevailed in their respective wards. Child marriage, witchery, caste discrimination cases are rapidly decreasing. Community level petty disputes are registered, discussed and settled in WCF meeting. WCFs are largely contributing in increasing school enrollment, ODF and sanitation campaign, vital registration, etc. More importantly, the role of WCF is to update the list of a senior citizen that has been well recognized nationally. This year, 12,863 WCF have settled more than one social issue and acted against social malpractices. This scenario signals that WCFs are increasingly acting against all kinds of social malpractices, largely contributing to national development in the absence of elected local bodies.

**C2. Citizen Awareness Centers (CACs):**

LGCDP-II had set a goal of establishing and mobilizing 18,000 CAC for social and economic transformation. So far 10, 976 CACs (61%) have been formed including the CACs (1,772) formed by Community Development Programme (CDP) an aligned programme of LGCDP-II working in 18 districts. A total of 7,083 number is yet to achieve.

The cumulative number of CAC member has reached to 294,811. Out of this, 2, 58,676 (87.4%) are female.

CAC formation trend

4289   4504   10976

2013/14   2014/15   2015/16
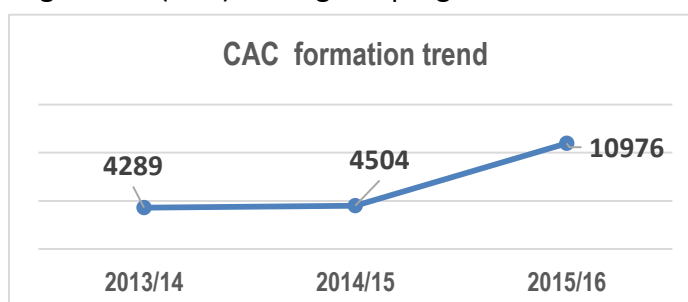
Citizen mobilization is defined as a process that engages and motivates a wide range of citizen and allies at local levels to raise awareness and demand for a particular development objective through face-to-face dialogue. Citizen institution therefore is a common platform for all to interact and build community networks. In this context, social mobilization seeks to facilitate change through a range of players engaged in interrelated and complementary efforts. CAC members are selected by applying various poverty and deprivation assessment tools.

The members of CAC regularly enrolled in a weekly ReFLECT session where, many useful information are disseminated, a variety of participatory approaches are applied to bring aware towards their rights and responsibilities. Besides, the CAC participants, are enabled to identify

No of CAC member

117,737   122,249   294,811

2013/14   2014/15   2015/16
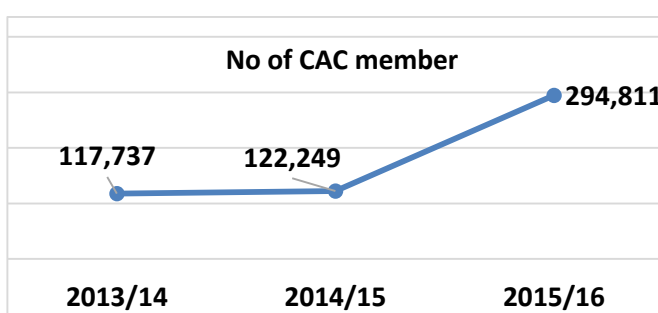
the key immediate, intermediary and underline causes of poverty and deprivation that affects their daily lives. In this way, weekly ReFLECT session creates them conducive environment to participate in local level decision making, and act in an organized way for eliminating all sorts

of discriminations and malpractices (child /early marriages, witchery, dowry, domestic violence) at the local level. With the increased awareness, almost all CAC members have got immunized to their children, almost all, both school aged girls and boys are finding going school. Witchery and untouchability like social evils are significantly reducing. Sanitation is visibly improved. Almost all CAC members have a toilet. Eligible members of CAC and their family members have timely claimed the citizenship.

Livelihood Improvement Plan (LIP): Till now, LIP grant is received by 4,704 CACs and benefited 14,120 members. The CAC members are utilizing this grant to initiate small-scale income generating programme like goat raising, pig keeping, small-scale grocery shop, shoe making, rickshaw pulling, etc. Before receiving the grant, they were oriented on how to identify potential local level areas for IG and small scale enterprises. LIP is a one-time grant. However, in the case of highly earthquake (EQ) affected districts, CACs (670) have received additional LIP grant provided by the Government of Norway with the aim of helping affected member of CACs who are more vulnerable to livelihood means.

Small community infrastructure support to CAC: This grant intends to address the genuine productive small infrastructure demands of the poor member of citizen awareness center. So far, this grant has reached to 4,204 CACs and promoted 9,774 productive infrastructures benefiting 126,120 members.

This grant was mobilized for 1,576 different productive purposes. This grants, as observed, have been providing significant support for addressing the genuine demands of poor citizens that brings some tangible differences in their lives and also build up the confidence level of the poor and deprived group on planning, managing and operating of their priorities. Hence, this grant does not limit to meet the minimum infrastructure requirement, more than that; this has built up the capacity and enhanced their confidence for managing the public activities at local level. The following table gives a national scenario of grant mobilization.

Table 3: Status of CACs that received and yet to receive grant

Cluster	Total CACs	CACs that received grants				Number of CACs yet to receive grants
		2013/14	2014/15	2015 /16	Total	
Dhandadi	907	82	279	89	450	457
Nepalgunj	1,327	145	346	121	612	715
Pokhara	1,980	243	490	198	931	1,049
Dhulikhel	1,487	104	531	137	772	715
Hetauda	1,730	130	365	70	565	1,165
Biratnagar	1,773	102	599	173	874	899
Total	**9,204**	**806**	**2,610**	**788**	**4,204**	**5,000**

**C3. Local level planning & citizen participation**

Social mobilization process largely focuses on increasing citizen's involvement in local level planning and decision-making process. In this reporting year 2015/16, out of total 3,157 VDCs, 3089 VDCs (98 %) and 214 (99 %) Municipalities have conducted ward level planning and reached out to people for planning and consulting purposes. It indicates that social

mobilization processes have succeeded to hold local bodies accountable to them. Similarly, the participation of citizens in level decision making and planning is also increased significantly. Women's involvement in local level affairs is also seem highly encouraging.

VDCs and Municipalities have received 289,402 projects from ward level planning workshop. The Integrated Plan Formulation Committee forwarded all those projects in the respective local council. Based on the available resources, VDC and Municipality council approved 145,819 projects, out of which, 117,095 (80 %) of WCF got approved , which is more than the targeted result of LGCDP-II. This indicates that local bodies are becoming more responsive towards citizen demands. Last year, the project approval rate was 46 %, and budget approval rate was 52 %. In the reporting year, both project approval rate and budget approval rate both increased to 80% and 62.7% respectively.

District /Municipality Social Mobilization Coordination Committee: This is a district level committee with the role of overall guidance, supervision, monitoring, facilitation, coordination, etc. for effective implementation of social mobilization activities. Such committees have been formed in all 75 districts. With the increased number of municipality, this year 61 new municipalities have formed MSMCC. Ideally, this committee meets once in every two months and reviews the progress and identifies the future priority actions. Last year, 56 % of DSMCC held the bio-monthly meeting, and this year this percent have gone up to 95 %. Similarly, in the municipality part, 172 MSMCC holds a meeting and reviewed the progress and provided feedback to SM stakeholders.

Local Service Providers (LSP): Based on new provision of SM Manual 2071, LGCDP-II supported the LBs to hire the local service providers. In this connection, 71 DDCs and 189 Municipalities have selected and mobilized 526 local service providers . Mahottari and Saptari DDC and, Bhaktapur, Dakshinkali, Chandragiri, Nagarjun, Tarakeswore, Budhanilkanth, Manthali and Bardibas Municipalities could not select the local service providers. Hence, till

LSP selection & mobilization at RCU level
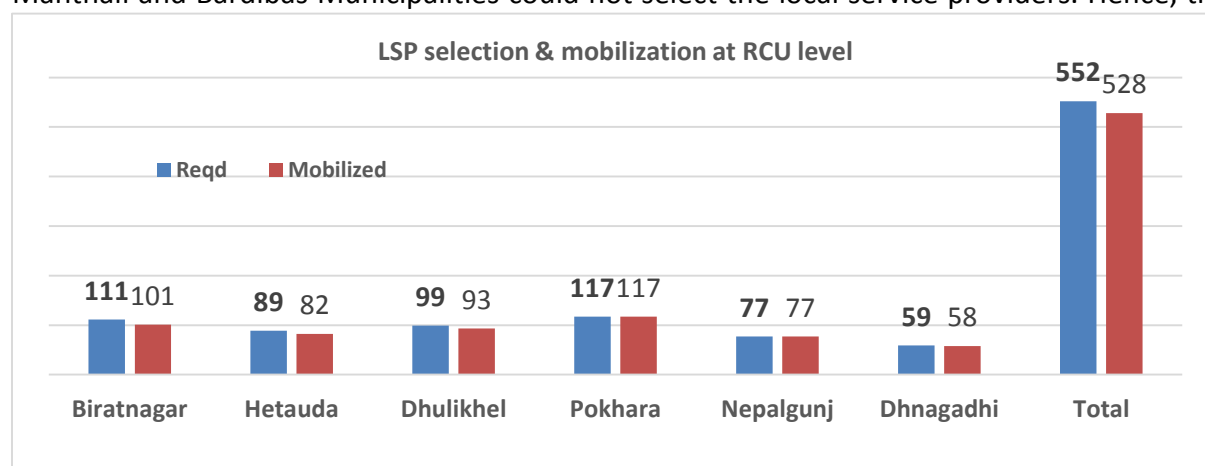
the reporting year, 528 LSPs have been selected and mobilized by local bodies. Those who failed to select LSP have directly implemented social mobilization activities run by local bodies. The detail of cluster-wise LSP selection is shown in the diagram.

C4. Social Mobilizers working for demand side strengthening:

The programme has provisioned one Social Mobilizer for each VDC and one ward of old Municipalities. In the case of new Municipalities, the number of SM will be same as a number of merged VDCs. Social Mobilizers are the key agent of social mobilization component. Hence, immediate to recruitment, the Social Mobilizers are given basic training on social mobilization and ReFLECT, which is expected to make them able to work as a social mobilizer and facilitate the Ward Citizen Forum (WCF), Citizen Awareness Center (CAC) and support the VDC and Municipalities to mobilize the community groups. Currently, LGCDP-II has the provision of 4,758 Social Mobilizers. However, currently, there are 4,709 (3,156 in VDC and 1,577 in Municipalities) Social Mobilizers working at

local level. Out of these Social Mobilizers, the number of female Social Mobilizer is almost double to male. This happened due to new positive discriminatory provisions of Social Mobilization Manual 2014. Social Mobilizers are facilitating the regular meeting of WCF, weekly ReFLECT session, supporting the local bodies for vital registration, updating the name list of social protection beneficiaries, conducting a different meeting at the local level and mobilizing citizens for social transformation purposes. In addition to these, the SMs work as a contact person for line ministries and coordinating the different programme at local level. However, monitoring the SM in a periodic basis and ensuring their regular presence at the local level have been a great challenge for the LBs.
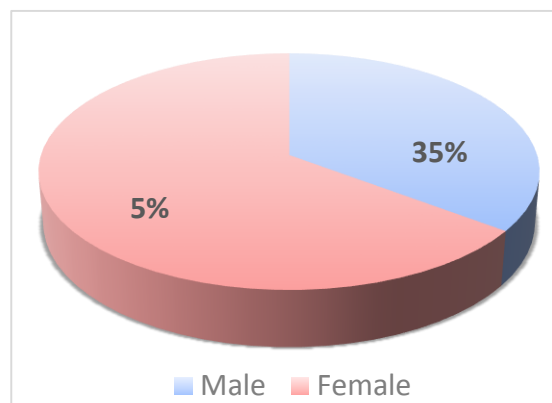
C5. Capacity development of social mobilization actors:

The social mobilizers' annual turnover rate noticed as 15-18 % in an average. Hence, capacity development of new SMs has been realized as a most needed regular activity under the social mobilization component. Hence, basic social mobilization training has been scheduled for each year based on the availability of resources, training demands from the local level and other emerging areas. Out of total training participants, the percentage of the female is 70 percent. This indicates that a big number of social mobilizers and LSP focal persons are female.

LGCDP-II programme Coordination Unit reviewed the training courses and made it more specific based on the learning needs of the targeted participant. These planned trainings were delivered by local Development Training Academy (LDTA) from their respective regional centers. The regional coordination unit (RCUs) served LDTA to coordinate the training, finding out the appropriate resource persons and also delivered technical sessions.

The following table gives the comparative status of capacity development for regional resource person, LSP Coordinators, Social mobilizers and CAC Facilitators.

Table 4: Status of training organized on social mobilization

Types of Training	2014		2015		2016		Male	Fem.	Total
	Target	Prog.	Target	Prog.	Target	Prog.			
SM Basic			5,326	4,761	1,032	980	2,355	3,386	5,741
ReFLECT					1,462	1,415	316	1,099	1,415
CAC Facilitation					2,472	2,277	98	2,179	2,277
Master ToT	207	203	210	203			149	54	203
Total			5,536	4,964	4,966	4,672	2,918	6,718	9,636
Percentage				*90%*		*94%*	*30*	*70*	

Similarly, the aligned program the Community Development Program (CDP/DFID) also delivered enterprise skill training to 585 and 1,676 person trained as local resource person. Beside, 26 event Integrated Plan Formulation Committee (IPFC) at VDC level 6 events at DDC level and 26 event orientation are delivered WCF in their 18 working districts.

C6. Underline Causes of Poverty Assessment (UCPA)

Underlying Causes of Poverty Assessment (UCPA) is a tool to identify deprived settlement and HHs. It also supports communities to assess their status and take the measures accordingly. In this regard, LGCDP-II has started to conduct UCPA through the Social Mobilizers and the LSP at the local level. In this connection, Dhulikhel and Hetauda RCUs have reported that the both RCUs have conducted UCPA in entire wards while RCUs Biratnagar, Pokhara, Nepalgunj and Dhangadhi have conducted have conducted it on sample basis.

UCPA conducted and on-going at RCU level
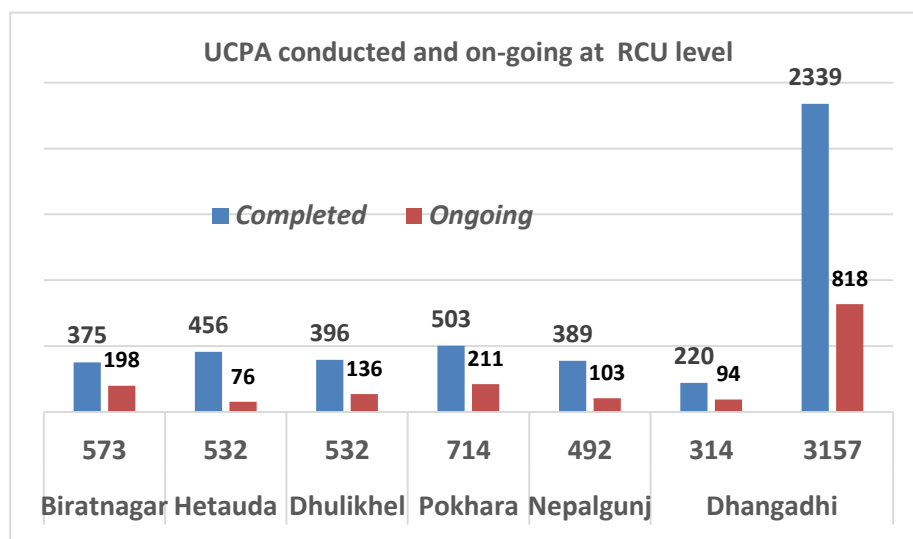
The recent report received from the RCU states that UCPA has been conducted in 2,977 VDCs and 653 wards of Municipalities. However, in VDC part, 2,339 VDCs have completed this in all wards and rests other have conducted it on sample basis. The diagram gives the region wise detail of UCPA status.

The findings have multiple uses like selecting and designing development intervention, introducing positive discriminatory action, a judicious base for equitable resource allocation and assessing the effectiveness of programme intervention, etc. Hence, LGCDP social

mobilization component have accepted UCPA as an essence tools for strengthening local governance process at local level. For now, the immediate findings of UCPA have been used for extending new 3,452 CACs in most vulnerable settlements. The above chart shows the UCPA conduction status across LGCDP clusters.

3.1.2   OUTPUT 2: Accountability mechanisms for local governance are in place

A.   Progress trends of key targets

Socially mobilized groups and civil society organizations are required to empower to make LBs more accountable and local bodies need to be capacitated to fulfill people's basic needs. LGCDP-II has been helping to establish and strengthen accountable governance systems at the local level by mobilizing local CSOs. As a result, LBs have institutionalized the systems like compliance monitoring; public audits; citizen charter, notice boards, information desk, redressal of public grievances, etc.

Table 5: Status of performance indicators on downward accountability

	Performance Indicators		Year wise Progress		
			2070/71	**2071/72**	**2072/73**
1.	Civil Society led compliance monitoring in 75 districts		0	LGAF=65 SALGP=9	LGAF=66 SALGP=9
2.	LBs where compliance monitoring is conducted by CSOs		0	VDC=871 Mun=147 DDC=74	VDC=1,606 Mun=44 DDC=75
3.	Nos of DDCs and Municipalities that conducted Social Audit	Muni.	33	68	110
		DDCs	47	48	64
4.	Nos of Local Bodies that conducted Public Hearings	VDCs	2012	1887	2154
		Muni.	55	152	213
		DDCs	75	74	75
5.	Nos of Public Audit conducted projects	VDCs	13,746	18,128	45,943
		Muni.	3,471	9,859	20,526
		DDCs	7,924	12,188	14,289
6.	Number of DDCs where grievance mechanism are functional		62	68	67

Note: Current number of Local bodies: DDCs=75, Municipalities = 217 and VDC = 3,157. Total=3,449

B.   Review of annual progress:

To promote downward accountability at local level, MoFALD has established Local Governance Accountable Facility (LGAF) under the Good Governance Promotion Section (GGPS). The LGAF has a national level committee under the chair of the Secretary of MoFALD consisting of representatives from National Planning Commission (NPC), National Vigilance Centre, Joint Secretaries of MoFALD, and National Programme Manager of LGCDP, and representatives of Local Bodies' Associations, representatives of NGOs. The committees meet

in each trimester and provide support for policy formulation, updating and developing implementation modalities to promote downward accountability. It also publishes accountability report, trimester bulletin. The LGAF has been conducting citizen-centered third party monitoring, independent citizen survey, and capacity building.

Table 6: Progress status against AMEP target 2015/16

SN	AMEP Annual Targets	Progress	Remarks/Reason for Deviation
1.	More than 80% WCFs oriented on social accountability tools. (At least 1 member from each WCF) More than 55% WCFs engaged in civic oversight at local level	o There are 31,280 WCFs in operation. Out of them, 15,733 WCFs (54%) received orientation on Social accountability tools; public auditing and citizen entitlements and civic oversight.	Target moderately achieved
2.	Civic Society Organizations conducted compliance monitoring in the district and progress report trimester basis prepared (LGCDP 66 and SALGP 9)	75 CSOs (LGAF-66 & 9 DIP from SALGP) have been contracted and being done compliance monitoring and progress reporting as per their ToR in the contract.	Target achieved
3.	Annual accountability 2015/16 report published Experience sharing meeting organized with aligned programme on trimester basis	o Annual Accountability Draft Report (2015/16) is prepared. o Experience sharing meetings organized with Sajedari Bikaas and SALGP 3 times	Target achieved
4.	60% DDC established grievance handling mechanism and prepared trimester report on grievance handling	89.33% DDCs have established grievance redressal mechanism and report trimester on redressal cases	Exceeded the Target
5.	LGAF- NC met at least once in every trimester	NC meeting conducted three times	Target achieved
6.	CSOs conducted compliance monitoring on a sample basis (10 VDCs, 6 Municipalities ward …) in all the district and prepared a report on a trimester basis.	CSO conducted compliance monitoring in 2005 VDCs, 188 Mun and their 2899 wards, 75 districts (both LGAF+SALGP) and CSOs report to RCU and LGAF as per their ToR mentioned in the agreement	Target achieved
7.	IEC materials disseminated through FM radio and TV in the district. Experience sharing meeting organized on trimester basis with aligned partners	o 76 FM Radios in LGAF covered areas and nine from SALGP and national TV has covered the compliance monitoring, accountability, and oversight activities by	Target achieved

SN	AMEP Annual Targets	Progress	Remarks/Reason for Deviation
		citizen disseminated regularly o MoFALD organized to meet the press in trimester basis o the success story of LGCDP published o Experience Sharing meeting organized on trimester basis with aligned partners	
8.	At least 50 % of the grievances reported during the public hearing addressed by local bodies (VDCs, Municipalities, and DDCs on sample basis)	60% of the grievances reported during the public hearing have been addressed by LBs.	Target achieved

C. Key Highlights:

C1 Policy formulation:

Accountability always demands the systems and functions within the rule of law and practiced within democratic values and norms. For making easier to functioning of downward accountability promotion, a different policy, and implementation guidelines, capacity development manuals have been formulated. LGAF Operational Guidelines, 2014, Compliance Monitoring Guidelines, 2014, Local Bodies Management Audit Guidelines, 2015, Grievance Redressal Manual, 2015, CSOs' Staff Training Manual 2014, radio programme operational manual, 2014 are the key policy level interventions.

C2 Demand side promotion:

Citizen engagement in Plan selection/ decision-making level: As a result of citizen engagement, domination by political parties and elites over the public resources has been decreased and increased the access and voices of deprived and minority groups during the planning process. As per the provisions of LBRMMG 2012, the projects prioritization process need to be started from WCF level ensuring greater participation of the Integrated Plan Formulation Committees where participation of excluded segments of the population is made compulsory. Further, Local Bodies have to approve the draft annual plans forwarded by the IPFC. There is an increased participation of citizen including women in the planning process.

Citizen engagement in ward level planning

No. of People

Male: 504202 (2013/14), 741619 (2014/15), 811246 (2015/16)
Female: 282274 (2013/14), 467578 (2014/15), 448929 (2015/16)

2013/14   2014/15   2015/16

Male   Female
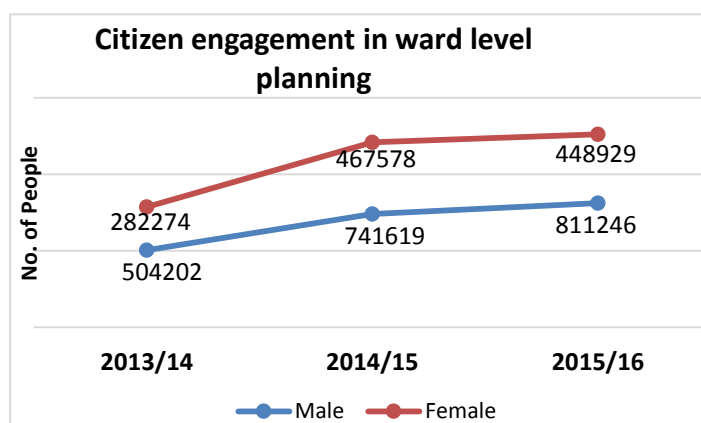
Participation in civic education/ empowerment activities: Different people empowerment activities such as information on public service entitlements, systems to be followed, monitoring and oversight of public goods and services, recieving feedbacks and engagement in decision-making process, etc. have been found effective. Information related through Local FM Radios, printed media, web pages, mobile apps have been used to pass on information to people. Further, WCFs have been found an effective and common platform which is being developed as a doorstep point of community development. WCF members have been providing the focused role to prioritizing ward level projects, facilitation and monitoring of projects implementation, public audit and oversight of public service entitlements. A total of 195,205 WCFs members has been provided local level planning and civic oversight training.

Civic oversight: As a citizenry organization, WCFs are provided the great role of community level oversight of public service entitlements. Main roles of the WCFs are to monitor the access, quality, effectiveness, regularity, and public satisfaction provided by the service providers. They are the sole representatives of the people to provide feedback and persuade to improve their result based governance

Numbers of WCFs that facilitated Public Audit of their ward level projects

systems and effective service delivery. Empowerment of citizens could be seen through the increasing trends of using accountability tools and public engagement, share their grievances and provide feedbacks to local bodies. Civil Society Organizations have been capacitating WCF members through orientations and mentoring aiming to improve and increase their roles for oversight functions. WCFs are engaged in civic oversight activities mainly in public audit, social audit, public hearing and monitoring of local development activities, service delivery of health posts, primary schools, and I/NGOs.
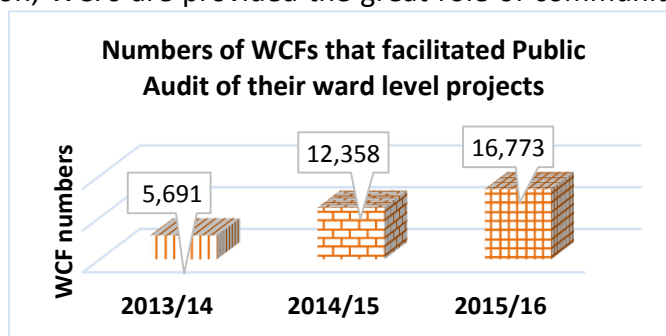
C3. Supply side promotion

Use of social accountability tools like Public Audit, Social Audit, Public Hearing are the recommended tools by the MoFALD to Local Bodies.

Social audit: Accountability tools like Social Audit measures the social and economic liabilities to be fulfilled by the local bodies and the service delivery entities like Line agencies, private sectors, I/NGOs and civil societies. Social Audit Guidelines-2067 has provided various procedural guidelines related to undertaking Social Audit once in each fiscal year and in the first quarter with following procedures of internal and external preparation information collection, reflections of the stakeholders and citizens, etc. Local bodies have to be answerable to the people for the results and resources used to the people and incorporate the concerns,

Social Audit conducted by DDCs

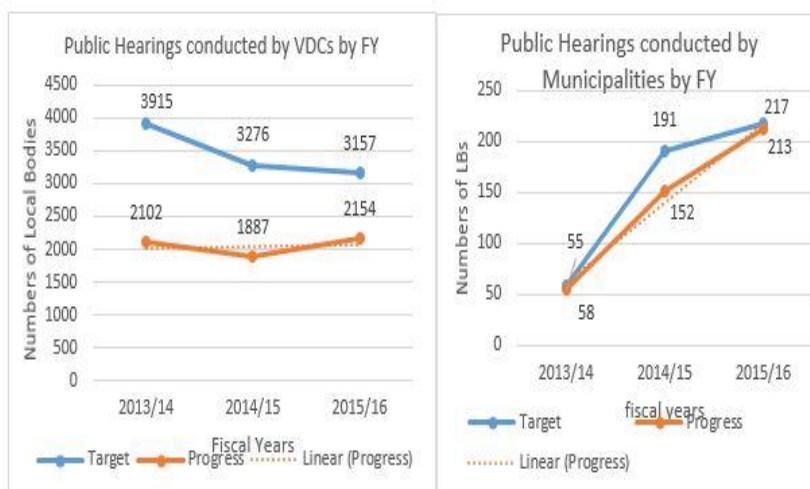**Social Audit conducted by Municipalities**
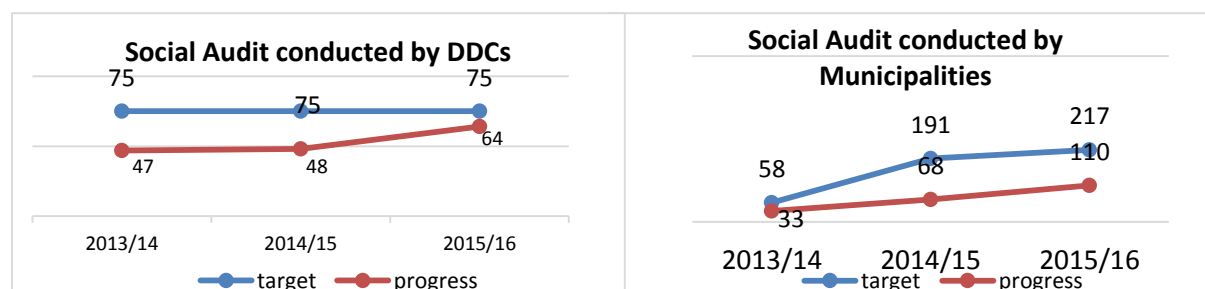
feedbacks and suggestions as reflected in social audit report in the areas of their planning, implementation, monitoring and supervision and so on. On the other hand, it is the sole process of organization to know about the right holders (Beneficiaries) perception and accommodate themselves to meet their obligations in their actions. The above figure shows the increasing trends of conducting social audits in DDCs and Municipalities.

Public hearing: Public Hearing Guideline, 2067 is in operation in Local Bodies. Good Governance Act, 2064 has provisioned the trimester-based conduction of Public Hearings. Local Bodies Resource Mobilization and Management Operation Guidelines, 2069 has also mandated the public hearings in the local bodies. Public Hearings is instrumental in assessing the satisfaction level of citizens by their services in line with the commitments made in the citizens charter and their responsibilities, receive feedbacks and suggestions and responsive towards public grievances. It is a great forum to a) test the perceptions on how their actions were accountable to the people as well as to b) disclose their commitments, progress and results, assess the improving points, actions and assure the public to be more responsible, responsive and accountable to them in future. Moreover, this should be the crucial forums to seek public engagements, contributions, etc. The trend shows that the public hearing figures are in the increasing trends.

Public audit: Public Audit is mandatory in each project either of implemented by contractor or Users' Committee to be conducted by the end of the project implementation and submit its report for requesting final installment as per the provision of Local Body Financial Regulation 2064 and the LBRMMOG, 2069 and the Public Audit Guideline 2067. Public Audit is carried out to assess the income and expenditure, physical targets and achievements, beneficiaries' contributions and to ensure transparency of project works. At the same time, public grievances, suggestions, feedbacks are collected, answered or put in further steps. Procedures of Public Audit are provided in the guideline.
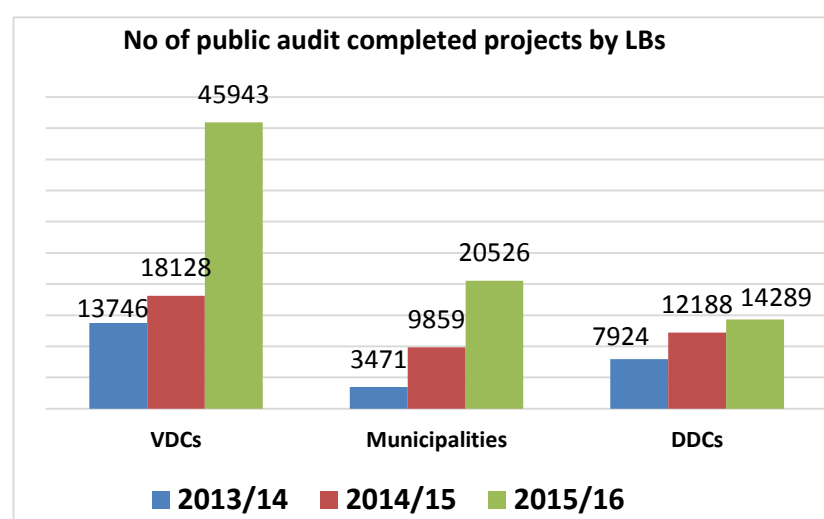
The trends of public auditing in the Local Bodies are in the increasing trends. Ward Citizen Forums are responsible to the role of monitoring and facilitation of the project implementation and public audit. As mentioned earlier Ward Citizen Forums have started to facilitate the public audit.

Grievance redressal: Good Governance Promotion Section (GGPS) is the focal section of the MoFALD for the redressal of public grievances registered or referred to Ministry from Commission for Investigation of Abuse of Authority (CIAA), National Vigilance Center (NVC) and Office of the Prime Minister and Council of Ministers (OPMCM)-Hello Sarkar. In the three fiscal years, National Vigilance Center referred the cases to ministry, of which about 79% cases were redressed by MoFALD. Cases related to insubordination, mismanagement, bribery were referred from the NVC for probing, and MoFALD has taken action after investigation.

The trends of grievances registered in the MoFALD in past three fiscal years shows the decreasing trends. A total of total 130 (80%) cases are redressed out of 162 registered in the Ministry. These cases are mostly related to the budget request, budget mismanagement in the projects, users' committee formation disputes, social security allowance mismanagement and demanding disciplinary action to the LBs staffs absent in the office.

Grievances referred from CIAA and NVC are in increasing trends. In the past three years, 1,120 cases from CIAA and 1,724 from Hello Sarkar have been referred to MoFALD for probing. 79% of the cases referred from CIAA and 96% cases from Hello Sarkar referred have been redressed. These cases are related to the fake certificate, embezzlement of social security allowance distribution, public land encroachment, disputes in project operation, track opening for local road, User's Committee formulation, advance clearance, disciplinary action demanded against contractors and staffs, staff recruitment, citizenship recommendation, building design and drawings and briberies. Disciplinary actions have been taken to the staffs at different levels. 13 persons have suspended, departmental actions taken to 9 persons, cases registered in the Special Court to 25 persons.

C4. Coordination and harmonization:

LGAF is coordinating with central level actors and agencies for promoting accountability which includes National Planning Commission, National Vigilance Centre, Strengthening Accountability of Local Government Programme (SALGP), and Sajhedari Bikaas Programme (PACT-US Aid). LGAF had organized orientations to all Local Development Officers and Executive Officers to provide information about LGAF, process, and procedures of Local Bodies' compliance monitoring by CSOs, the role of CSOs and Local Bodies to comply with act and regulation in relation with LBs. Additionally, LGAF had organized orientation for Planning Monitoring and Administrative Officers, Social Development Officers, District and Urban Governance Experts in which 189 persons took part. A ToT has been completed at Pokhara and Kathmandu were 31 Officers (Section Officers and Social Development Officers) have participated.

C5. Compliance monitoring:

Each year LGAF conducts CSOs' performance quality assessment by assigning the role to Local Bodies Associations. LGAF has renewed the contract of 66 CSOs for 2015/16 based on the

previous assessment report. In the year 2015/16, only 49 out of 66 CSOs qualified. As a result, LGAF National Committee decided to renew the contract of those 49 CSOs and call EoI for the fresh bidding for these vacant 17 districts.

As per the ToR provided to the CSOs, they have been performing compliance monitoring of LBs with policy and legislative requirements of 1,586 VDCs (some VDCs merged into municipalities) and 188 Municipalities within 66 districts of Nepal. Other nine districts are being covered by Strengthening Accountability for Local Governance Programme (SALGP). LGAF had provided four days capacity development training to the 249 (targeted 254) CSOs' staffs (Programme Coordinator, CSO Focal Person, and Accountability Officers-2) involved in compliance monitoring.

CSOs have provided orientation on compliance monitoring procedures, the importance of accountability, grievance redressal in the respective local bodies, completed the baseline survey. The immediate results of CSOs' compliance monitoring are placement of 'Citizen Charter' in front of the Office, regularize of Public Hearing and redressal of citizen's grievance, conducting a social audit, public hearings and mandatory the provision of PA, SA, and PH in Local Bodies.

CSOs with contracting FM (76 FM Radios are in contract with CSOs) Radios, started the civic education on Social Accountability and encouraged to make active citizen participation in the respective forum. CSO assigned for Kathmandu district has been broadcasting the accountability related message through the television on a monthly basis.

C6. CSOs' quality assurance assessment:

LGAF Secretariat and LGCDP RCUs' carried out regular monitoring and backup support to CSOs in compliance monitoring. Local Bodies Associations viz. the Association of District Development Committees of Nepal (ADDCN), Municipality Association of Nepal (MuAN) and National Association of VDCs of Nepal (NAVIN), these associations are the members of LGAF National Committee, have been assigned to carry out the quality assurance assessment (QAA) of CSOs through field visit, observation, discussion with stakeholders (eg. LBs, NGOs, politicians etc). Ten different criteria have been developed so far for the assessment and converted into markings. CSOs secured more than 70 marks have been marked as well performer and less than 70 marks achievers as weak.

C7. Grievances redressal at local level:

It is found that 68 DDCs have started grievance redressal reporting system. Additional 9 Municipalities and 68 VDCs have also started registering and redressing the complaints. In the fiscal year 2072/73, out of 1,655 registered complaints in VDCs, 77% were redressed locally. Out of the 6,713 registered complaints in the Municipalities, 88% were settled. Likewise, DDCs redressed 55% cases out of the 669 registered complaints. In the fiscal year 2014/15, a total of 1746 cases from VDCs have referred to the upper-level authorities (the DDCs), and 397 cases from Municipalities referred to MoFALD for the redressal. Likewise, in the fiscal year 2015/16, MoFALD received 177 cases from the Municipalities and 36 from the DDCs. VDCs referred 112 cases to MoFALD. This all shows that the grievance redressal system in the local bodies is being established.

OUTCOME-2: LOCAL BODIES ARE MORE RESPONSIVE TO CITIZEN'S DEMANDS

3.1.3 OUTPUT 3: Local Bodies' access to resources increased

A. Progress trends of key targets:

As a result of an increase in the demand side of people empowerment, LBs are increasingly becoming more responsive toward people's demands and aspirations. Obviously, in order to become more responsive, more resource is needed to LBs together with appropriate institutional setup. Significant achievements have been made in the past three years.

Table 7: Status of performance indicators of revenue of LBs

	Performance Indicators	Baseline 2069/70	Year wise Progress		
			2070/71	2071/72	2072/73
1	No of municipality practicing integrated property and house-land	46	46	48	13
2	Number of LBs increased annual revenue more than 10% DDCs	32 43	48 22	29 38	42 131
3	Number of LBs having fully functional revenue section DDCs	0 0	30 28	45 30	0 159

B. Review of annual progress:

The following table highlights the progress made in the reporting year against the annual target as per the AMEP.

Table 8: Status of progress against AMEP target 2015/16

Annual Target	Progress by the end of Fiscal Year	Remarks/Reason for Deviation
50% of annual budget disbursed by the end of the second trimester 2015/16	100% budget disbursed by the end of fiscal year 2015/16	• More than 94.37% budget authorized to implementing agencies in the first trimester of F/Y 2015/16 • Online system developed to share the authorization by all implementing agencies
30 % of potential revenue collected	Most of the LBs have not prepared database of revenue potentiality. So it is difficult to present progress.	It is hard to compare the collection against potentiality due to data problem

Annual Target	Progress by the end of Fiscal Year	Remarks/Reason for Deviation
30 DDCs and 27 Municipalities established well equipped LB revenue administration unit in 2014/15	45 DDCs and 30 old municipalities received a grant of Rs. 1 Lakh each for institutional development of revenue section.	Each LB received fund and utilized as per guideline provided by LGCDP
Less than 20% deviation between actual and budgeted amount in 2015/16

50% of annual budget disbursed by the end of the second trimester 2015/16 | There is 2% positive deviation (102% achievement/progress) between actual and revised budget amount of DDCs. However there is 5% negative deviation (95% achievement/progress) between actual and revised budget amount of municipalities. | There is more than 20% negative deviation (less than 80% achievement/progress) between actual and proposed budget by the last year's council of DDCs and municipalities. |
| LBs' grant equalization formula developed | New LBs' grant equalization formula developed | It requires final approval from MoFAD before implementation |
| New MCPM assessment criteria developed | New MCPM assessment criteria prepared | It requires final approval from MoFALD before implementation |
| NRP 29.10 billion for LGCDP budget heads:
- DDC: 4.87Bn
- VDC: 8.05Bn
- MUN: 7.90Bn
- LDF: 3.43Bn
LGCDP II: 4.84Bn | NRP 24.96 billion for LGCDP (85.78%) budget heads:
- DDC: 3.86 Bn (79.35%)
- VDC: 8.01Bn (99.53)
- MUN: 7.01Bn (88.81%)
- LDF: 3.16 Bn (92.13%)
LGCDP II: 2.90 Bn (59.95) | Source: Unaudited financial statement 2015-16 |
| MARS software updated and additional feature incorporated in the software. | MARS software implemented in KMC | KMC has tested in 5 wards, and MoFALD has given consent to roll out in all wards of KMC. |

C. Key Highlights:

Policy amendment initiatives: The Local Revenue Section of MoFALD has amended the Local Body Revenue Administration Regulation changing house and land tax rate and base of valuation.

Revenue administration of LBs: LGCDP has provided a fund to LBs with guidelines to improve revenue section. During the reporting period, 30 VDCs, 53 MuNs, and 15 DDCs have prepared Revenue Improvement Action Plan. MoFALD has prepared guidelines to introduce Integrated Property Tax while 61 Municipalities have introduced Integrated Property Tax.

Local body grants and MCPM: To make government transfer effective, Local Body Fiscal Commission (LBFC) has conducted a study to develop a grant equalization formula. LBFC conducted MCPM orientation to enhance the capacity of LBs mainly for newly announced municipalities, and MCPM failed LGIs. MCPM focal persons of LBs and Executive Officers of municipalities have been oriented on MCPM indicators. A final report on the revision of MCPM system of VDCs, Municipalities, and DDCs in line with MCPM impact assessment study recommendations prepared. A study report on the future Road Map of National Fiscal Commission has been prepared.

3.1.4 OUTPUT 4: Public Financial Management System Improved

This output emphasizes on the utilization of financial resources for intended results, ensuring value for money and enhancing financial accountability. Reform in public procurement system is significant not only in contributing optimal utilization of resources along with building trust on government through improved service delivery and creating a business environment.

Based on the PEFA review carried out during LGCDP-I, MOFALD approved Financial Risk Reduction Action Plan (FRAAP) first time in March 2012 which has been revised for the period of July 2015 to July 2017. Sub-National PEFA has been conducted to analyze the areas for improvement at local body level.

A. Progress on key targets:

Table 9: Progress against indicators

SN	Indicators	Annual progress		
		2013/14	2014/15	2015/16
1	Number of LBs that received budget on time	Not applicable	NA	2,973
2	Number of VDCs' staff trained on accounting software	Not applicable	1,492	1,217
3	Number of VDCs where accounting software is functional	85	440	170
4	Number of LBs' staff who received training on e-bidding system	Not applicable	Not applicable	134
5	Number of DDC/Municipalities initiated/practiced e-bidding for procurement	Not applicable	55	138
6	Number of DDC/Municipalities staff who received training on public procurement	Not applicable	Not applicable	118
7	Number of LBs (DDC & municipality) that prepared procurement plan in the current fiscal year	117	172	218
8	Number of LBs (DDC & Mun.) in which Procurement Plan implemented	Not applicable	172	183

SN	Indicators	Annual progress		
		2013/14	2014/15	2015/16
9	Number of LB internal auditors received training/orientation on internal audit guidelines	Not applicable	Not applicable	160
10	Number of DDCs and Municipalities that established internal audit section	Not applicable	Not applicable	145
11	Number of LBs which submitted financial report on time	Not applicable	Not applicable	1,798

B. Review of annual progress:

Table 10: Status of progress against AMEP target

SN	AMEP Annual Target	Progress
1	90% of PEFA-FRRAP target achieved.	41 % PEFA – FRRAP target achieved
2	75 DDCs and 191 Municipalities prepared procurement plan	73 DDCs (97%) and 141 municipalities (65%) prepared procurement plan. E-bidding: DDCs: 67 of 75 adopted (90%) Municipalities: 71 of 217 adopted (33%)
3	200 additional VDCs installed VDC accounting software with that 1256 VDCs installed accounting software	VDC accounting software introduced in additional 100 VDCs
4	Accrual accounting system operational in 12 municipalities	Accrual accounting system introduced in 6 municipalities
5	LBs' arrears reduced by 40% annually	Audit arrears of DDCs reduced by 21.02%
6	75 DDCs and 191 Municipalities, and 20% of VDCs comply with financial reporting	75 DDCs comply with financial reporting
7	LBs' MTBF prepared	LBs' MTBF prepared
8	10% LBs (DDC & Municipality) adopted gender responsive budget	7% LBs (DDC & Municipality) adopted gender responsive budget
	Audit tracking system by 30 DDCs and 30 Municipalities adopted	Audit tracking system with AORTS software initiated by DDCs
11	Internal audit guidelines of LBs revised and staff oriented	Risk based internal audit guidelines revised
12	FRRAP assessment conducted	FRRAP assessment done for the FRRAP covering 2012 -2015
13	PETS assessment of LBs conducted	Draft report prepared and preliminary findings shared with the Steering Committee, Final report under progress.
14	VDC accounting software installed in additional 200 VDCs with that number of VDCs with accounting software reached 1,250.	VDC accounting software introduced in additional 100 VDCs

SN	AMEP Annual Target	Progress
15	Networking of FAMP established in MoFALD.	Started piloting in 7 DDCs (Taplejung, Pathchar, Ilam, Dhankuta, Sankhuwashbha, Bhojpur, Tehrathum)
16	Accrual accounting system implemented in 12 municipalities.	Accrual accounting system introduced in 6 municipalities
17	Audit Tracking System introduced in DDCs and Municipalities.	Audit tracking system with AORTS software initiated by DDCs
16	75 DDCs and 191 Municipalities prepared procurement plan	75 DDCs prepared procurement plan

C. Key Highlights:

C1. Public finance management:

Improvement in budget and fiscal management: Timeliness of Planning, Stakeholders Participation, Prioritization of Projects, Appropriate Appropriation of Budget/Resources and Forecasting of Block grants, etc. are key for improvement in Planning and budgeting at the local level. At the beginning of LGDCP II, a guideline for allocation and disbursement of small community level grants was developed to integrate it with LB Resource Mobilization and Management Operation guidelines. MTBF modality is finalized and oriented MOFALD officials. MTBF for FY 2016-17 to 2019-20 has been approved by Ministry of Finance. MTBF helps to improve predictability of financial resources. The program is guiding DDCs, municipalities, and local line agencies on gender-responsive budgeting to roll out gender responsive budgeting. Allocation of budget and engagement in planning process considering inclusion is a meaningful approach to better fiscal governance.

Inclusive budget at local bodies: The Local Body Resource Mobilization and Management Guidelines 2069 (LBRMMG) has explicitly made provisions for earmarking fund for women, children, and disadvantaged group. It is mandatory for all local bodies to allocate 35% of the total annual budget for the disadvantaged group (15%), women (10%) and children (10%). The Ministry of Federal Affairs and Local Development has adopted Minimum Conditions and Performance Measures (MCPM) system for measuring the performance and ensuring the budget allocation for women, children, and disadvantaged groups as well as expenditure tracking. Analysis of MCPM shows that 85% Municipalities and 83% DDCs have allocated budget for women, children, and disadvantaged groups in 2014/15 and similarly when tracking expenditure, it showed 59% Municipalities, 67% DDC have spent more than 80% of allocated budget for women, children and disadvantaged groups in 2014/15.

Effective internal audit and risk-based internal audit of LBs: LGCDP is supporting to strengthen internal audit section of DDCs and municipalities as crucial PFM interventions to ensure efficient accounting and reporting and proper use of resources. The program is focusing on developing skilled internal auditing staff, emphasis on an internal audit by the management, development, and update of internal audit guidelines and necessary logistics, etc. to improve the quality of the internal audit.

Effective external audit and coverage of OAG/N: Reliable audit provides assurance of use of resources. There is a need for quality audit and performance based audit at the local level.

While OAG/N coverage limits to DDC only, professional development of private auditors for municipality and VDC is a concern. However, the new constitution has ensured OAG/N coverage to all local government level from coming fiscal years. Following standard auditing practices, tracking of audit observations and effective audit follow-up action plans are key elements for the reliability and success of any audit.

Outstanding audit areas at MoFALD and mitigation measures: There has been progress in addressing audit action plan and settlement of long pending audit arrears. MoFALD is regularly monitoring and following up for implementation of yearly audit action plans at the local body level.

The chart shows the status of cumulative outstanding audit arrears and settlement of arrears of MoFALD. This graph shows an increasing trend of progress in settling outstanding audit areas.

Progress in settlement of audit arears of MoFALD

43.29%

42.74%

40.56%

FY 2013-14   FY 2014-15   FY 2015-16
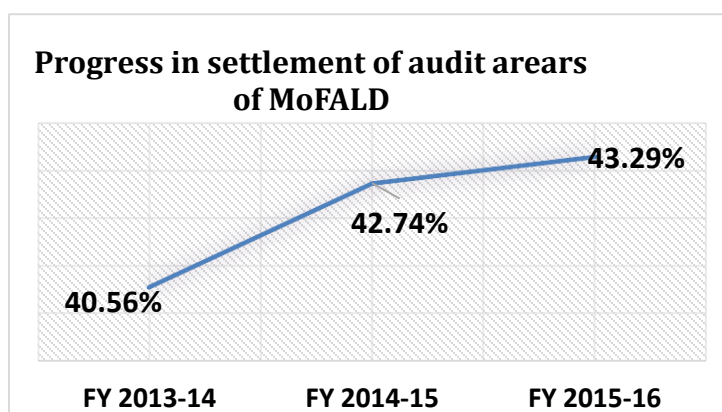
Reducing fiduciary risk: FRRAP integrates PFM and related fiduciary risks into a comprehensive action plan. FRRAP charts out the activities aiming to achieve the outputs ultimately resulting in the intended impact. The activities follow to address the identified risks as listed out in the risk matrix and the action plan includes priorities, timing, and responsibilities. The purpose of this action plan is to devise concrete and concerted measures for addressing the issues and concerns related to public financial management, including public expenditure and fiduciary risks in local governance in general and in local bodies in particular. LGCDP is working to improve the effectiveness of program through fiduciary risk reduction and revised FRRAP is approved by the MoFALD. Sensitization of FRRAP at the local level and integrate the plan with ASIP to cover all risk areas identified and prioritize in FRRAP has achieved the programme goal which will be a crucial road map in reducing fiduciary risks. FRRAP has identified five risk areas which have corresponding mitigation action plans with a timeline and responsible sections. Following are five outcomes in FRRAP for each five risk areas:

> 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

Financial compliance monitoring: Credible monitoring is necessary to ensure efficient and effective recording and reporting to ensure proper use of resources. MOFALD has established a Financial Compliance Monitoring Unit led by chief of financial administration section and successfully conducted compliance monitoring in 5 DDCs, 9 Municipalities, and 5 VDCs. This kind of monitoring is an intensive review of accounting records according to existing rules and regulations and internal control system. Monitoring checklist has been developed with important criteria, and PFM framework is covered with import thematic areas such as internal audit, procurement management, accounting and compliance, deposit management,

revenue/income management and fiduciary risk reduction. Financial administration section has started the assessment of 15 sample districts with the objective to collect the major audit issues and suggestions to track the settlement policies.

Strengthen financial management reporting capacity in MoFALD: With technical support from PFMA (supported by DFID), LGCDP has been preparing trimester FMRs which is an obligation as per JFA. PFMA is also providing technical support with a piloting of financial reporting system in Dailekh and Sindhupalchowk. The DDC FAMP software has been installed and applied in all DDCs and has been a useful tool for reporting aspect as the defined financial reports can be produced by it. Further, WBRS and increasing use of accounting software have helped LBs in producing timely and reliable financial reporting.

C2. Procurement

LGCDP II envisions to strengthening procurement planning and bidding systems in all local bodies and supporting the Public Procurement Monitoring Office in strengthening the capacity of local bodies and line agencies in procuring goods and services. Government agencies including local bodies have produced procurement plan and adopted the e-bidding system as emphasized by the Public Procurement Act (PPA) 2007 and Public Procurement Regulation (PPR) 2007. These two laws have laid down mandatory provision to prepare master and annual procurement plan. Similarly, for reform in the bidding system, e-bidding is aimed to be applied by District Development Committees and Municipalities as per the government decision. At present, e-bidding is mandatory for the procurement of goods and works above Rs 60 Lakhs (in estimate).

LGCDP intervention in the procurement reform is in two major aspects- preparation and compliance with procurement plan and adoption of e-bidding as per government plan are linked with procurement principles. E-bidding contributes in ensuring transparency, fair practices along with averting malpractice of collusion in procurement which eventually gives benefit to both the procuring parties and business communities. LGCDP has extended its support to beneficiaries in undertaking reform measures in procurement through capacity building of different types – system development to the training of local body staffs. Also, providing ICT volunteers to local bodies has contributed in introducing e-bidding, along with many other activities.

Preparation of procurement plan by LBs: It has been found that procurement plan implementation receives relatively cool welcome than of preparation by local bodies. From the responses received from the field, the reason behind it is that procurement plan preparation has scored in MCPM. Thus, implementation would also receive good enthusiasm to implement procurement plan if it is included for MCPM assessment. LBs have encouragingly prepared procurement plan. Data show that 97% DDCs and 65% municipalities have prepared procurement plan so far. In respect of procurement plan preparation, it seems that DDCs are more interested in comparison to municipalities. Despite having the rules, regulation, and structure which are required to improve procurement system, it is not working as expected. It hints that some entrenched problems are not addressed properly. To identify them and pilot the reform initiative with real reform incentive, it would be better to undertake action research.

Increasing e-bidding practices: It has been found that despite government policy to apply e-bidding, relatively small number of local bodies are practicing. Such a cool acceptance of e-bidding needs to be corrected by different measures – like tying up with accountability and performance appraisal of the responsible official, training to staff members along with potential bidders. As in preparing procurement plan, 90% of DDCs and 33% of municipalities have adopted e-bidding. As we delve into the reason, newly declared municipalities suffer from staff strength, and also they may not have construction project above Rs 6 million that needs applying of e-bidding. These are the reasons of a number of municipalities applying e-bidding is comparatively less in the ration.

Procurement activities are undertaken by MoFALD: LGCDP assisted MoFALD technically in undertaking significant procurement activities. Few important supports of LGCDP include:

o *Procuring consultancy service organizations (CSOs):* For engaging CSOs for compliance monitoring, 66 ones were selected going through procurement process for Local Governance Accountability Facility Secretariat.

o *Selecting local service providers:* For social mobilization by local bodies, 526 local service providers, i.e. NGOS were selected following the competitive procurement process.

o *Providing technical service in procurement carried out by MoFALD:* LGCDP provided technical service in big and complex procurement carried out by MoFALD like procurement of vehicles, preparation, installation of accounting software for VDCs and training.

3.1.5 OUTPUT 5: Institutional and human resource capacities of LBs and central level agencies involved in local governance strengthened.

A. Progress trends of key targets:

This output aims to strengthen institutional capacities and human resource capabilities of MoFALD and its departments such as DoLIDAR and LBFC, LDTA, Association of local bodies, local bodies (DDCs, Municipalities, and VDCs), line agencies and other local governance actors. The capacity development initiatives cover both demand side and supply side of service delivery that include: institutional strengthening, human resource; program/project management; administrative financial and operational systems; mainstreaming cross-cutting issues, etc associated within the scope of program. Capacity gap assessment and emerging requirements are two key bass for the design of capacity development initiatives.

Training and orientations were organized at local, RCU and central levels for LGI staff and other stakeholders in various subjects. Training and orientations were organized by National Service Providers (NSP-LDTA), respective sections of MoFALD, local body associations and RCU of LGCDP, and LSP at the local level. Also, LGCDP provided training to community members, local body staffs, sectoral line agencies partners and other stakeholders at a different level on various thematic issues such as CFLG, EFLG, and GESI.

At the grassroots level, the members of Ward Citizen Forum, Citizen Awareness Centre, Social Mobilizer, and other local resource persons were included for social mobilization based themes. The included themes were ranged by public audit, public hearing, and community

monitoring system. Such practices encouraged the communities to be a part of community governance system. The following table depicts the details of training and participants.

Table 11: Number of persons trained on different subjects

	Performance Indicators	Year wise progress	
		2071/72	2072/73
1	Number of social mobilizers who received training on basic social mobilization	0	1,370
2	Number of people (including WCF members) who received training on CFLG	14,075	25,565
3	Number of people who received training on EFLG	6,800	28,589
4	Number of people who received training on GESI	6,795	6,474
5	Number of people trained on ICT based training	-	6,401
6	Number of Engineers/designers/masons who received training on building code and EQ resilent construction	2,508	2,486
7	Number of community members trained on community mediation	1,077	1,124
8	Number of LBs' staff trained in DPMAS	0	513

B. Review of annual progress

LGCDP has determined the baseline indicators and fixed the target for the end of the programme. Concurrently, Annual Monitoring and Evaluation Plan has been updated on a quarterly basis. The following table indicates the progress status of fiscal year 2015/16.

Table 12: Progress against AMEP target 2015/16

SN	AMEP Annual Target	Progress
1	More than 90 % VDCs secretary posts fulfilled.	89.77% VDCs secretary posts are fulfilled.
2	75% of Municipalities and DDCs adhere to two-year tenure of EO/LDO in 2015/16	Less than 15% Municipalities and DDCs adhere to two years tenure of EO/LDO in 2015/16
3	PRF operational guidelines prepared.	Prepared and Disseminated
4	Arrangement made to establish Under-Secretary as RCU Coordinator	Not applicable
5	At least 75% of indicators in AMEP 2015/16 on track.	-
6	The number of LBs scoring more than 60% in Performance Measures increased by 20% as compared to last year	70 DDCs (93%) and 58 Municipalities (27%) got success
7	PRF operational guidelines prepared.	Prepared and Disseminated

SN	AMEP Annual Target	Progress
8	LDTA institutional development plan implemented.	Prepared and Disseminated
9	LDTA completed more than 80% of training activities planned for 2015/16	60% of training activities completed
10	LDTA developed training courses by incorporating cross-cutting issues and organized training accordingly.	Training courses developed by incorporating cross-cutting issues but training is yet to organize.
11	Personnel Information System developed and operationalized	The guideline of the Personnel Information System has been developed, and consultation meeting was completed at two locations (Nepalgunj and Biratnagar)
12	Websites of 75 DDCs and 191 Municipalities updated	Website of Not updated 45 Municipalities due to lack of training
13	75 DDCs maintained digitize information system	maintained information at the central level can be browsed at www.lgcdp.gov.np/ictinfo

C. Key Highlights

C1. Reduction in the absence of VDC secretaries

A large number of Village Development Committee (VDC) secretaries across the country have the responsibility of more than one VDC. Human Resource Section (HRS) of MoFALD has been monitoring the vacancies of VDC secretaries and their absence in the VDC office. HRS/MoFALD also facilitated for the timely fulfillment of VDC secretaries with the Ministry of General Administration (MoGA). VDC secretaries have been important government entities at the local level in the absence of elected local representatives. Thus, reducing their absenteeism is vital for the regular implementation of programme activities and effective service delivery. The target of the Annual Monitoring Evaluation Plan (AMEP) was to fulfill more than 90% of VDC secretaries' posts. In this regard, following table indicates the progress of VDC level human resources arrangements and compares the existing results from the previous year.

Table 13: Status of VDC Secretary post 2013/14- 2015/16

Indicators	Number of VDCs	2013/14		2014/15		2015/16	
		No	%	No	%	No	%
Number of VDC Secretary posts are not fulfilled	3157	916	29.01	395	12.51	323	10.23
Number of VDC Secretaries taking responsibility of more than one VDC	3157	456	14.44	395	12.51	349	11.05

Number of VDCs where VDC's Secretary are in office for less six months	3157	1830	57.97	1826	57.84	649	20.56

C2. Capacity Development and Training

Capacity enhancement of the technical staffs: LGCDP has been managing capacity enhancement activities of its technical staffs as well as Ministerial staffs so that they become aware of the new development dynamics. In 2015, PCU organized two days national consultative meeting for PCU specialists, RCU experts, and IT volunteers to review the status of LGCDP activities, issues & challenges in 2015. Concurrently, a retreat programme was organized in 2015 to identify contribution, issues and challenges of technical assistance support to the Programme implementation. This programme became helpful to reshape technical assistance support and its effectiveness. It was realized that there is a need to organize progress review, experience sharing and reflection meeting cum workshop of TA staff, government counterparts, and other major stakeholders to identify best achievements, issues and way forward on a regular basis at PCU, RCU and LBs levels.

Similarly, a training programme on appreciative inquiry and theory of change was conducted on 2nd- 3rd August 2016 to LGCDP - II professional staff that endowed to professional staff knowledge, skills, and behavioral change to achieve the result of the programme. Further, the outcome of the training was to improve the reporting system, programming and monitoring mechanism. Additionally, it was agreed that the TA team enriched the knowledge to focus strategically on activities.

Strengthening capacity of MoFALD: Strengthening capacity of MoFALD is a process of institutional capacity development which defines the process of enhancing skills, abilities and knowledge of an individual. To develop the capacity of MoFALD, LGCDP provided necessary logistics to strengthen thematic sections and divisions on institutional development initiatives. LGCDP support to MoFALD has been provided to identify gaps and constraints of individual actions and the institutional working environment. The findings of the capacity need assessment report reflects that MoFALD staff expressed to enhance their capacity in basic computer training, training on English language proficiency, proposal writing and office management training, record keeping, file management, MIS and advanced office management system. Few staffs also highlighted that short-term training and further academic education abroad are essential. This will allow the officials to perform their assigned activities comfortably. For example, some officials independently produced concept notes and proposal of the program. Moreover, the assessment findings shall inform the capacity development component of the work plans.

Strengthen the capacity of national and sub-national institutions: The PCU has facilitated a number of capacity development activities at the national and international levels as below.

o A team of MoFALD officials led by Secretary of MoFALD participated in "External Support for Decentralization Reforms and Local Governance Systems in Asia-pacific: Better Performance, Higher Impact" workshop in Manila. There were representatives from the DPs who also took part in the forum on their own. The workshop provided an opportunity to learn from the region on decentralization. This resulted in broadening the perspective

of the key officials who participated in the DeLOG event to look into the key objectives behind the federalization of Nepal.

o Two senior officials of MoFALD participated in "Leadership Development" training in London organized by London School of Business and Finance. A team of MoFALD and LGCDP officials participated in "International Evaluators' Conclave Workshop 2015" in Kathmandu. Both these led to enhanced professional capability within the ministry, and most of the knowledge and skills acquired by these official will be utilized in discharging their duty as a civil servant and also improve the systems and operations of their respective units and divisions.

o Annual National Consultative Meeting of LGCDP was held in Kathmandu from 27-29 September 2015 under the chairpersonship of Joint Secretary and National Programme Director of LGCDP-II, Mr. Reshmi Raj Pandey. The theme for the national consultative meeting was 'Reflecting the Past and Designing the future.' The discussion focused on major issues, outputs, way forwards from the 'Tree analysis' at various regions. Also, the discussion focused on consolidating of the regional commitments into a national commitment and a national Tree Analysis alongside discussion and finalization of the annual work plan of each thematic area. Likewise, DPs provided relevant feedback and inputs on issues raised and the consultative meetings.

o Section Officer of LGCDP participated on a "Federalism, Multi-nationalism and the Future of Europe" training organized by summer school of Canterbury Christ Church University, the United Kingdom from 7th to 16 August 2015.

o A senior team of MoFALD participated on "External Support for Decentralization Reforms and Local Governance Systems in Asia-pacific: Better performance, Higher Impact?" workshop from 25th to 27th of August 2015 in Manila. Such participation of senior and policy contributors in such training and workshops shall be milestones in the federal system and local governance system of Nepal from sharing experiences and ideas.

C3. Preparation of guidelines, training manuals and curriculum

A significant technical support of LGCDP was provided to the national development planning documents like the 14th National Periodic Plan. Further, the LGCDP team reviewed and provided inputs to various documents forwarded by various Ministries and departments. The documents ranged from National Strategy for the Development of Statistics Nepal, Tourism Strategic Plan, Roadmap of Vital Registration, Integrated District Recovery, and Periodic Planning Guidelines and among others. Additionally, the LGCDP has supported MoFALD in developing guidelines, training manuals, and curriculum to systematize the various aspects of works being undertaken by LGCDP including social mobilization, downward accountability, gender responsive budgeting, urban development, etc.

Training Need Assessment (TNA) based training curriculum for basic social mobilization was developed to impart skills and knowledge of transformative social mobilization to the WCF and CAC members. A significant achievement was to prepare the NGO mobilization directives for effective coordination with non-state agencies at the local level to mainstream the locally engaged NGOs, minimize the duplications in actions, and add efficiency in the service delivery. Similarly, a Personnel Information System (PIS) guideline was developed and validated in two locations -Biratnagar and Nepalgunj.

Concurrently, a handbook to support the LDOs' and VDC Secretaries' to ensure compliance with different Acts, Regulations of relevance to local governance has been developed. To

materialize the handbook at the local level, a user-friendly Android based application is under preparation. A dissemination workshop will be conducted at the RCU level to orient about on the guideline and the application based on Android system. The handbook and its Android application are expected to ensure immediate access of LDOs' and VDC Secretaries' to the Acts, Regulations, laws, bylaws, and directives facilitating smooth operation.

C4. Programme recruitment facility (PRF)

The 5th National Advisory Committee meeting held on 6th July 2015 directed the Programme Coordination Unit to constitute a Task Force under the chair of National Programme Director/LGCDP to review all the proposed options of the Programme Recruitment Facility Framework study and come up with recommendations for the consideration of the Government of Nepal and development partners (DPs). As per the decision of the NAC meeting a study team was recruited to conduct a study on Programme Recruitment Facility (PRF). The team prepared and submitted PRF report for recruitment modality suitable for the LGCDP and MoFALD and Operation Guidelines.

To operationalize the recommendation of the PRF study, the Programme Coordination Unit/LGCDP has formed a Task Force under the chairpersonship of National Programme Director/Joint Secretary consisting of representatives from MoFALD, DFID, Embassy of Norway, UNDP, DP Cell and PCU/LGCDP. The Task Force developed a guideline to be followed by DDCs and municipalities to replace DGEs/UGEs by Programme Officers (POs) by July 2016. A decision was also made to extend terms of PCU and RCU specialists/experts until July 2017 and D/UGEs until July 2016.

In this regard, PCU/Ministry mapped out the status of Programme Officers of all Municipalities and DDCs to hire additional Engineers and Programme Officers (Social Development). In the case of DDC, where Programme Officer is working as Social Development Officer, LGCDP has provided one Programme Officer as a focal person of LGCDP activities. However, in DDC where there is no Social Development Officer, LGCDP decided to support for two Programme officer positions (Social Development and LGCDP focal person). In the case of Municipalities, a Programme Officer is provided to each Municipalit to facilitate the LGCDP activities while an engineer for newly established 26 Municipalities. Apart from this, the decision was made to provide an engineer to 58 Municipalities, if there are none. As for 133 Municipalities, LGCDP had already provided 72 engineers, and remaining 61 Municipalities was instructed to hire an engineer each. To facilitate the process, LGCDP/MoFALD provided a template of ToR to all the municipalities and DDCs.

Thus, following the decision of PRF Task Force, LGCDP announced vacancy for 292 Programme Officers, 9 Social Development Officers for Bajhang, Bajura, Bhaktapur, Humla, Illam, Okhaldhunga, Panchthar, Taplejung, and Terhathum districts and 41 engineers for Amargadhi, Dasharathchand, Dipayal, Gulariya, Gorkha, Putalibazar, Tansen, Kapilbastu, Bidur, Kamalamai, Ratnanagar, Kalaiya, Siraha, Khandbari, and Bhadrapur and other 26 new Municipalities.

C5. Recruitment/Appointment of LGCDP focal person and induction training

Albeit the vacancy notice for 342 posts (292 POs, 9 SDOs and 41 Engineers) was published in national newspaper on 11th February 2016, the District Development Committees and Municipalities were able to recruit merely 49 POs (15 for DDCs and 34 for Municipalities), 2 SDOs (for DDCs) and 19 Engineers (for Municipalities).

Moreover, the recruitment of 243 POs', 7 SDOs', and 22 Engineers' hiring process could not take place due to some issues at local level. Moving forward, LGCDP continued with 49 POs that had already been recruited by various local bodies. As for remaining DDCs and Municipalities, various alternatives (Executive Secretary of LDF or Social Development Officer or any officer of the LBs) were given the additional responsibility of being LGCDP II focal person to facilitate activities and for reporting purpose. After completion of the recruitment and appointment process of the LGCDP Focal persons in all local bodies, MoFALD/PCU- LGCDP also conducted three days' induction training to all of these focal persons. The following table depicts the number of focal persons' participation in induction training at different locations.

Table 14: LGCDP Focal Person participation in induction training

Clusters	Total Number of LBs		Total Number of Participants	*Male*	*Female*
	DDC	Municipalities			
Dhangadhi	9	25	34	*30*	*4*
Nepalganj	15	24	39	*36*	*3*
Hetauda	9	37	46	*44*	*2*
Biratnagar	13	49	62	*55*	*7*
Pokhara	16	44	60	*48*	*12*
Dhulikhel	13	38	51	*33*	*18*
Total	**75**	**217**	**292**	*246*	*46*

C6. ICT and GIS supports:

Two ICT UN volunteers at Programme Coordination Unit (PCU) and six other UN Volunteers at Regional Coordination Units (RCU) of LGCDP are providing ICT related support to MoFALD. As of today, UNVs' positions in 2 RCUs are vacant. ICT Volunteers are positioned in various offices of local bodies. As of today, out of 136 volunteers, 80 ICT Volunteers are serving in various local bodies.

This team of volunteers has been supporting to implement e-governance in local governance of Nepal. They have been initiating, updating/ improving, and supporting ICT infrastructures, ICT products, system/ software and websites, applications at MoFALD and Local Bodies. UNVs have also been providing ICT support to LGCDP's PCU and RCU offices by helping to compile regular reports, implement office automation apart from providing day to day backstopping support to thematic specialists. Local Body staffs have been receiving IT backstop support from ICT volunteers. They have provided support to establish communication between staff of the ministry, programme and other stakeholders.

Through this ICT support, ICT Volunteers have made a significant contribution in bridging the gap between citizens and government- strengthening the capacity of local bodies and their staffs, enhancing service delivery through increased use of software systems, improving information dissemination and reporting mechanism.

Improved information dissemination: ICT means have helped local bodies substantially improve information dissemination mechanism. Local bodies can now easily and quickly disseminate information, notices, activities and publications through new websites, and social media platforms. From the support of ICT volunteer, now, all 292 local bodies have their official website based on Content Management System, archival features and grievance handling system. All websites are developed as per guidelines of MoSTE, RTI, and MCPM, with uniform design and standard domain names, hosted in National IT Center- Government's Integrated Data Center, providing total ownership of control and data to respective LBs.

Regarding Social Media platform, of 292 LBs, 116 uses Facebook for disseminating information, among which 84 LBs use a separate page for grievance handling as guided by "Hello Sarkar." A total of 31 LBs use Twitter accounts and 23 LBs also use official Youtube accounts. Youtube account are also being used for telecasting District/Municipal Committee meetings, LIVE.

Efficient and quicker access to government information and services: With ICT support, citizens can now have easy reach to information and services provided by local bodies. Local bodies are now furnished with an informative website, social media, mobile applications which are handy and always available to citizens.

Important messages are also delivered through the Group SMS, Audio Notice Boards, instantly and to a large number of people. A total of 78 local bodies use Group SMS, and 74 have implemented Audio Notice Board. Service beneficiaries coming to local bodies can have all information displayed through digital displays, and notice boards. Gone are the days of old and faded citizen charter boards, messed-up notice boards with outdated and torn notices. Now, a citizen can find updated information without any such hassles. A total of 58 LBs have installed Digital notice board, 48 LBs have Digital Display installed in their office premises.

Free Wi-Fi has given cost-free access to useful resources in office premises; beneficiaries can get required information using such free Wi-Fi facility installed. In total, 80 LBs have implemented free Wi-Fi zone in office premises, and 14 LBs in public places such as park, schools, etc.

Enhanced ICT capacity: One of the main objectives of deploying ICT team at local bodies was to enhance the ICT capacity of local body staffs. This was an important component because only efficient workers can can deliver prompt and efficient services to beneficiaries. Altogether, 512 number of various ICT based training have been conducted to staffs of 186 local bodies. Overall, 8232 people have already been capacitated on various ICT tools and techniques. Of total participants, almost 34% are female. More than 65% are local body staffs, and rest are Social Mobilizers, CAC/WFC members, people from the disadvantaged group, participants from local club/schools, other government agencies, etc.

Information officers from 58 Municipalities and 75 DDCs have been trained in website usages. Officials of 102 LBs updated website on their own. After training on basic computing and ICT tools techniques, 42% of staffs are confident on using MS Office package, 36% show confidence on using internet/ emails.

Enhanced service delivery through ICT tools: E-governance can strengthen services that are delivered efficiently through efficient working procedures, and this is possible only through the use of ICT tools and mediums. This is a crucial element for building a knowledge-based society. Now, different software have been implemented and supported by ICT team at local bodies to assure that they are used in service delivery, reporting and day to day operation.

Apart from local bodies, new content management based website is developed for MoFALD, Department of Civic Registration, Local Governance Accountability Facility, and Local Body Fiscal Commission. As evident from ICT report, local bodies use software/system mostly for social security (103 LBs) data management and distribution, and then for accounting purpose (100 LBs), other areas where software/system are used for effective service delivery are Vital Registration, Revenue/Tax collection, Social Mobilization, e-Procurement, Personnel/ Staff Management, assets/ store management, planning, office automation, NGO management, and disaster related. Usage of software/ systems has made service delivery more efficient, has helped local bodies report, monitor, document activities more efficiently than before. More and more system are being developed for supporting various activities, along with the process of centralization and integration of related software/ system.

Efficient working environment: Efficient working environment at local bodies have been assured by optimization ICT resources, implementation of new ICT tools and means. This has helped staffs get more with the time and resources available. In total, 68 LBs have improved computer networking from the old structure, 35 LBs have implemented new computer networking, and 106 local bodies have implemented the solar backup system.

Internet being vital in work environment gives quicker access to information and application for both staffs as well as beneficiaries. All LB have an internet connection, where internet bandwidth at local bodies' average has increased to 1.2 Mbps. The maximum bandwidth of LB has increased from 10 Mbps to 20 Mbps. 22 LBs have a new internet connection, and 24 improved older connection.

LBs' dependency on outside private vendors for basic maintenance of electronic devices, minor updates, and un/installation of applications has significantly reduced. Maintenance of 43,707 Computer/Laptop (only) has been done, which hints that a huge amount of fund has been saved in computer maintenance. Furthermore, an increase in implementation of a computer server at local bodies indicates optimization of ICT resources. As per data received from ICT Volunteers, a total of 92 local bodies have used computer servers differently. Out of Ninety Two LBs, 38 have utilized these servers as an Application Server, 62 LBs also use it as File Server, 46 also use it as Print Server, 52 also use it as Backup Server.

Moreover, Biometric Attendance has been implemented at 36 LBs which has improved attendance and timeliness in staffs. A total of 36 local bodies has implemented CCTV Camera, which is believed to have improved accountability and security. Also, seven local bodies have

implemented Queue Management System, which has not only managed beneficiaries' numbers during office time but also reduced unwanted intervention by middle-men.

Improved Geographic Information System: ICT Volunteers have also been supporting geographic information system issues at local bodies, developing various resource maps, which has been used by public and local body staffs on planning, and reporting purposes. 107 LBs have prepared GIS maps on Political Boundary, 95 LBs prepared on New Municipality Boundary, 79 on Citizen Awareness Center, 78 on Local Service Provider (LSP) Cluster, 78 Roads, 75 on Open Defecation Free Area, 69 on Land use, 62 on Male/Female Distribution, 32 on Disaster Related resource maps.

C3. Publication and Communication:

The programme supports MoFALD and local bodies to advocate for good governance practices. In this regard, media promotion, publication, information disclosure and documentation are key activities of the programme. These activities have also contributed to promotion of transparency and downward accountability. The programme provides technical expertise with regards to Information, Education, and Communication (IEC) activities to the information and e-governance section of the ministry, and overall of the programme. In this regard, technical expertise was provided in planning, designing and implementation of following key activities in the reporting year.

Design, publish and disseminate IEC materials; support to media promotions:

o A total of NPR 75, 00000 (1 Lakh each) was authorized to support districts for publication, documentation, and media promotion activities {development of radio public service announcements (PSAs), TV PSAs and radio programme}. A guideline was sent alongside the authorization detailing on particular activities to be undertaken.
o Similarly, a total of NPR 75, 00000 (1 Lakh each) was authorized to support districts in strengthening information section at each district. Specific guideline w prepared for the utilization of the conditional grant.
o Publication of Bulletin: Technical expertise provided in the preparation of ToR and financial management. The consultant was guided, provided feedback in developing and finalization of the content.

Likewise, technical expertise were provided to the program regarding documentation and programme promotion. In this regard, LGCDP newsletters were prepared in both English and Nepali catering to both demand and supply side audiences. These newsletters provided an update on programme activities in each output areas thus far in a gist. Also, included major events, training and activities conducted by the programme in this fiscal year beside best practices. These activities contributed in enhancing program's transparency, increasing accountability of local bodies and documentation of activities conducted by various sections and departments of MoFALD.

Similarly, technical expertise provided in the documentation of all policy level donor partner and government meetings; minutes of TASC, FRR, Output group meetings, SUB NAC and NAC. These documentation are both physical and electronically archived that will serve as an

institutional memory. Programme information are regularly communicated and shared with government and development partners as per the regular programme updates.

Key Achievements over the program period: Over the programme period, various technical support provided in planning and execution of each activities. Some of the specific achievements are highlighted below:

o **Review and update IEC strategy:** LGCDP IEC strategy was reviewed and finalized in consultation with sections of the ministry to support Local bodies (LBs) and other local governance actors to adopt good governance practices (citizen charters, public audits, social audits, public hearings, information disclosure, etc) in order to promote responsive, responsible, transparent and accountable governance at the local level. Two major outcomes of these activities are 1) provided IEC dissemination modalities from national to local level and 2)Identified gaps and needs of LGCDP-II/MoFALD IEC activities

o **IEC support:** Technical support provided to the Information and E-Governance section in planning and execution of activities at the local level to enhance beneficiaries the right to information and promoting transparency. Following were some noteworthy activities:
a) A total of 70,00000/- was authorized to 70 districts to provide training on Right to Information at DDCs to sensitize ward secretaries and municipality staffs on the spirit of RTI and to make aware of the overall activities of LGCDP II.
b) Similarly, a total of 1, 35,00,0000 (75,000 each) was authorized to 191 municipalities to sensitize ward secretaries and municipality staffs on the spirit of RTI and to make aware of the overall activities of LGCDP II. Outcome of the activity were as follows:
  ▪ Trained VDC and Municipalities staffs to provide information to the general public on issues of concerns
  ▪ Overall increased transparency and accountability of local bodies' staffs.

o **Mobilize local media for public awareness and local development activities**

Radio programme production and dissemination: Two sets of 25 minutes radio programmes were produced and disseminated nationwide via community FM networks. The radio programmes aimed to develop knowledge and skills about local governance issues and cater to citizen's right to information. The outcomes of this activity were:
  ▪ Informed stakeholders and citizens on the local development activities and related issues
  ▪ Catered to citizens' right to information on Local bodies' issues and events.
  ▪ Promotion of effective local development practices via accurate and timely information sharing on Local Bodies activities to citizens

Production of a documentary focusing on LGCDP emergency relief support in earthquake affected 14 districts: The objective for the documentary production was to provide an accurate coverage of LGCDP and MoFALD's emergency relief support to the 14 earthquake affected districts. The documentary presented ground reality on the distribution of the relief materials and adherence to the emergency support guideline. Likewise, it documented comments from the EQ victims in respective VDCs and Municipalities on how the relief materials were distributed and if it reached the intended groups. In this regard, efforts of CACs and WCFs, VDCs, and DDCs in coordinating the relief support were

highlighted. The outcome was raised public awareness of programme's contribution in the emergency relief activities.

Journalist monitoring field visit: A joint monitoring field visit of journalists was conducted in specific districts. The objective was to provide accurate coverage of LGCDP II activities from the field while at the same time highlighting any programmatic shortcomings. Journalists documented some best practices, field level activities, programmatic gaps and challenges, and published and disseminated via various forms of mass media (National Daily, Radio, and Television). The major outcome of this activity was effective media mobilization to enhance programme's activities from the field.

Production of Television PSAs: Five different types of television PSAs were produced in various thematic areas of LGCDP II, namely gender, vital registration, good governance, etc. The intended television PSAs aimed to develop knowledge and skills about local governance issues to motivate behavioral change. The development objective of this initiative was to improve attitudes and practices known to improve local governance and community development. The major outcome increased awareness of roles and responsibilities of Local Bodies (LBs) and effective use of resources allocated to the LBs.

Production of Television PSA on WCF: The intended television PSA aimed to develop knowledge and skills about local governance issues that would motivate behavioral change at the grassroots level. The specific objective of this assignment was to disseminate information particularly about the function of WCFs and empower people to actively participate and assert their rights in local governance issues while highlighting the overall contribution of LGCDP. The PSA highlighted WCFs as a community forum whereby people can be active participants to contribute to the community development. The outcome was increased awareness, understanding, and trust amongst stakeholders including that of LGCDP on the importance of WCFs in bringing inclusive development.

OUTCOME-3: ALL CITIZENS ARE PROVIDED WITH EFFICIENT AND EFFECTIVE LOCAL SERVICES:

3.1.6 OUTPUT 6: Access to and quality of local infrastructure and other socio-economic services administered by LBs are improved

A. Progress Trends of Key Targets:

LGCDP has delivered various local governance and capacity-building supports to improve delivery of MoFALD's core services at the local level. The efficiency in delivering core services like infrastructure, vital registration, social security and community mediation have been improved than before. On the other hands, community-defined priorities and needs are increasingly responded by LBs or through alternative channels.

Table 15: Status of performance indicators

	Performance Indicators	Year wise progress		
		2070/71	2071/72	2072/73
1	Percentage of quality test passed infrastructures	Not Applicable	Not Applicable	1117
2	Number of disputes settled by LBs	5583	6148	0
3	Number of LB updated social protection information (Mun +DDC)	Not Applicable	Not Applicable	110

B. Review of annual progress:

Table 16: Progress against AMEP target 2015/16

SN	AMEP Annual Targets	Progress	Remarks/Reason for Deviation
1	Ten new quality lab established	Quality labs established in 6 Districts (Achham, Darchula, Dolpa, Myagdi, Khotang and Taplejung). Lab equipment management in 4 districts (Taplejung, Myagdi, Khotang, and Darchula) districts	Target achieved
2	10 existing quality lab made functional.	23 non-functional quality labs made functional	Exceeded the target
3	Training manual on local infrastructure development works for sub-engineers and assistant sub-engineers developed and used.	Training Manual has been developed and being used for conduct training to DDC/Municipal/VDC technicians	Met Target
4	60 lab technicians trained on lab testing of	capacity building training started for lab technicians of district quality labs based on	The training programs will be continued in FY 2016/17 with a target to

SN	AMEP Annual Targets	Progress	Remarks/Reason for Deviation
	local infrastructure works	"Manual of Quality Control for Local Infrastructure Works" developed by DoLIDAR. One event of training completed and 15 lab technicians trained. .	train a total of 60 quality lab staffs
5	Approach manual on WASH developed.	Approach Manual on WASH finalized.	Dissemination at local level is expected to be completed by July 2017
6	Strategy/concept paper for strengthening quality of community infrastructure projects agreed	Concept note on improvement of improvement of quality of local infrastructure prepared by IDD and circulated to local bodies	Met Target
7	200 new CMCs established in 25 districts resulting in a total of 755 operational CMCs	Number of Community Mediation Centers established in 25 districts in the current fiscal year VDC-171 Municipalities- 22 Total= 193 in 5 DDCs Resulting in a total of 722 operational CMCs	Could not achieve the target due to funding gap
8	% of disputes settled through mediation	81% of disputes settled through mediation	Met target
9	Vital registration survey to establish baseline conducted.	CBS conducting baseline survey	Completed
10	Birth registration of 70 % of children under five by the end of 2015/16	Birth registration of 40 % of children under five by the end of 2015/16	
11	All the VDCs and Municipalities updated social security beneficiaries annually	All the VDCs and Municipalities updated social security beneficiaries annually	Met target
12	60 lab technicians trained on lab testing of local infrastructure works	41 lab technicians trained on Quality Assurance of local Infrastructure	Could not meet the target due to funding gap
13	200 municipal and VDC technicians trained on local infrastructure development work.	Based on the Training Manual, Infrastructure Development Division has started training on Local Infrastructure Development	IDD has targeted to train 200 Sub Engineers/Assistant sub-engineers of DDCs and

SN	AMEP Annual Targets	Progress	Remarks/Reason for Deviation
		Works for Sub- Engineers and Assistant Sub- Engineers of the far western region. Eleven Sub Engineers/Assistant sub-engineers have participated in the first event of training on Local Infrastructure Development Works	Municipalities in FY 2016/17.
14	Mapping of VDC technical support completed	Authorization sent to Five municipalities with guidelines and TOR (Ratnanagar, Kamalamai, Patan, Dodhara Chandanai and Birgunj)	Expected to completed by July 2017
15	The mechanism for the full functioning of Infrastructure Development Division prepared. Technical Audit Techniques at local level prepared.	Technical Audit Guideline for Local Infrastructure Development Works at local bodies has been drafted..	IDD has planned to carry technical audit of local infrastructure development works of 5 DDCs and five municipalities in FY 2016/17 based on the approved Technical Audit Guideline
16	14 districts adopted social protection MIS	23 DDCs adopted MIS system	Exceeded Target
17	Comprehensive Urban Development Plan of 25 Municipalities prepared	ToR for developing Comprehensive Urban Development Plan finalized.	LGCDP has planned to support 25 selected Municipalities to prepare CTDP in FY 2016/17

C. Key Highlights:

LGCDP is providing supports to improve quality infrastructures with durability and sustainability. This sub- section presents establishment and operational quality labs, capacity development and technical backstopping, capacity development for enforcement of building code and support for procurement of total stations (survey equipment) as follows.

Establishment and operational quality labs: To ensure the quality of local infrastructure, 19 new quality labs have been established with lab equipment, lab building and technicians on the support of LGCDP. In overall, 36 quality labs are in operational during the reporting period. 1,154 cases were tested while 1119 cases have been passed on the test and 35 failed.

Urban development initiatives: As of the reporting period, 125 MuNs and 62 DDCs have prepared their respective MTMP/DTMP. 20 municipalities have established rural-urban information centre for economic development.

Building code and disaster risk reduction: The aftermath of the devastating earthquake of 2015 has woken development policy makers and planners to comply with building code and prepare a plan for disaster risk reduction. During the reporting period, three municipalities have completed open space mapping and 113 municipalities have strictly implemented building code on the construction. A total of 80 municipalities have purchased safety equipment and small tools for emergency events. MoFALD with support from GIZ/CD-Mun. program has provided training for building bylaws and building code in which 56 municipal engineers and sub- engineers have been trained. Similarly, TOT Training conducted for 20 Municipal engineers and designers of six regions on integrated training manual of planning/building bylaws and building code with support from GIZ/CD-Mun. program

Support for quality infrastructure: Capacity building training started for lab technicians of district quality labs based on "Manual of Quality Control for Local Infrastructure Works" developed by DoLIDAR. One event of training completed and 15 lab technicians trained. The training programs will be continued in FY 2016/17 with a target to train a total of 60 quality lab staffs. Based on the Training Manual, Infrastructure Development Division has started training on Local Infrastructure Development Works for Sub- Engineers and Assistant Sub-Engineers of the far western region. Eleven Sub Engineers/assistant sub-engineers have participated in the first event of training on Local Infrastructure Development Works. Infrastructure Development Division has targeted to train 200 Sub Engineers/Assistant sub-engineers of DDCs and Municipalities in FY 2016/17.

Vital event registration and social security: Vital event registration and social security payment have been a major service delivery at local level. MoFALD has accelerated developing system for vital event registration and social security payment effective and efficient manner on the support of LGCDP. MIS database system has been developed and connected to the central server. Up to the reporting period, total 128 including municipality wards and VDCs are connected to online vital registration system. Accordingly, social security beneficiaries of 28 districts have been completed online entry.

Community mediation: LGCDP II is promoting Community Mediation (CM) centres to build cohesion and social tie among the families, community groups and local society settling very local disputes in non-served VDCs. A total of 193 Community Mediation Centers (VDC 171 and municipality 22) established in 25 districts in the current fiscal year. Total number CMC established so far had reached to 722.

3.1.7 Output 7: Strengthened integrated planning, budgeting, monitoring, evaluation and coordination amongst local governance actors

Significant changes have happened in the areas of integrated planning, M&E, budgeting and coordination areas contributing to improving efficiency and effectiveness of LB's local services. District periodic plan is considered as an important basis for converge all sectoral plans into one.

Table 17: Status of performance indicators

	Performance Indicators	Year wise progress		
		2071/72	2072/73	Total/ Cumulative
1.	Number of people (including WCF members) who received training on CFLG	14,075	25,565	39,640
2.	Number of people who received training/orientation on community mediation (CM)	NA	3006	3006
3.	Number of people who received training on GESI	6,795	6,474	13,269
4.	Number of Community Mediation Centre established (cumulative)	NA	722	722
5.	No. of community disputes registered in CM Centres	5,328	7,728	13,056
6.	No. of disputes settled by CM Centres	5,583	6,148	11,731
7.	Number of DDC and MuN that have used GRB tool to prepare Annual Development Plan	0	70	70
8.	Number of LBs that conducted Gender Budget Audit (Mun + DDC)	64	237	237 (81%)*
9.	Number of LBs that adopted CFLG	1102	774	2,479
10	Number of LBs which declared CFLG	1	3	4

Note: 237 LBs that conducted Gender Budget Audit (GRB) in 2015/16 also includes 64 LBs that conducted GRB in 2014/15

D. Review of annual progress:

Table 18: Progress against AMEP target 2015/16

SN	AMEP Targets	Progress
1	12 additional districts prepared periodic district plan with that number of districts having DPP reached 75 DDCs	12 additional districts prepared district periodic plan with that number of districts having DPP has reached 55.
2	58 Municipalities (old) have periodic plan Comprehensive Urban Development Plan of 25 Municipalities prepared	43 Municipalities (old) have a periodic plan. Ten municipalities have comprehensive Urban Development Plan.
3	CFLG adoption initiated by 75 DDCs and 191 municipal councils	CFLG adopted by 62 DDC, 127 Municipalities, and 575 VDCs
4	10 VDCs declared child-friendly	Sunol of Nawalparasi district was declared the first Child-Friendly Municipality in 2015. In 2016, Teetariya VDC and Biratnagar Municipality have also been declared child-friendly, and 48 VDCs and 5 Municipalities from 36 districts are in the pipeline towards a declaration.
5	Youth networks invited in IPFC meeting and LB's council	Of the total participants in district council, 16.3 % are youth Of the total participants in DIPFC meeting 21.4% are youth
6	Local Service Provides' (NGOs) annual plan included in annual plan of DDC	About 50 % DDCs included NGOs' annual plan in their annual plan
7	District Periodic Plans incorporated GESI, CFLG, and EFLG aspects	12 District Periodical Plans prepared in this year incorporated cross-cutting issues
8	CFLG adoption initiated by 75 DDCs	575 VDCs, 127 Municipalities, and 75 DDCs adopted CFLG
9	10 VDCs declared child-friendly	Sunol of Nawalparasi district was declared the first Child-Friendly Municipality in 2015. In 2016, Teetariya VDC and Biratnagar Municipality have also been declared child-friendly, and 48 VDCs and 5 Municipalities from 36 districts are in the pipeline towards a declaration.
10	GRB implemented in 30 DDCs, 15 Municipalities	Developed Gender Responsive Budgeting localization strategy, 2072. -GRB Process initiated in 75 districts -Number of LBs that conducted Gender Budget Audit – 165 Municipalities and 72 DDCs
11	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	2 Wards and 1450 HH of Chitwan and 77 HH of Ramgram Municipalities declared as EFLG. One tole of Bharatpur Ward Number 11 got declared as EFLG settlement.

SN	AMEP Targets	Progress
	Wards will be declared as EFLG by the end of 2017 SIP Target: At least 30 %	
12	WBRS roll-out in all the municipalities in addition to 75 DDCs	WBRS roll-out in all the municipalities in addition to 75 DDCs
13	DPMAS is operational in 35 districts.	DPMAS is operational in 35 districts.
14	Baseline and Perception Survey Report 2014 prepared	Draft report on baseline and perception survey prepared

Note: Current number of Local bodies: DDCs=75, Municipalities = 217 and VDC = 3,157. Total=3,449

C. Key Highlights:

C1. Planning, monitoring, and coordination:

The Programme is supporting to improve local level planning and monitoring by developing the result-based system and considering cross-cutting areas. These are presented in this sub-section based on activities and achievement of the reporting period as follows.

Review and update periodic plan of LBs: The Periodic plan is an overall development framework of the district and strategic guideline for the annual planning process and the mobilization of available resources considering all sectors. Planning Section of MoFALD has provided necessary financial support to 38 DDCs. Aligned programmes have also provided financial support to prepare a periodic plan of districts where UNICEF, UNFPA, and SDC, supported in 15, 11 and 5 DDCs respectively. A total of 55 DDCs has prepared respective District Periodic Plan (DPP) whereas 5 DPPs are still in the process of approval. The DPP guideline has been revised for making more realistic and result oriented and the revised "District Periodic Plan Guideline,2072" has been approved by the ministry. Accordingly, annual district plan's guideline revision process is also in the final stage. Also, formats have been developed to establish linkage between District Periodic Plan and Annual District Development Plan. To improve the quality of local level planning, three days training in 'result based planning' was completed in five development regions in which 223 participants including LDOs, Planning Officers, Program Officers and some of the DTOs participated in the training programme. Moreover, MoFALD has been preparing MIS-based annual planning system which will help make local development more results-based and integrated monitoring and reporting system

Monitoring: Toward improving monitoring and evaluation system at the local level, LBs have prepared Annual Monitoring and Evaluation Plans. Moreover, local Supervision and Monitoring Committees are functional in 2,333 VDCs (74%), 191 Muns(88%) and 75 DDCs (100%). Monitoring and Evaluation (M&E) Section of MoFALD reviewed annual monitoring indicators and reporting structure. M&E Section/MoFALD has operated Web-based Reporting System (WBRS) to receive a report of all development activities on time. M&E section has also supported to implement District Planning Monitoring and Analysis System (DPMAS) in 5 districts Sindhupalchok, Dolakha, Ramechhap, Sindhuli, and Kavrepalanchok. The LGCDP has introduced a management monitoring tool to monitor management performance of RCUs.

Urban development plan: Municipalities have started to develop Comprehensive Urban Development Plan, MTMP, City Renovation Plan, Public Land Management Plan, etc. MuNs have also begun to introduce City Civil Code. Eight municipalities have developed City Centre Plan, and another ten have developed City Renovation Plan. Five Municipalities have introduced City Civil Code. Similarly, 32 municipalities have developed open space mapping and public land management plan till the reporting period.

Mid-term evaluation: A mid-term evaluation (MTR) of the Local Governance and Community Development Programme (LGCDP)- Phase II was carried out. The MTR report has made an insightful recommendation for the improvement of the program in future. The recommendations are as follows:

- o Separate community development and support for local governments,
- o Question whether the supply side can provide support to the demand side,
- o Focus attention on establishing the new LG system (with LGCDP assets),
- o JFA upgrade,
- o Rethink TA and be serious with LG Capacity Development,
- o Slowly start changing focus,
- o Start preparing for what is going to come.

The MTR report has summarized its conclusion as- *However the MTR report is descriptive in many aspects, it has concluded the report saying: As much as this report has been critical, it wishes to acknowledge the great achievements that LGCDP has realized, and the commitment of the people that have made that possible. With the social mobilization at the grassroots level of the entire country, it has raised levels of civic awareness and drawn attention for more marginalized groups; it created awareness around the right to demand accountability. It has laid a foundation for a vibrant demand side. Given the new constitution, it is now the time to also give due attention to the supply side of local government service delivery. The new constitution deserves support to put viable local governments in place and that 'draws fire' from the grassroots-based demand foundation laid by LGCDP.*

C2. Adoption of Child-friendly governance at local level:

The LGCDP has provided an excellent platform to operationalize CFLG nationally. Some of the key policy achievements include the mandatory allocation of 10% to 15% (CFLG VDC) of the total budget that has to be made available to every VDC/Municipality and DDC of Nepal for children. Similarly, the mandatory policy provision of ensuring children participation in local governance structures (WCF, Integrated Planning Committees, CFLG VDC/Municipal/District Committees, School Management Committees, Health Management Committees , Local Councils) and key planning processes (periodic and annul through Bal bhelas) has ensured children participation and allowed their voices to be heard at all levels of local governance. For this, LGCDP is providing effective support to implement CFLG effectively at local level. In this regards, Technical Assistance support of the LGCDP was provided mainly to prepare CFLG planning and programming, Annual Strategic Implementation Plan, Policy and strategies, capacity development, linkages, networking, etc.

MoFALD has been facilitating to implement GESI program at Local Bodies (DDCs, Municipalities, and VDCs) are committed to coordination and collaboration for gender

equality and its mainstreaming at every step of the plan and program formulation of DDCs/Municipalities and VDCs. As per the LSGA 1999, LBs need to give priority to income generation and skill development program for women, children and members from socially excluded groups while formulating the periodic and annual plan to promote gender equality and social inclusion. LSGA gives high priority for mainstreaming GESI at the local level program. Following are the key highlights.

Mainstreaming CFLG in policies and guidelines at the national level: As part of its work under output 7 of LGCDP, MoFALD / local bodies developed integrated district periodic plans incorporating CFLG results and indicators. Fourteen districts have completed district profile and district periodic plan endorsed by the district council.

Achieving CFLG results through adaption and declaration: In the reporting year, 575 VDCs, 127 Municipalities, and 75 DDCs adopted CFLG. Sunol of Nawalparasi district was declared the first Child-Friendly Municipality in 2015. In 2016, Teetariya VDC and Biratnagar Municipality have also been declared child-friendly. A total of 48 VDCs and 5 Municipalities from 36 districts are in the pipeline towards CFLG declaration.

Capacity building of government staffs and stakeholders on CFLG: MoFALD, Local Body Association, the six regional coordination units of LGCDP personnel, DGEs and UGEs contributed for effective implementation of capacity building program of CFLG. LDTA is a National Service Providers of LGCDP, and it supports to build the capacity of Local Bodies Personnel and other stakeholders on CFLG and another training program of Local Bodies. In the reporting year, a total of 25,565 people (including WCF members) received training on CFLG at VDCs, Municipalities, and DDCs.

Development of CFLG national rollout plan: As of now, ten consultations with different stakeholders have been organized to get views and opinions of different participants for the development of roll out plan of CFLG. Outcomes of these consultation meetings are to collect inputs to develop CFLG roll out plan. The roll out strategy is in its final stage of preparation.

Gender responsive budgeting localization strategy 2072: Government of Nepal has adopted the Gender Responsive Budgeting as one of the major tools for fulfillment of national and international commitment to gender equality under the Convention on the Elimination of All Forms of

Objective of the GESI Audit
• To analysis the status of mainstreaming the gender issues on periodic and annual plan of local bodies.
• Support to achieve results envisioned by the GESI policy 2066 (MoFALD)
• To ensure gender awareness and mainstreaming in all aspects of budgeting in local bodies;
• To monitor and oversight the resource mobilization, budget planning, activities implementation through GESI perspective at local level;
• To ensure that LBs' expenditure and revenues, including sources of revenues and allocation, are monitored and evaluated from a GESI perspective;
• To promote institutional development of GESI planning and budget process as periodic and annual planning system
• To analyze the budget allocations, expenditures, taxation policies and sources of revenue, and its impact on women and DAGs;
• To identify organizational strengths and gaps to address issues of GESI and make LBs accountable in terms of GESI and establish good governance;
• Integrate gender sensitivity into human resource development for staff at all levels so as to improve organizational effectiveness, promote non-discriminatory relationships and respect for diversity in work and management styles.
• To make recommendations for ensuring a more equitable distribution and allocation of resources in the upcoming budget and other planning exercises;

Discrimination against Women (CEDAW), the Beijing Platform for Action (BPFA) within a framework of overall reform in the budgetary process. MoFALD has developed GRB localization strategy-2072. For effective localization of GRB principle at the local level, a three-days TOT organized at five development region to Local Bodie's personnel. A total of 65 people participated and sensitized on GRB, GESI auditing procedures, knowledge, and skill on this GESI tools. Similarly, a two-days training organized on GRB, GESI Audit Practices for Local Bodies of Bhaktapur, Kavre, Sindhupalchok, Syanja, Arghakhachi, Morang, Sunsari, Darchula DDCs personnel in respective districts. A total of 245 people participated in the training program, sensitized and gained knowledge and skill on GESI and GRB tool.

Local body's resource mobilization and management guidelines 2069: The Resource Mobilization and Management Guideline 2069 is updated by integrating cross-cutting GESI issues in it. Similarly, GESI issues integrated into Social Mobilization guideline, 2071.

Local bodies gender responsive and social inclusive budgeting and auditing guideline: It is an important guideline of Local Bodies to mainstream GESI at local governance level. It has two major components-

(a) Gender-responsive budgeting: It supports to mainstream GESI in a local level bottom up to the planning process and implement program accordingly to achieve the goal of gender equality at the local level. It gives emphasis to contribute and promote good governance and provide effective service delivery for citizen especially women and socially excluded groups. Gender Responsive Budgeting tool is the gender marker tool of local governance program
(b) GESI audit: It supports to do an institutional assessment of organization from GESI perspective. It is participatory assessment tool and helps to assess institution's policy, structure, program and human and financial resource from GESI perspective.

In 2015/016, 72 DDCs and 165 Municipalities conducted gender audit, assessed their development program from a gender perspective and identified gaps and strengths of the program. During auditing process, DDCs and Municipalities assessed their program and found strength and weakness areas and prepared action plan for further improvement of their policy and program from the GESI perspective. Please refer to Annex 6.1 for major findings of GESI Audit.

As a result of GESI Audit, significant improvements have been seen in the in GESI front at local levels contributing toward fulfilling its objectives. Some achievements include; most of LBs have clear long-term vision and strategy in the policy and strategic plan aimed at reducing inequality between man and women and increase the inclusion; formation of GRB committee; development and implementation of code of conduct; provisioning of GESI Focal Person/Desk; separate toilet constructed for Male and Female in DDC; special provision for pregnant and breastfeeding women; GESI responsive budget; improvement in GESI learning etc.

C3. Environment-friendly local governance:

LGCDP has been promoting Environment-Friendly Local Governance (EFLG) as a cross-cutting area of local governance and local development. Environment Management Section (EMS) of MoFALD made efforts on implementing various environment and climate change related activities. Environment Management Section has carried out four major programs such as

Environment- Friendly Local Governance Program, Social and Environment and Safeguard Measures, Local Climate Change Living Facility, and Poverty Environment Initiative Program in 2016. In total 92.85% physical progress against the approved Project Funding Matrix (PFM) of Environment Friendly Local Governance Prorgam (EFLGP) was achieved in 2072/73. Similarly, financial progress was found to be 90. 55 % against the disbursed budget.

Capacity of local bodies has been further enhanced in adopting environment friendly and climate resilient development activities by utilizing various mainstreaming tools such as Environment Management Plan (EMP), Climate Change Vulnerability Assessment, and participatory planning. In response to climate change consequences and disaster management, various programmes like open public land conservation, plantation, pond construction/conservation, park construction/conservation, promotion of clean and renewable energy via *Solar Tuki* and solar street light, flood control, landslide control, water source conservation etc. among others are implemented at the field level. These activities are targeted to climate vulnerable local community to adapt to climate change impacts and cope with likely natural disasters.

Environment friendly declaration: By the end of FY 2072/73, EFLGP implementing local bodies were successful in declaring 12,205 Households as environmentally friendly. Similarly, EFLGP implementing local bodies were successful in declaring 7 wards as Environment Friendly. The details of the Local body declaring EF HHs and Local body declaring EF Wards is presented as below.

Table 19: Number of environment friendly households and wards

S.N.	Name of Local body	EF Household Declaration (No.)	EF Ward Declaration (No.)
1	Kaski DDC	177	1
2	Katari Municipality	2,100	-
3	Hariwon	252	-
4	Kamalamai	140	-
5	Vyas Municipality	775	2
6	Narayani Municipality	770	1
7	Bharatpur Sub metro	3,251	1
8	Ratnanagar Municipality	2,122	1
9	Khairahani Municipality	206	-
10	DDC Lamjung	637	-
11	Besishahar Municipality	25	-
12	Ramgram Municipality	102	-
13	Sunwal Municipality	1,523	-
14	Devchuli	125	-
15	Lanjung DDC	-	1
	Total number of EF HHs	**12,205**	**7**

Local annual development plans: A study was carried out in June 2016 with an objective of assessing the effectiveness of EFLGP in mainstreaming environment and climate change issues into local development planning and budgeting process. To this end, Annual Development Plans where EFLGP has been implemented in 54 municipalities of 14 districts were reviewed.

While reviewing the Annual Development Plans, it was revealed that except Garuda Municipality of Rautahat District, all 53 municipalities have approved/endorsed EFLG programme for FY 2073/74. Some of the findings include:

o In an average, 15.03% of the total local bodies' annual budget was allocated for the environment, climate change and disaster related activities.
o The average annual budget of EFLGP implemented areas for environment was higher than the previous years.

From the findings of present study it can be inferred that EFLGP intervention in programme implementing local bodies has positively catalyzed to increase budget allocation along with increasing environment friendly development activities in their Annual Development Plans.

Capacity development: Various capacity development activities were carried out in the reporting year. Major activities include:

o One day central level orientation training was carried out in Kathmandu on 17th February 2016. Altogether there were 70 MoFALD Officials in the Workshop.
o A one day workshop was conducted on 27th March, 2016. The objective was to orient Executive Officers and EFLG focal person in newly added 10 municipalities of Kavrepalanchwok and Tanahun districts. Altogether there were 29 participants in the programme.
o Officials from MoFALD have visited all 10 newly added municipalities and provided orientations training to concerned stakeholders with the aim to sensitize them on adopting environment friendly behavior.
o On site orientation campaign was carried out in Tanahun (Byas, Shuklagandaki, Bhanu, Aabukhaireni and Bandipur municipalities) and Kavrepalanchowk (Panchkhal, Dapcha, Kashikhanda, Panauti, and Dhulikhel municipalities) districts. A total of 700 participants in Tanahun and 655 participants of Kavrepalanchowk district took part; they include- officials of municipalities, line agencies, representatives from political parties, Social mobilizers, representatives from CACs, WCFs, TLOs etc.
o Orientation training conducted by Monitoring and Evaluation Officers and EFLG Focal person in 535 CACs, 548 WCF and 710 TLO. In total 76,406 people were trained on Environment Friendly Local Governance.
o Altogether, 1,750 community people (beneficiaries) received skill development training on Rooftop farming (150 people), Improved cooking stove (415 People), Solar installation/ Maintenance (30 people), Environment friendly bag making (518 people) and Organic farming (637 people).

Formation of community based organizations (EFLGCC) and Tol Lane organizations: With initiation of EFLGP interventions, 1428 Tole Lane Organizations (TLOs) has been formed in EFLGP implementing municipalities. These TLO's are found to be very useful in conducting Tole level awareness and sanitation programmes, motivating people to make their Household, Tole (settlement) as environment friendly entities. By the active initiation of TLOs, EFLGP is successful in declaring 12,205 HHs and 7 Wards as Environment Friendly entities at the end of FY 2072/73.

Climate adaptive, disaster resilient and environment friendly infrastructure: EFLGP supported local communities with constructing 216 ponds, rehabilitating 156 parks, building

21 public toilets, 2,713 Households toilets, 74 small infrastructures (check dams, biological dams, retention walls etc) and plantation of 218,753 plant saplings in public lands. A total of 113.17 Hectare encroached public land have been reclaimed through conservation initiatives. In addition, 993 Solar Street light have been installed, 12827 HHs have benefitted from other Renewable energy supports like Solar Tuki (20 Watts lamp), Improved Cook Stoves etc.

Adoption of social and environmental safeguard: prepared a Operational Manual on Environmental Enhancement and Implementation of Social and Environmental Safeguard Measures at local level both in Nepali and English versions. Sample of Environmental Management Plan (EMP) and Monitoring Checklist for infrastructure projects have been developed and provided to local bodies. Following table gives a comparative analysis of Social Environment Safeguard Framework Implementation Status amid 2011/12 and 2015/16.

Table 20: Number of projects that comply environmental safeguard

Year	Total Projects	Environment Projects	Environment Checklists	Environment Management Plan
2011/12	14,498	471 (3.2%)	177 (1.2%)	79 (0.5%)
2015/16	25253	785 (3.1%)	559 (2.2%)	277 (1%)

Poverty environment initiative program: As part of its effort to realign its work to support post-earthquake recovery in Nepal, PEI supported MoFALD to prepare pro-poor environmentally sustainable green recovery and rehabilitation plans in Myagdi and Kavrepalanchowk districts in 2015. These two districts were badly impacted by earthquake of 25th April 2015 and landslides. An MOU has been signed between LGCDP and Kabhrepalanchowk and Myagdi District Development Committees (VDC) to implement the plans and 50% of the total agreed resources have already been released in July 2016.

Local climate change adaptive living facility: Following are the major achievements of the year toward these initiatives:

o LoCAL extended partial financial support to prepare district periodic plan of Rupandehi and Dhading districts. After soliciting feedback from village, district and central level stakeholders, the reports were approved from respective district development councils. The district periodic plans have incorporated environment and climate changes issues in the respective DPP's guiding principles. The Rupandehi DPP's guiding principle states that *the district will consider inclusive, environment friendly, productive, sustainable, disaster resilient and climate change resilient dimensions while formulating and implementing development plan and programs*. Similarly the Dhading DPP's guiding principle states that *a balanced approach will be adopted between environment protection and development while formulating and implementing annual development plan and programs.*

o Pond protection works have been completed in Hattibangai (972 people benefited) and Gonaha VDCs (benefiting 565 people) of Rupandehi district.

o Source protection work has been completed at Kiranchowk VDC benefiting 230 community members.

o An irrigation cannel has been renovated in each Gonaha VDC (benefiting 595 people) and Kiran-chowk VDC (benefiting 300 people). These initiatives led to off season irrigation facility for the poor farmers.

- o Plantation program completed along the Adhamghat- Majuba road section in Dhading and Bethari Uttar Tole at Gonaha VDC of Rupandehi district. Plantation is expected to protect from landslide especially during the monsoon season.
- o Training on maintenance of bee hive was provided to the community groups in (location ?) and bee-hive was also distributed to these trained groups in coordination and technical support form District Agriculture Office benefiting 344 community people.
- o River bank protection work has been done in Tinau and Ghangra River at Hattibangai VDC of Rupandehi District. A total of 1337 (672 male, 590 female and 75 children) community members were benefitted from the program.
- o Plantation and dam construction along the Basahuwa- Tinau River, Khajuria- Tinau River, Mangalpur- Tinau River has been completed benefiting 6,215 people. These areas are highly prone to flooding and small infrastructure support can directly save a high number from population from being displaced.

OUTCOME-4: STRENGTHENED POLICY AND INSTITUTIONAL FRAMEWORK FOR DEVOLUTION, SUB-NATIONAL GOVERNANCE, AND LOCAL SERVICE DELIVERY

LGCDP II under outcome four aimed to strengthen policy and institutional framework for devolution, sub-national governance and local service delivery that to be contributed by output 8 and 9. Output 8 expected refined policy on local governance and improved inter-agency cooperation in further looking perspectives of federalization. And, output 9 focuses to develop policies for devolution and federalism. LGCDP II thus has supported the MoFALD's analytical and policy activities in relation to effective execution of sub-national governance processes.

To achieve the stated outcome and outputs, LGCDP II has supported to the MoFALD in two fold approaches. *Firstly,* it supported to strengthen local governance system and structure for effective service delivery. Various legislative and policy instruments introduced/amended by MoFALD such as the LSGA amendment bill, amendment in the LSGR and reform in local body resources mobilization procedures. Substantial numbers of VDCs were reduced and new municipalities were established. These support focused to effective implementation of ongoing decentralization and devolution processes. *Secondly,* it contributed at preparing the ground work for local governance arrangements in the context of constitutional framework, state restructuring and ensuring multi stakeholder engagement in policy dialogue about range of likely sub-national governance issues and transitional planning. It focused supporting to implementation of the constitution regarding functional sub-national governance at post constitution phase. LGCDP II has been extending continued support to MoFALD in sub-national governance roll out processes.

3.1.8 OUTPUT 8: Refined Policy on Local Governance and Improved Interagency Cooperation

LGCDP II provided various technical supports in the decentralization policy reform processes in the reporting year. They are summarized as below.

A. Progress against AMEP target 2015/16

SN	AMEP Annual Targets	Progress	Remarks/Reason for Deviation
1	LSGA amendment addressing contemporary requirement	LSGA amendment bill drafted and submitted to parliament. It is under consideration of Legislature Parliament.	With the promulgation of the Constitution of Nepal, a new bill on local level requires to repeal the prevailing LSGA
2	LBs categorized in terms of population, resources and infrastructure sufficiency	Out of 2117 Municipalities, 159 new municipalities established and number of VDCs reduced to 3157.	LLRC established to further redefine the number and boundaries of local level.

SN	AMEP Annual Targets	Progress	Remarks/Reason for Deviation
3	Local Bodies Resource Mobilization procedure revised	draft prepared	
4	LSGA and land & building tax acts amended to make consistent with each other	Local Self Governance Regulation amended (7th amendment) with a view to consolidate revenue base of the Municipalities	
5	All policy related documents and decisions available in electronic and printed version	Preliminary draft prepared. Yet to consolidate in electronic version	
6	DIMC meeting organized and minutes shared with stakeholders for necessary action.	DIMC meeting could not be organized	

B. Key Highlights:

Draft amendment bill of the LSGA: Despite of having many democratic principles of the LSGA, it is required to be amended as per the changed constitutional context. The Interim Constitution of Nepal 2007 embraced the provision as to hold interim local election. Similarly, the first CA has internalized major thrust of the LSGA in its preliminary drafts and it preferred changes in inclusive electoral system and representation process at local level, unlike to the LSGA.

Thus, it becomes necessary to amend the LSGA in coherence with the constitutional context. The LGCDP II provided technical supports to MoFALD in developing draft amendment bill of the LSGA to hold multi stakeholders consultation in the processes. LGCDP II has been extending its continued support to the MoFALD in local election preparation processes and has provided support to local government associations to bring local government voices in the processes.

The GoN has tabled the LSGA amendment bill to the parliament prior to promulgation of the Constitution of Nepal (2015). The bill has remained under consideration of the parliament due to a needed adjustment and potential changes in coherence with the new Constitution. Major objectives of the amendment in the LSGA were:

- o to provide adequate legislative framework for holding election of local bodies in interim period,
- o to increase the inclusive representation of women from Twenty to at least Forty percent in Village and Municipal Council in line with the national debates and spirit of thematic draft of the first CA,
- o to legalize the needed changes in the number of Municipalities, VDCs and its' wards that was carried out within election year.

New municipality formation processes: The GoN, in a very participatory process with Village/Municipal and District Councils and other stakeholders, has successfully downsized the

VDC number from 3915 to 3157 in the year 2014/15 and increased the number of Municipality from 58 to 217, simultaneously. The GoN/MoFALD made needful arrangements of staff in newly established municipalities and municipal wards. Within a short span of time, new municipalities become able to carry out day to day municipal business and regularize services to the citizen as transitional arrangements.

LGCDP II provided technical support in developing appropriate criteria/standards for municipality formation in addition to the criteria inbuilt in the LSGA/R. Also, supported to develop the criteria for voluntary merging of VDCs and to devise necessary incentive schemes for such self-initiated mergers.

7th Amendment of the Local Self Governance Regulation (LSGR): Amendment in the Local Self Governance Regulation was required to increase the revenue base of the local bodies, more specific to municipalities. The amendment has changed the rate of house and land tax and the base of the valuation of property . LGCDP II contributed to the amendment processes by providing inputs from field level experience sharing and interactions with local authorities.

3.1.9   OUTPUT 9: Policies Developed for Devolution and Federalism

LGCDP II provided various technical supports in the area of policy development for devolution and federalism in the reporting year. They are summarized as below.

A. Progress against AMEP target 2015/16

SN	AMEP Annual Targets	Progress
1	Policy framework for legal, institutional and fiscal devolution prepared	Technical inputs provided to OPMCM in the process of functional assignment analysis
2	LBFC restructured to assume responsibility for fiscal federalism	Conceptualized
3	Local Government Restructuring Commission established	- LLRC constituted and continuing its work. - technical support provided to the LLRC on GIS, developing criteria and standards of LG restructuring
4	Devolution policy developed/refined in the context of new constitution/ federal governance	Technical inputs provided to OPMCM in the process of functional assignment analysis
5	Federalism Affairs Department/Section established, federal policy centre established. Sub-national governance related materials produced and disseminated	- FAD/S functional - Draft concept note prepared on federal policy centre - IEC materials developed and disseminated regarding major provisions of the constitution and carried out the *janatako sambidhan janatako majhma campaign*
6	Framework for National Fiscal Commission (NFC) developed	Ministry of Finance leading the National Natural Resource and Fiscal Commission (NRFC) bill drafting process and technical inputs provided in the bill
7	Prepared local body structure and its legal framework in federal system;	- draft bill preparation process initiated regarding to local level operation, transitional management of the local level - Technical committees formed regarding federalization process, transitional management.

B. Key Highlights:

Promotion of democratic local governance in the constitution: During constitution building processes, senior officials of MoFALD provided expert opinions to CA and its committees on local governance arrangement in the federal context. The LGCDP II assisted MoFALD in preparation of draft proposals on democratic local governance in the constitution. Knowledge and practices of other countries were reviewed and inputs provided to senior MoFALD officials regarding democratic local governance. CA products were disseminated at local level through social mobilizers. CAC and WCF members actively participated in submission of the local voices in constitution building processes, specific to the issues of democratic local governance. MoFALD/LGCDP had arranged discussion forum to multi stakeholders namely, constituent assembly members, representatives of political parties, government officials, local bodies associations, experts at national and sub-national level on the issues of democratic local governance provisions in the constitution. Thus, the LGCDP factored for explicit constitutional provisions of democratic local government in the constitution.

Support to sub-national federalism Implementation Processes: After promulgation of the constitution 2072, LGCDP-II backed to raise awareness and confidence building process at grassroots level on constitutional provisions through dissemination of various ICT materials through mobilization of its human resources as contribution to constitutional implementation process.

The LGCDP-II has been successful to influence and contribute to strengthening sub-national governance by engaging in local government restructuring and policy design processes. Key contributing factors of LGCDP-II toward this achievement of the year include engagement and technical supports to structural reform and legislative/policy framework design processes related to sub-national governance. They mainly include drafting criteria/standards and ToR for local level restructuring, provincial headquarter, local level service management; draft bill for various constitutional commissions; drafting of bill related to local level operation etc. As, the election of local and provincial government is taken as major milestone for federal roll out processes, redefining local government structures and preparation of required federal legislations have thus being prioritized by GoN.

Support to local government restructuring processes: As per the constitutional requirement (Article 395-3) on structural reform of local government, the GoN constituted Local Level Restructuring Commission as to transform existing local bodies in a viable size and to make them able to assume the assigned constitutional competencies. These processes supported by the LGCDP II by providing technical support in analysis and mapping of newly proposed municipality into geographical information system (GIS). LGCDP II supported to the processes in developing criteria/standards for local level restructuring including identifying special, protected or autonomous area. Report analysis support provided to the LLRC as needed.

Support to federal legislation process: The MoFALD with the consent of Ministry of Law Justice and Parliamentary Affairs (MoLJPA) has drafted bill on local level operation to pave the way to smooth operation of local level governance in post-election period. LGCDP II supported federal legislation drafting process through providing technical inputs, learning exposure on

federal practices and promoted participatory process by providing joint forum for stakeholders, experts in the processes.

Support to Institutional strengthening: After promulgation of the constitution, the Federal Affairs Department/Section of MoFALD has been providing technical and coordination support to Local Level Restructuring Commission, preparing federal roll out plans, legislative frameworks and required legislations for sub-national government, preparing draft bills for constitutional commissions. LGCDP II supporting to the Federal Affair Department/Section of the MoFALD through technical human resource support in the areas of technical advice, information analysis, drawing policy related learning, sharing and engaging in the processes.

Likewise, the LGCDP II supported MoFALD/FAD/S in preparation of ToR to carry out the study on required criteria for provincial capital aiming to support the business of the provincial legislature to determine provincial capital, immediately after the election of provinces.

OTHER ACCOMPLISHMENTS:

A. Earthquake Recovery Activities:

Overview : In response to the early recovery of the earthquake-affected districts to be able to restore the service, LGCDP provided conditional grants to 12 DDC to construct 178 temporary VDC offices, where the VDC office have been destroyed or damaged by the earthquake. So far, constructions of 159 VDC building (target-178) and 44 Ward building of municipalities (target-72) have been completed.

Additional Support to CAC in Earthquake Affected Districts: As part of the support to disadvantaged families in the earthquake affected districts, Norwegian government has provided additional USD 1 million as livelihood improvement grant for 670 CACs. Out of 670 CACs in earthquake affected districts 622 CACs have received additional livelihood improvement grant at the rate of Rs 100,000 to initiate income generating activities from which 137,773 members have benefited The CAC members who have received this grant in the form of internal group loan, have taken up activities related to goat rearing, vegetable farming, small business, horticulture, beekeeping, poultry, milk collection, etc.

4 FINANCIAL PROGRESS

ANNUAL BUDGET AND EXPENDITURE

Table 14: Annual budget and expenditure for FY 2015-16

Amount in NPR

	Type	Budget	Expenses	Progress
MOFALD total	Recurrent	53,469,129,000	46,533,726,110	87%
	Capital	23,770,179,000	16,048,821,012	68%
	Total	77,239,308,000	62,582,547,122	81%

	Type	Budget	Expenses	Progress
LGCDP [GoN Grants to VDC, DDC and Municipality & LGCDP budget line]	Recurrent	24,814,582,000	22,833,363,684	92%
	Capital	2,391,322,000	2,101,086,650	88%
	Total	27,205,904,000	24,934,450,334	92%

Expenditure in LGCDP budget line (JFA and ADB supported)

Amount in NPR

Funding source (for budget code 365819-LGCDP)	ASIP budget (Revised)	Actual Expenses	Progress
JFA	3.35	2.64	79%
ADB (SPMP)	0.45	0.23	51%
Govt.	0.106	0.025	24%
Total	3.909	2.903	74%

Donor Commitments and Balance

The following table gives a position statement of donor commitment as of 15 July 2016.

Table 15: JFA DPs' Committed amount and amount deposited

S. No.	DPs	Committed Amount (USD)	Total Deposit (USD Actual)	% deposited	Outstanding commitment (USD)
1	DFID	GBP 25 mil. Apporx USD 38,783,442	34,812,300	90%	GBP 3 mil approx. USD 3,971,142
2	Norway	NOK 82 mil. Apporx USD 8,249,803	8,249,803	82%	NOK 15 mil. approx. USD 1,775,415
3	SDC	CHF 17.5 mil. Apporx USD 18,248,272	12,637,994	69%	CHF 5.5 mil. approx. USD 5,610,278
4	Denmark	DKK 16 mil. Apporx USD 7,993,876	7,993,876	100%	-
5	UNDP	200,000	200,000	100%	-
6	UNCDF	100,000	100,000	50%	50,000
7	UN Women	100,000	74,960	75%	25,040
8	UNICEF	1,200,000	900,000	50%	600,000
9	UNFPA	400,000	299,600	75%	100,400
10	ADB (SPMP)	25,000,000	11,900,000	48%	13,100,000
	Total	**100,275,392**	**76,818,532**	**77%**	**25,232,275**

LGCDP audit issues raised by OAG/N in FY 2014/15 audit

Following is the summary of audit issues for FY 2014-15 based on OAG/N letter to Ministry of Finance. The PCU is gradually addressing these issues.

o Programme has spent only Rs. 40,108 million (34.64 %) in last two financial years (FYs 2070/71 and 2071/72). There is the likelihood that programme will not meet the target by the end of FY 2016-17.
o Total estimated donor contribution as per Programme document (USD 236 mil) is not fully committed.
o There is no consolidated progress report of projects implemented by DDCs, Municipalities, and VDCs despite the ministry has approved the integrated program.
o LGCDP delivery is low and there is a possibility of not meeting the target (delivery in FY 2070-71 and FY 2071-72 is below 75%).
o Final installment not released to CSOs in case of incomplete activities that are not conducted as per agreement has not been transferred to the central treasury (put in deposit account of LGAF).
o Following audit issues repeating from past years are either not settled or partially settled
  - no physical control over assets
  - grant disbursed to Citizen Awareness Centers (CAC) not settled by submitting financial and physical progress report along with reports on technical verification of projects, public audit, public hearing, monitoring of activities, etc.
  - TA supported by UN agencies is not audited by OAG/N
  - Payments for construction activities of DDCs have no sufficient supporting documents like work completion report, measurement books, contract bill, etc

5   ISSUES AND CHALLENGES

OUTPUT WISE ISSUES AND CHALLENGES:

Following table provides output wise operational issues and challenges faced by the program during program implementation. The LGCDP also suggest way outs address them by all concerned.

Result Areas	Issues and Challenges	How to address Them
Output- 1 Social mobilization	o The arrangement of required resources for capacity-building and small grants. o Sustainability of citizen institutions and replication of good practices. o Expanding livelihood opportunities for CACs	o The arrangement of required resources during the planning phase of the program.
Output-2 Downward Accountability	o Inadequate human resources in LGAF Secretariat o Coordination and harmonization between LGAF and other accountability related programmes in LGAF framework. o Accountability measures to carry out in Sub- national governments in the state restructuring	o MoFALD may deploy required staffs with responsibility to LGAF Secretariat o LGAF to be provided strong roles to coordinate, oversight and monitoring compliance beyond local bodies o Provisions of Accountability measures to be put strongly in the drafting acts and regulations for Federal and Local Governments mechanism
Output-4 Public Finance Management	o Lack of Capacity in LBs particularly in public financial management: o No proper allocation of LB staff duties: o Challenges in using the Accounting Software o No proper system of audit observations, compliance monitoring and tracking systems of irregularities.	o Provide more training on budget planning, record keeping, documentation, internal auditing, and financial reporting and arrange necessary office equipment. o Set up an accounting system and the computerized accounting system in LBs with proper control and monitoring systems. o The application of AORTS system to record irregularities, categorization and tracking progress

Result Areas	Issues and Challenges	How to address Them
Output-5 Capacity building	o Insufficient organizational and HR management at the local bodies. o Capacity of National Service Provider (LDTA) and Local Service Providers o Overlapping of CD activities according to the output themes o Poor coordination among the training/CD support suppliers including the LDTA/Line agencies/LBAs and CSO. o Low capacity of the VDCs to cope with and manage the wide responsibilities regarding six-fold increase of resources o Capacity development activities are less prioritized in both MoFALD and LBs. o All output groups have carried out the capacity development activities. During this process, many activities have been overlapping and remained lack coordination.	o Focus to give on the organizational study and implement its recommendation as well as design capacity development package to enhane the capacity of staff in work related activities. o A joint coordination mechanism should be developed at a central and district level as well as performance appraisal is enormous of NSP and LSP. o Establish proper coordination among all output groups by building a committee or Task Force Group at the central and district level. o Capacity development strategy should update according to the changing context of time.
Output-6 Quality Infrastructures	o Mainstreaming DTMP/MTMP into annual program of DDCs/ municipalities. o Resource constraint for implementation of MTMPs o Lack of human resource (Bank and Payment) in the department. o Lack of smooth coordination between LBs and health centre to improve vital registration particularly birth and death registration. o Vacant of Local Registrar in Municipalities o Lack/limited access to Internet connectivity o Capacity gap for handling MIS in LBs o Sustainable development of Community Mediation Program	o Need of dedicated and trained lab technicians for smooth functioning of existing labs (OD approval) o Awareness and culture for quality assurance among the suppliers/manufactures and contractors are to be enhanced o More coordination id required between LBs and health centres for smooth vital registration o Needful human resource should be fulfilled. o Technical capacity of DDC staff needs to be improved in IT sector. o Harmonizing various models of community meditations practiced by MOFALD, USAID, DFID, JICA and others.

Result Areas	Issues and Challenges	How to address Them
Output-7 Integrated Planning and monitoring	GESI/CFLG o Slow CFLG Roll out plan preparation process and its effective implementation. o Slow CFLG declaration process and issues of its sustainable development. o No timely release of Bal Bhela Fund to Local Bodies o The inadequate orientation of GESI policy/strategies to LBs. o Less functional GESI institutional mechanisms. o Political influence in GESI related decision-making o Institutionalization of GESI budgeting and auditing system at Local level EFLG o Inadequate capacity to maintain timely reporting from field to center and center to the Development Partner. o EFLG Program has to compete with other programs at local levels that do not need require precise and timely reporting o Environment and climate doesn't fall on local communities and even local government's priority programs. o PEI-supported activities are more of process oriented and hence showcasing the impact of mainstreaming poverty-environment linkages in the limited project period is challenging. Other o Poor linkage between periodic district plan and Annual Development Plan	GESI/CFLG o Institutionalized Gender Responsive and Social Inclusive Audit process at MoFALD and Local Bodies to make organizations GESI friendly. o Organize GRB, GESI Audit training to Local Bodies personnel and development stakeholders in regular basis and disseminate this knowledge at all Local Bodies even at ward level for effective implementation of GESI activities at all level o Localization of Gender Responsive and Social Inclusive Budgeting process in the local level planning process and mainstreaming GESI at all level of the local governance system. EFLG o Capacity of local bodies and implementation actors should be further strengthened o Carry out assessment of the EFLGP and upscale it in the entire nation o Implementing climate change activities at local level needs robust technical resources. o Support local bodies to integrate policy framework for mainstreaming poverty, environment, climate change / disaster linkages into their development planning o Support promoting green income and employment opportunities to rural youths o Support developing climate resilient society at local level Other o Formats to establish linkage between the periodic district

Result Areas	Issues and Challenges	How to address Them
		plan and Annual Development Plan is being prepared.
Output- 8 and 9 **Policy and Federalism**	o Weak inter-ministry coordination on sub-national governance implementation cum sectoral devolution process	o Institutionalize regular interactionmeeting across sectoral ministries on sub-national governance implementation process.

POLICY AND MANAGEMENT RELATED ISSUES AND CHALLENGES

Issues/Challenges	Way forward
o The program period of LGCDP II is ending in June 2017.	o Completed Mid-term evaluation of LGCDP II. Its recommendations should be considered while designing a new program. o As interim arrangements, program period needs to be extended for one year period so that new program can be designed considering new political and local governance scenarios. o A task force has been formed comprising of high-level officials of MoFALD to develop a conceptual framework of the new program.
o The issue of sustainable institutional arrangements and management of WCF, CACs, etc. in the context of changing local governance scenario is a challenge.	o Develop a policy framework on how to realign the achievements of social mobilization into new local development strategies.
o Lack of required budget to enable CACs toward supporting income generation activities for identified poor households.	o The arrangement of more budget to address this financial gap.
o Weak financial and accounting capacity of local bodies	o More technical support package needs to be provided to Local bodies to further improve PFM of local bodies.
o LGCDP II implementation has been affected due to reduction in the budget, particularly in SPMP.	o Efforts are being made to fulfill terms and conditions of ADB.
o Frequent transfer of LDOs and Executive Officers	o This issue needs to be addressed by MoFALD through needful administrative policies.
o Expiry of DGE and UGEs hampering technical supports at Local bodies.	o LGCDP has already allotted focal persons in each DDC and Municipalities with needful capacity development. Emerging concerns regarding 'technical capacity' and

Issues/Challenges	Way forward
	'incentives' of focal persons need to be addressed in the due course of time.

6 ANNEXES

MAJOR FINDINGS OF GESI AUDIT OF LOCAL BODIES

Strength	Area for Improvements
1. Local Bodies Policy/guideline/manual on GESI	
GESI development activities in the policy and plan of LBs.	GESI indicator to be followed during the local level planning process by all LBs.
GESI Unit established in DDCs.	Priority to be given Gender and Social Inclusive Infrastructures. GESI unit to be established at municipality level. GESI/GRB committee to be formed in Municipality level and well function in all LBs.
Programme organized against gender-based violence in DDC level.	Need to build Code of conduct to reduce gender-based violence at all LBs level. LBs strategy to be prepared based on GESI policy.
2. Mainstreaming GESI program in the capacity development plan of LB	
LBs council approved GESI program and policy.	GESI strategy to be developed at all LBs
33% women participation in User Committees	Equal participation at all level of LBs still needed
Capacity Development action plan is developed (mostly in DDC level)	GESI component to be included in LBs CD plan. CD plan should be developed or updated with GESI issue in Municipality level with the budget.
Increasing participation of women in capacity development activities.	Provision of capacity development for the women of user committee and members of targeted group to be needed.
LBs allocated budget for the GESI training and also incorporates GRB and GESI Audit in its capacity development plan.	Need to allocate enough budget for GESI Audit and GRB planning analysis and recommendation during the local level planning. Need Allocation of Budget for GESI Audit at VDC level also.
3. Targeted program	
Participation of targeted groups is in increasing trend	Disaggregated data of targeted group need to be collected and updated regularly.
LBs allocated the target budget as per resource mobilization guideline.	Need to monitor target budget implementation. Livelihood and empowerment related plan to be approved as self-employment, income generation and skill based related which directly benefited from targeting group.
Women, children, and DAG related Project prioritisation by WCF, CAC	Need to the involvement of target group to implement the project to be responsible and accountable.
Special program for target group Capacity building, income generation, skill based training Activities that cultural preservation, elder citizen. Legal education program/orientation on legal right, single child trafficking.	Need to reduce the target budget allocation to infrastructure development. Construction of school building, Road, community building, etc. Active participation of targeted groups needs to be guaranteed while formulating the LB's plan
4. Planning, implementation, monitoring, and evaluation	
Ensuring the participation target group during the planning process and its implementation.	Still need to use disaggregates data before the planning and budgeting. Need to increase the participation of targeted groups especially DAG community in all programme cycle.
Regular monitoring is being initiated. The major position is held by women in users committee.	Need to ensure targeted group representatives effectively monitoring and evaluations
Disaggregated data and information regarding the GESI is being frequently updated at LBs.	LBs should conduct situation analysis and need identification separately of women, men and targeted groups, while planning LBs need to apply the GRB process in its planning process for the identification and prioritization of project

Strength	Area for Improvements
33 % women participation of women in DSMC and also targeted community representation in the various committees according to the guidelines.	Need impact study and analysis of the GESI program and targeted budget, incorporate the feedback and recommendation to the plan; To be effective monitoring and evaluation committee with 33% women representative.
5. Internal Structure	
DDCs formed different committee women, Dalit. Janajati as per guideline and well-functioning.	Need to build capacity on GESI to all committee members. There should be the provision of making 50% participation of women in committees. GESI structure needs to develop in Municipalities. Need to formed different committee as per guideline in the majority of Municipalities.
Computerized accounting system implemented at DDCs and old Municipalities.	The budget should allocate gender desk and separate Human Resource for GESI initiatives towards sustainability and gender development. New Municipalities need to implement computerize accounting system.
Women development fund established at DDC level and Dhulikhel, Makwanpur, Thimi, Ratnanagar, Bharatpur municipality.	The allocation and implementation of the targeted budget should be within the given criteria, and frequent monitoring / feedback mechanism need to be in place. The majority of Municipality need to establish GESI fund.
Active Participation of women, children and disadvantaged community in the various committees at Local level as; VDC, IPFC, MIPFC, WCF	The participation of the GESI Committee members in the LB program is needed to ensure by LBs.
6. Governance	
All LBs have been regularly conducted a public hearing and social audit.	Need to analysis program benefit to target group and follow the time frame to conduct a public hearing as LBs guideline especially in Municipalities. Disaggregated data need to be computerized.
The targeted budget and program are published /disseminated through meeting, FM radio and mass media by LBs.	Need to increase the participation of targeted group in the review meeting of LBs Municipalities need to publish and disseminate the target group budget using different communication media.
Updated Information and documentation in DDC level. Planning formulation is based on the information taken from the information and documentation center. Vital Event Registration data and information being updated at LBs.	Municipalities need to managed updated information/data for the planning formulation Strong monitoring and feedback mechanism needed Systematic and updated record and documentation yet to be well managed in all LBs.
Information flows through various media as; publication, FM/ radio, mass media are managed in DDC level. And some Mun Dhulikhel, Hetuda, Bharatpur, Thimi, Chautara, Llitpur Municipality used information sharing through various media.	New municipalities need to flow the information through based on available media in the municipal area. The information needs to be localized addressing inclusive participation of the target group in the planning, monitoring phase.
7. Human Resource Development and Coordination relationship expansion	
All DDC have established Human Resource Development Section/Unit (except Kavre and Rasuwa DDC) at LBs & Human Resource Development activities are being undertaken.	Majority Municipalities and DDC need to establish HRD unit with a separate position in section. Most of the Municipalities have HRD section, and it needs to functional.
Resource Persons (RPs) regarding Gender and Social Inclusion is developed at DDC level.	Need to manage a roster of resource person in all DDCs and Municipality level. Need mobilize the Local Resource Persons (LRPs) in GESI and documented in all LBs on the GESI capacity building program
Annual and Periodic plan are prepared to mainstream gender and development	To be followed the periodic and annual plan to allocate and expenditure budget to target group at all LBs.
Coordination with other line agencies on the issues of GESI	Need to capacity building to GESI/GRB committee member involved from all line agencies. Need regular and effective analytical study on GESI impact
Conducting preparation class on Public Service Commission for women in most of DDC and Municipalities.	LBs need to focus rural women and DAG group for the public services commission preparation class.

| Strength	Area for Improvements
Discussion on Practical Gender need and Strategic Gender Need during the plan formulation at LBs-	Need to Producing rural women technician (livestock service, Agriculture, health and infrastructure services)
8. Implementation of GESI and Social development policies and commitments of government	
LBs have conducted programme against the gender violence based on the national and international convention on coordination with other organization. (16 days celebration against the gender-based violence etc.)	Very less knowledge gender-related international conventions as; BPFA, CEDAW, MDGs, UNRs 1325 & 1820 and its provisions, need to be regularly organized to LBs staff and members and to expand up to the community level. Zero level knowledge about the international convention to new municipalities. So, need to organized training and orientation. LBs Need to allocate and implement program and budget on the issues and provision revealed in various international conventions and national legal acts and Need to organize various program every year during the 16 days celebration program to eradicate of all forms of discrimination against women.
Started implementation of policies and international commitments as of BPFA, CEDAW, SDGs	Orientation on various relevant treaty, convention and policies to the stakeholders and community Need to allocate budget for the implementation of National Plan of Action under CEDAW and United Nation Resolutions1325 and 1820.

SUCCESS STORIES

77 household declared as environment-friendly in Ramgram municipality, Nawalparasi

Sangam Tole, Ward Number 3 of Ramgram Municipality was declared as Environment-Friendly Settlement on 16 July 2015. Now, the face of Sangam Tole has been totally changed that until a few months back. The settlement has been recognized as a clean and green settlement.

A glimpse of Sangam Tole

Thanks due to Environment-Friendly Local Governance Program (EFLGP) of the Ministry of Federal Affairs and Local Development (MoFALD). With the implementation of the EFLG Program in Ramgram, greater need for environmental safety arise in mind of the local people as they had a chance to participate in several training, campaign, meeting, etc. on Environment program.

For the very first time, Khageshwor Panther, head of Sangam Tole Development Committee proposed a rule to clean their tole on the first and last Saturday of every month in which an individual from every household should strictly participate. The proposal unanimously got approved.
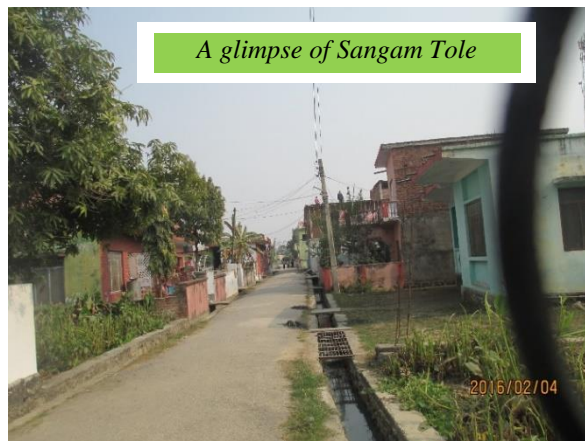
Moreover, following conducting sensitization training to local people on various household level indicators of the EFLGP, people started adopting various environment-friendly activities like proper management of solid waste, replaced CFL bulb with LED bulb, cleanliness in bathroom and toilet, less use of the pesticides in their homestead, among others. When all the activities were implemented in a package, the settlement became eligible to be declared as environment-friendly settlement.

Finally, on July 16th, 2015, all 75 house of the settlement got declared as environment-friendly tole. Now, this tole has been a source of inspiration to other tole of the Municipality. Not only the municipality, but it has also been a most honorable work in the environment sector throughout the country. Effective social mobilization process together with capacity development support and pro-active leadership caused an early declaration of the EFLG settlement.

Fake Recipients of SSE found in Gulmi

The compliance monitoring of Local Bodies on legislative and policy requirements has been started in Gulmi since 2014 January. Initially, it was started in Resunga Municipality and nine other VDCs. In the second year, the working areas have been extended in additional 22 VDCs. In the course of compliance monitoring, one of the activities of the CSOs is to make a survey of the Social Security Entitlements and monitor its' compliance with the existing VDCs' records.

Accountability Officer verifying the SSE recipients list in Thulolumpek VDC

Integrated Rural Development Society, Gulmi is the CSOs assigned to compliance monitoring of local bodies in Gulmi by Local Governance Accountability Facility. In the course of compliance monitoring, the IRDS staffs carried out a survey of 2 wards out of 9 of each VDCs and Municipality where they work, tally with the list and verified with the Ward Citizen Forum members and the local peoples. Out of these 22 VDCs, there were 4837 senior citizens, 888 Dalit senior citizens, 2834 single/ widow, 168 fully disabled and 222 were partially disabled. After the verification, the list is shortened by 302 senior citizens, 49 Dalit Senior citizens, 62 single/ widow, seven fully disabled and 12 partially disabled. Finally, the recipients have been reduced by 432, and now it is 8,517 persons. The amount was released for the 8,949 in the first installment. The lists have been now omitted from the records and refunded the remaining funds.

GESI Audit Made More Responsible

I'm Yamuna Saha, a Focal person of LGCDP for the Chautara Municipality. Chautara is one of the Municipality of Sindupalchok District. They are funcationing from 2071/072 as a local government. It has total 25 staff. This has been working directly with community people as service provider especially in the area of local governance and

community development. The aim of Municipality is to provide effective service to the community. As a govt policy, it should deliver effective service as well women, children, DAG to their easy access in benefit.

This year, Chutara has practiced the GESI Audit in this fiscal year on support of MoFALD/LGCDP. First, all staff, Social Mobiliser, stakeholders were capacity on GESI and GRB policy guide line of Government by MoFALD/LGCDP. It makes us, more responsible and accountable perspective of Gender equality and social inclusion as a service provider for the first time. All participants were well sensitised and changed the working behavior.

Similarly, we did the GESI audit of Municipality for the first time. It was like a mirror to know the how we are adopting and working to the gender equality and inclusion of backward people to development activities. When
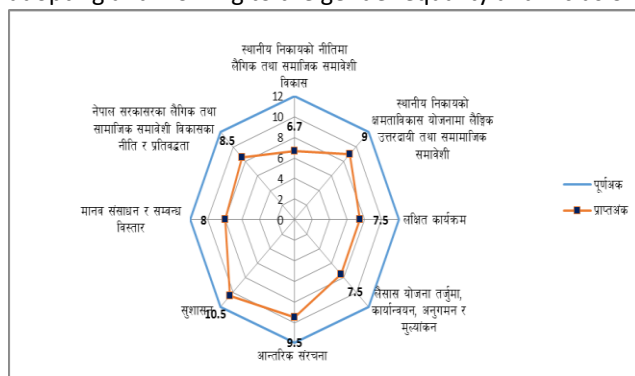
we analyze one by one indicator, there is lots of gap found perspective of GESI. The spider digram captured overall status under the eight major indictors. Before this we didn't feel about these GESI issues while planning process, allocating the budget, capacity building of all staff and stakeholder, women, children and DAG sensitive activities, include the GESI issues in Municipality policy and guideline. This GESI audit made to all staff very serious on the GESI issues. Before GESI audit, we were not aware of the importance of GESI and implementation of allocated budget to the target. Participation of women in all decision level, 33% women in user group, was a very sensitized part for the LBs for gender equality. These all gap can be seen in the GESI report or spider diagram. Although, Municipality

has doing unknowingly effectively perspective of GESI under the area of human resource management, capacity building, good governance and found progressive achievement.

So, I recommended that to all LBs especially new Municipality should be capacity on GESI issue to achieve the result. Similarly, GESI audit is essential tools for LBs and most have conduct yearly basis on their own resource.

WCF Succeed to Bring Thing on Track

Goltakuri VDC-8 is located in western part of Dang district. This ward is a garden for all castes and Dalit families are in majority. This ward is entry point for all other eight wards. This VDC is linked with District Transportation Master Plan (DTMP). However, the quality of road is found too venerable and risky. It looks that the contractor has made negligence in constructing the causeway, which has resulted frequent transportation problem to the local inhabitants. They were left to remain disconnected with district headquarter. People faced difficulties to receive the health services, pregnant women have to suffer a lot with expected walking distance of 7 KMs to arrive to highway. Further, the pupils were facing same types of difficulties to reach the school; villagers were unable to supply their agricultural products to nearby market. Beside, forty more households could not supply the dairy products to market.

This matter was frequently reported to concerned authorities thru different channel. But no progress was made, which lead the WCFs to hold a meeting and put the issues to concerned authorities in an organized way. The Ward Citizen Forum led a delegation team and reached to Road Division Office Dang 28th of April 2016. They put their complaint against the road division and demanded to investigate the road construction work and hold the public audit.

The contractor was immediately called to Road Division Office and instructed to maintain the causeway and bring that in use without delaying with a deadline of one month. Followed the instructions of road office and strong voices of local users, the contractor started the work and make the causeway movable within one month (June 2016). With the maintenance of this cause way and the deteriorated road, now daily 3 passenger buses and light vehicles have been serving to villagers. Village products have been finding market, school children can safely reach to school and service deliveries have been regularized. Thanks Ward Citizen Forum (WCF) for this oversight function, especially in absence of locally elected bodies.   ***Source: RCU   Nepalgunj***

CAC Brings Light in the Life of Single Women

Nallu VDC is just 23 Kilometer from the capital City of Lalitpur district. This VDC is poor in terms of food self-sufficiency from their own production due to barren and unproductive land. Daily lives of the inhabitants are running on labor based wages. Among those villagers Manamaya Ghalan, 41 years old is one. She lost her husband after two years of her marriage leaving Manmaya alone with one year old baby daughter. After his sudden demise, days were very tough to her for arranging the basic needs. Since she was poor, none trusted her loan to meet her daily needs. Later, she joined the Citizen Awareness Center and used to be regular in weekly ReFLECT session. The ReFLECT session enable her to think, analyze and plan for her livelihood. Considering to her basic livelihood needs, the CAC meeting granted her 40, 000 for undertaking IG activities. She brought three calves from that revolving grant and been able to repay her revolving loan within two years. And now, she has purchased a milking buffalo which helps her to cover her daily essential expenses and she have planned to expand this upon collecting some money for that.

Manamaya could be an example of her CAC. Followed by this, other poor women of CAC have also developed small business plan and initiating that with the revolving fund, which was earlier served as LIP grant by LGCDP. With the increased awareness and confidence, the CACs members have used to improve their sanitation by constructing toilet. All school aged pupils are enrolled in school. All babies are finding immunized. Poor women have used to put their voices in all sorts of gathering that relates to their lives. By implementing the LIP grant, they have been succeeding to increase the revolving fund amounting of 160,000. Through these, needy poor members can run small IG activities at local level. Now, focus has been given to link this CAC with other micro finance institutions.

YEARWISE PROGRESS OF KEY TARGETS AND IMPORTANT AREAS
(Source: LGCDP Online Database System)

S.N	Indicators	Year Wise Progress			Total
		2013/14	2014/15	2015/16	Cumu./Aggregate
I	**Output 1: Citizens & community organizations empowered - social mobilization**				
1	Number of Ward Citizen Forums (WCFs) established	35,419	31,642	31,280	**31,280**
2	Total members in WCFs	844,005	754,862	771,355	**771,355**
3	Number of Citizen Awareness Centres (CACs) established (cumulative)	4,289	4,504	9,204	**9,204**
4	Total members in CACs	117,737	122,249	244,735	**244,735**
5	Number of graduated CACs (good and medium)	NA	2,570	4,277	**4,277**
6	Number of Local Service Providers (LSPs) hired	NA	NA	528	**528**
7	Number of Social Mobilizers working in LBs	NA	NA	4,709	**4,709**
8	Number of VDCs and Municipalities that conducted ward level planning workshop	3,271	3,443	3,303	**3,303**
9	Number of VDCs and municipalities that maintained the list of participants by women, children, youth and DAG in ward level planning workshop	2,422	3,023	2,695	**2,695**
10	Number of projects forwarded by WCFs to LBs	147,469	218,920	289,488	**289,488**
11	Number of projects approved by VDC/Municipality/District Council (out of total demand)	NA	NA	161,532	**161,532**
12	Number of projects forwarded by WCFs that are approved by VDC/Municipality Council	NA	NA	117,181	**117,181**
13	Number of projects forwarded by WCFs addressing the needs of women	20,092	45,645	44,613	**110,350**
14	Number of projects forwarded by WCFs addressing the needs of women included in annual plan of LBs	9,716	27,064	21,932	**58,712**
15	Number of Social Mobilizers who received training on basic social mobilization (current fiscal year)	NA	NA	1,370	**1,370**
16	Number of WCF/CAC members and LBs who participated in local level planning & civic oversight training	NA	16673	81,573	**81,573**
17	Number of WCFs that are engaged in civic oversight (public audit, public hearing, monitoring)	13,487	12,429	16,773	**16,773**
18	Number of CACs that received LIP grant in the current fiscal year	1,773	2,107	824	**4,704**
19	Number of income generating activities implemented by CAC members in the current fiscal year	NA	NA	2,315	**2,315**
20	Number of community infrastructure projects constructed by CACs in the current fiscal year	NA	8,015	1,759	**9,774**

S.N	Indicators	Year Wise Progress			Total
		2013/14	2014/15	2015/16	Cumu./Aggregate
21	Number of CACs that have acess with Community Development Fund/ fninacial institution / cooperatives etc	NA	NA	1,166	**1,166**
22	Number of graduated CACs that federated in cooperatives (in current fiscal year)	NA	NA	241	**241**
23	Number of LBs that have signed MoU with other agencies for partnership & functional coordination	NA	NA	48	**48**
24	Number of D/MSMCC that conducted bi- monthly meeting	NA	NA	243	**243**
25	Number of LSPs that organized meeting at cluster level with Social Mobilizers (on quarterly basis)	NA	NA	323	**323**
26	Number of D/MSMCC oriented on social mobilization (current fiscal year)	NA	NA	226	**226**
27	Number of LBs that organized meeting with district level social mobilization agencies on trimester basis	NA	NA	103	**103**
28	Number of LBs that conducted UCPA	NA	NA	2,965	**2,965**
29	Number of Bal Bhela organized	NA	NA	3,643	**3,643**
II	**Output 2: Downward Accountability**				
1	Number of LBs that conducted social audit as per LBRMM guidelines in the current FY	2,232	2,952	2,442	**2,952**
2	Number of LBs that conducted public hearing as per LBRMM guidelines in the current FY	719	633	524	**719**
3	Number of public audit completed projects	25,141	40,175	80,758	146,074
4	Number of LB's where civil society led compliance monitoring conducted	669	870	1,953	**1,953**
5	Number of CACs that engaged in eliminating at least one social evils	NA	NA	2,749	**2,749**
6	Number of WCFs that engaged in making public service delivery effective and efficient.	NA	NA	15,192	**15,192**
7	No. of LBs' where monitoring and supervision committee functional	NA	NA	2,599	**2,599**
8	No. of LBs that nominated one of the staff as Nodal Officer for grievance redressal	NA	NA	1,738	**1,738**
9	Number of public complaints/grivances registered in LBs	NA	NA	9,037	**9,037**
10	Number of public complaints/grievances settled by LBs	NA	NA	7,623	**7,623**
11	No. of public complaint/ grievances referred to higher authority (from VDC to DDC; from Municipality /DDC to MoFALD)	NA	NA	528	**528**
12	No. LBs that published income & expenditure statement on monthly basis	NA	NA	1,095	**1,095**

S.N	Indicators	Year Wise Progress			Total
		2013/14	2014/15	2015/16	Cumu./Aggregate
13	Number of LBs that published final audit report	NA	NA	1,848	**1,848**
III	**Output 3: LB's access to resources**				
1	Number of LB's whose own source revenue (OSR) increased by 10 percent in the current fiscal year	570	974	723	**974**
2	No. of municipalities that have introduced Integrated Property Tax	NA	73	97	**97**
3	Number of LB's (DDC & municipality) whose revenue coverage ratio increased by 10 percent in the current FY	75	70	NA	**NA**
4	Number of LB staff who received orientation on Revenue Improvement Action Plan	NA	NA	389	**389**
5	Number of LBs which prepared Revenue Improvement Action Plan	NA	NA	300	**300**
6	Number of DDCs and Municipalities with fully functional Internal Revenue Section	58	75	159	**292**
IV	**Output 4: Public Financial Management**				
1	Number of LBs that received budget on time	NA	NA	2,973	**2,973**
2	Number of VDCs' staff trained on accounting software	NA	1,492	1,217	**1,492**
3	Number of VDCs where accounting software is functional	85	440	170	**440**
4	Number of LBs' staff who received training on e-bidding system	NA	NA	134	**134**
5	Number of DDC/Municipalities initiated/practiced e-bidding for procurement	NA	55	138	**138**
6	Number of DDC/Municipalities staff who received training on public procurement	NA	NA	118	**118**
7	Number of LBs (DDC & municipality) that prepared procurement plan in the current fiscal year	117	172	218	**218**
8	Number of LBs (DDC & MuNs) in which Procurement Plan implemented	NA	172	183	**183**
9	Number of LB internal auditors received training/orientation on internal audit guidelines	NA	NA	160	**160**
10	Number of DDCs and Municipalities that established internal audit section	NA	NA	145	**145**
11	Number of LBs which submitted financial report on time	NA	NA	1,798	**1,798**
V	**Output 5: Capacity Development**				
1	Number of people (including WCF members) who received training on CFLG	NA	14075	25565	**39640**
2	Number of people who received training on EFLG	NA	6800	28589	**35389**

S.N	Indicators	Year Wise Progress			Total
		2013/14	2014/15	2015/16	Cumu./Aggregate
3	Number of people who received training on GESI	NA	6795	6474	**13269**
4	Number of VDC Secretary posts fulfilled	2,241	NA	2,382	**2,382**
5	Number of VDC Secretaries taking responsibility of more than one VDC	NA	395	349	**395**
6	Number of VDCs where VDC's Secretary are in office for atleast 6 months	1,830	1,826	649	**1,830**
7	Number of people who received training/orientation on community mediation (CM)	NA	NA	3,006	**3,006**
8	Number of LBs' staff who participated in training programme on the following topics	NA	NA	NA	**14,428**
	i) Periodic/Master Plan	NA	966	639	**1605**
	ii) Results Based Planning	NA	NA	596	**596**
	iii) Cross-cutting issues: CFLG, GESI, EFLG and DRR	NA	8,722	2,809	**11,531**
	iv) Montoring & Evaluation	NA	NA	696	**696**
9	Number of stakeholders (LAs, NGOs, Political Parties) other than LB's staff who participated in training/orientation on the following subjects				**16,065**
	i) Periodic/Master Plan	NA	4,084	956	**956**
	ii) LBRMMG, participatory planning	NA	NA	1,933	**1,933**
	iii) CFLG, EFLG, GESI, DRR	NA	12,484	13,176	**13,176**
10	Number of VDCs which prepared CFLG declaration action plan	NA	NA	165	**165**
11	Number of community mediation resource persons trained for facilitating training at local level	NA	NA	711	**711**
12	Number of community members trained on community mediation	NA	1,077	1,124	**1,124**
13	Number of LBs' staff trained in DPMAS, web-based reporting and MIS (Total)	322	528	575	**575**
14	Number of LBs assessed capacity development needs	NA	NA	384	**384**
15	Number of LBs which have maintained a roaster of service providers	NA	NA	136	**136**
16	Number of LBs (DDC and Municipalities) prepared /updated CD plan as per national CD strategy	NA	13	36	**36**
17	Number of LB's staff who received training on MCPM	NA	NA	1,514.00	**1,514.00**
18	Number of LDOs and EOs who participated training in the current fiscal year	NA	NA	203	**203**
19	Number of LB staff who received training on cost-effective housing, DRR and building code				**5,479**
	i) Number of LBs' staff who received training on cost-effective housing	NA	NA	175	**175**

S.N	Indicators	Year Wise Progress			Total
		2013/14	2014/15	2015/16	Cumu./Aggregate
	ii) Number of L Bs' staff received training on disaster risk reduction	NA	MA	310	**310**
	iii) Number of Engineers/designers/masons who received training on building code and earthquake resistant construction	NA	2,508	2,486	**4,994**
20	Number of people (including CAC and WCF members) who participated in orientation on local election	NA	NA	8,631	**8,631**
21	Number of resource persons trained on GESI, GRB and Gender Audit	NA	NA	438	**438**
	Number of DDC and MuN that have used GRB tool to prepare Annual Development Plan	NA	NA	70	**70**
22	Number of quality lab staff who received training on quality testing of infrastructures	NA	NA	37	**37**
23	Number of technicians (engineers, overseers, sub-overseers) who received training on technical skills	NA	NA	271	**271**
24	Number of LBs' staff trained (ToT and general) on vital event registration	NA	NA	490	**490**
25	Number of LBs' staff who received training on social protection management audit	NA	NA	213	**213**
26	Number of LBs' staff who received training on procurement bidding document	NA	NA	95	**95**
27	Number of line agencies staff who received training on DPMAS	NA	NA	513	**513**
28	Number of people trained on ICT based training at local level	NA	NA	6401	**6401**
29	Number of installations of computer servers	NA	NA	482	**482**
30	Number of LBs installing solar backup	NA	NA	252	**252**
31	Number of LBs installing digital notice board	NA	NA	62	**62**
32	Number of LBs initiating Group SMS	NA	NA	92	**92**
VI	**Output 6: Access to basic services**				
1	Number of new quality labs established in the current FY	10	24	19	**53**
2	Number of functional quality labs	5	NA	36	**36**
	i) Number of quality passed infrastructures	NA	NA	1,119	**1,119**
	ii) Number of quality failed infrastructures	NA	NA	35	**35**
4	Number of municipalities which prepared open space mapping	NA	NA	24	**24**
5	Number of DDC/Municipalities which prepared DTMP/MTMP	NA	NA	187	**187**
8	Number of Municipalities which established rural-urban information center	NA	NA	21	**21**

S.N	Indicators	Year Wise Progress			Total
		2013/14	2014/15	2015/16	Cumu./Aggregate
9	Number of Municipalities which implemented building code	NA	57	113	**113**
10	Number of Municipalities which arranged safety equipment and small tools for emergency	NA	NA	80	**80**
12	Number of LBs which updated social protection information online	NA	NA	110	**110**
13	Number of LBs which linked with central social security system	NA	NA	102	**102**
14	Number of DDCs which established MIS database system and integrated vital event registration and social protection	NA	NA	43	**43**
15	Number of LBs which used branchless banking system for social security payment	NA	NA	1	**1**
16	Number of Community Mediation Centre established (cumulative)	NA	NA	524	**524**
17	Number of Community Mediation Centers established in the current fiscal year	55	115	198	**368**
18	No. of community disputes registered in CM Centres	NA	5,328	7,728	**7,728**
19	No. of disputes settled by CM Centres	NA	5,583	6,148	**6,148**
20	Number of DDCs where grievance mechanism is functional(Focal point appointed, grievance handled).	62	68	144	**144**
VII	**Output 7: Planning & Monitoring**				
1	Number of Districts that prepared District Periodic Plan	19	35	55	**55**
2	Number of LBs that prepared Annual Monitoring & Evaluation Plan	206	653	417	**653**
3	Number of LBs where Supervision & Monitoring Committees are functional (regular meeting/monitoring visits took place)	1,044	2,155	1,463	**1,463**
4	Number of projects supervised and monitored by Supervision and Monitoring Committees	NA	NA	18,207	**18,207**
5	Number of LBs which prepared GESI Plan	NA	NA	194	**194**
6	Number of LBs which prepared Gender Responsive Budget	515	878	338	**878**
7	Number of LBs that conducted Gender Budget Audit	NA	64	237	**237**
8	Number of LBs that adopted CFLG	603	1,102	764	**1,102**
9	Number of LBs which declared CFLG	NA	NA	9	**9**
10	Number of LBs where CFLG committees are functional	NA	NA	729	**729**
11	Number of LBs which set CFLG promotion action plan	NA	NA	305	**305**
12	Number of EFLG adopted LBs	72	403	262	**403**
13	Number of Municipalities which prepared following plans				

S.N	Indicators	Year Wise Progress			Total
		2013/14	2014/15	2015/16	Cumu./Aggregate
	i) Open space and public land management plan	NA	NA	32	**32**
	ii) City centre plan	NA	NA	8	**8**
	iii) Comprehensive urban development plan	NA	NA	11	**11**
	iv) City renovation plan	NA	NA	10	**10**
14	Number of Municipalities which introduced civil city code	NA	NA	10	**10**
15	Number of projects in which Environmental Management Plan (EMP) prepared as per guidelines.	NA	115	236	**236**
16	Number of physical development projects conducted IEE/EIA as per rules	NA	758	185	**943**
17	Number of LBs having DRR plan prepared/integrated into periodic plan	NA	NA	131	**131**
18	Number of LBs that prepared resource maps /GIS maps	NA	604	467	**1071**
19	Number of LBs that follow membership in local committee as per LB's Resource Mobilization Guidelines				
	i) Integrated Plan Formulation Committee	2,622	3,011	2,794	**3,011**
	ii) Supervision & Monitoring Committee	1,932	2,662	2,564	**2,662**
	ii) User's Committee	2,499	7,496	4,886	**7,496**
20	Targeted budget for women in the current fiscal year	NA	NA	864,704.00	**864,704**
	Total budget allocated by LBs for projects requested by women	NA	NA	887,313.51	**887,314**
	Total budget spent in projects requested by women	NA	NA	737,995.46	**737,995**
21	Number of projects completed that requested by women	NA	NA	14,465	**14,465**
22	Targeted budget for children in the current fiscal year	NA	NA	824,967.00	**824,967**
	Total budget allocated by LBs for projects requested by children	NA	NA	900,559.98	**900,560**
	Total budget spent in projects requested by children	NA	NA	749,059.19	**749,059**
	Number of children requested projects completed	NA	NA	12,566	**12,566**
23	Targeted budget for DAG in the current fiscal year	NA	NA	1,164,574	**1,164,574**
	Total budget allocated by LBs for projects requested by DAG	NA	NA	1,429,608.27	**1,429,608**
	Total budget spent in projects requested by DAG	NA	NA	1,049,969.01	**1,049,969**
	Number of requested projects requested by DAG completed	NA	NA	15,785	**15,785**
24	Number of projects of DDCs by type (road, irrigation, drinking water, etc.,) and number of beneficiaries (by sex and ethnicity)	14,133	17,431	12,375	**43,939**
	Total Beneficiaries	6,309,478	8,184,538	6,071,696	**20,565,712**

S.N	Indicators	Year Wise Progress			Total
		2013/14	2014/15	2015/16	Cumu./Aggregate
	Male	3,150,104	4,053,253	3,035,138	**10,238,495**
	Female	3,159,374	4,131,285	3,036,558	**10,327,217**
	DAG	3,249,219	3,929,685	2,848,380	**10,027,284**
	Non DAG	3,060,259	3,656,942	3,146,982	**9,864,183**
25	Number of projects of VDCs by type (road, irrigation, drinking water, etc.) and number of beneficiaries (by sex and ethnicity)	36,681	48,571.00	43,073.00	**128,325**
	Total Beneficiaries	6,073,735	7,300,815	8,831,842	**22,206,392**
	Male	2,990,633	3,656,212	4,359,789	**11,006,634**
	Female	3,083,102	3,644,603	4,472,053	**11,199,758**
	DAG	2,306,446	3,640,209	4,321,028	**10,267,683**
	Non DAG	3,767,289	3,903,896	4,510,814	**12,181,999**
26	Number of projects of municipalities by type (road, irrigation, drinking water, etc.,) and number of beneficiaries (by sex and ethnicity)	8,732	23,446	20,363	**52,541**
	Total Beneficiaries	2,498,983	6,992,572	6,788,566	**16,280,121**
	Male	1,220,672	3,476,819	3,301,788	**7,999,279**
	Female	1,278,311	3,515,753	3,486,778	**8,280,842**
	DAG	1,284,849	3,213,273	2,620,608	**7,118,730**
	Non DAG	1,214,134	3,290,109	3,385,093	**7,889,336**