

Government of Nepal  
Ministry of Federal Affairs and Local Development  
Local Governance and Community Development Programme

**Name of Meeting**

**Technical Assistance Steering Committee (TASC)**

**10<sup>th</sup> Meeting**

**DATE: 22<sup>ND</sup> APRIL 2015**

**LOCATION: MINISTRY OF FEDERAL AFFAIRS AND LOCAL DEVELOPMENT, SINGHDURBAR**

**TIME START: 11:00**

**TIME END: 13:30**

**CHAIR: MR. PURUSHOTTAM NEPAL, NPM**

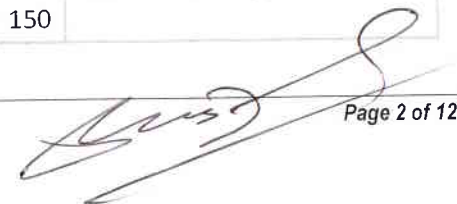
**INTRODUCTION:**

On behalf of MoFALD, LGCDP II Program Director Mr. Reshmi Raj Pandey chaired the meeting. Mr. Purusottam Nepal, National Programme Manager, LGCDP II opened up the meeting by thanking representatives of Development Partners (DPs), MoFALD and PCU experts present in the 10<sup>th</sup> TASC meeting. The TASC met to discuss on the progress/achievements and financial updates of PPSF for first quarter of 2015, revision of the AWP for 2015 and on the RRF and highlights of the second quarter activities.



Key discussion points include:

AGENDA	DISCUSSIONS	Decisions and Action
<p><b>Status on Action Taken</b></p>	<ul style="list-style-type: none"> <li>• It was noted that a taskforce comprising of Mr. Purusottam Nepal, NPM, Mr. Bishnu Adhikari, DFID; Ms. Pragya Bashyal (UNDP) in coordination with Ms. Pragyam Joshi (UNCDF) and Mr. Anil Chandrika (DP Cell) was formed to review the variant and revise and adjust the budget and activities of PPSF RRF. The task force has completed the review and shared the revised RRF for endorsement.</li> <li>• The contract of Mr. Raj Kumar Dhungana, CD specialist- has been continued on a part time basis.</li> <li>• It has been noted that Mr. Arun Regmi (GIZ), Governance Advisor, would continue providing part time support to LGCDP until next arrangement is made.</li> <li>• It was informed that the written exam for the PFM Specialist for the DP Cell has been completed and that the candidate would be decided upon after the interview. It was discussed that for PCU, the PFM expert may be taken from the pool of alternative candidates or by directly hiring of a short term expert.</li> <li>• The concept note and the TOR of PRF was approved following which PRF consultants were recruited and have started the assignment.</li> <li>• It was informed that the process to recruit of the AQAA team has been finalized as the AQAA team is on board have submitted the inception report.</li> </ul>	
<p><b>First Quarter Progress reporting (physical and financial progress)</b></p>	<p><b>Output 1:</b>The NPM shared that a total of 17 fulltime staffs and 12 professional staff and other support staff are working under LGCDP of which 3 are under national consultancy while the rest are under regular project contracted. It was also informed that 2 UN Volunteers are also providing ICT support. It was informed that some of the key technical support provided to date include: assisting MoFALD in achieving results include Providing technical backstopping in achieving results as highlighted in AMEP, technical support to NSP NSP to organize MToT and regional ToT resulting in 30 master trainer and 150</p>	<p>The MIS Specialist (two) supported by HDSPP would be continued through LGCDP up to December 2015 and the handover process to be</p>

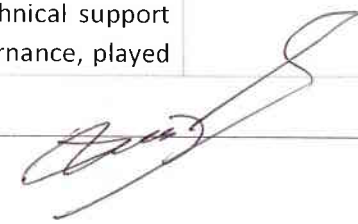


regional trainer produced, and to develop CAC graduation approach, method and tool. Additional technical support was provided to orient representatives of 66 Civic Society Organizations on compliance monitoring guidelines, resulting in total of 330 CSO personnel familiar with compliance monitoring as well as to update Social Mobilization Handbook by incorporating EFLG, CFLG, BalBhela, community mediation, climate adaptation, child marriage. Technical support was also provided to develop the revenue enhancement plan of 3 municipalities (Itahari, Tansen and Dhankuta) and 2 DDCs (Dhanusa and Surkhet).

**Output 2:** It was informed that the six RCUs established are functional with a total of 36 professional staff. Similarly, Six national UNVs on-board and assisting local bodies on strengthening its ICT capacity. The Key technical backstopping to local bodies, DGEs and UGEs in facilitating the replacement of 25% of the WCF member in line with the SM Guidelines, supporting for the orientation of 327 LSPs and 66 CSOs, guiding the SMs in conducting the council meeting in 2941 VDCs and 151 municipalities and facilitating the WCFs to identify 63711 community project which is included in the LBs plans. DGEs/UGE also supported and facilitated establishment of 20 additional community mediation centres and provided technical support in preparing District Periodic plan in 18 Districts.

**Output 3:** It was informed that a total of 133 professional staff (DGEs & UGEs) are continuing to work closely with the local bodies providing technical support particularly in the area of social mobilization, reporting, local level planning, livelihood integration, MCPM etc. The key technical support has been extended in proper documentation of meeting minutes, record and book keeping, expenditure reporting, trimester and annual reporting, revenue enhancement with focus on MCPM failed VDC, DDC and Municipalities. Additional support has been extended in capacity development through coaching, **on site mentoring on web based reporting** by ICT volunteers, Facilitation of the regular meetings of Ward Citizen Forums (WCF) and community Awareness Centers (CAC) as per guidelines. As well as facilitation support in organizing Illaka level planning workshops, assisted municipalities and DDCs in preparing annual plan 2015\2016. Technical support was also provided in orientating to local bodies on child friendly local governance, played

initiated for HDSP related assets.



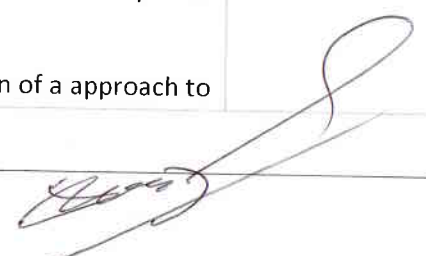
an instrumental role in the selection process of local service providers and in assisting Local governance Accountability facility ( LGAF) in conducting orientation programmes.

**Output 4:**It was informed that the LGAF conducted an orientation programme on civil society compliance monitoring procedures for newly selected civil society organizations of 66 districts and that a 2-day residential interaction programme was organized for CA members and senior officials of MoFALD on the title 'Necessity, structure and service delivery modality under the new federal context.It was also informed that the HDSPP pilot has been completed, whereby the final transfer of funds to beneficiaries have been completed by the Bank through the branchless banking modality.MIS Specialists have supported the key interventions in the Department of Civil Registration including: preparation of MIS training manuals, supported the vital events survey for 1,000 beneficiaries related to awareness of vital events registration. It was noted that the handover process of assets such as vehicles and closure of the HDSPP be followed up on and that the MIS Specialist's contract should be extended until December 2015 to continue supporting the Civil Registration Department.

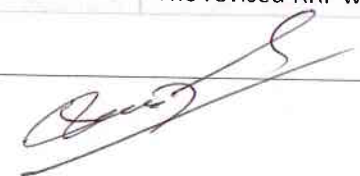
**Output 5:**The NPM noted that three senior national consultants have been contracted to work on the Programme Recruitment Facility (PRF)on local governance and have initiated the process of developing PRF guidelines and operational manual. They had a several rounds of consultations with MoFALD officials, other ministries and development partners.It was also informed that The Human Recourse Development Section of MoFALD in coordination with PCU organized a three-day Capacity Development (CD) Plan formulation workshop, resulting in draft CD response plan

**Output 6:**It was highlighted that LBFC held orientations in 3 newly formed municipalities on own source revenue. It was discussed whether the lessons from the revenue generation in the three districts supported by GiZ whereby the training provided in the three municipalities be rolled out and replicated elsewhere and that it should be explored further.

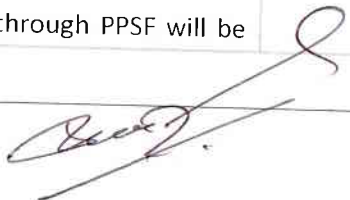
The procurement process on to hire two firms to support the preparation of a approach to



	<p>strengthen quality of infrastructure projects and to prepare training manuals in order to providing technical backstopping to VDCs to improve the quality infrastructure are underway. It was also informed that the CD Response plan has been developed in line with CD strategy.</p> <p><b>Output 7:</b>It was shared that the DP Cell continuing to provide technical guidance to MoFALD on LGCDP implementation and effectively coordinating between MoFALD and DPs as well as supporting output managers and experts on output group activities to assure quality. Timely information is provided to all DPs on the progress, challenges and constrains related to programme implementation. It was informed that the full time Public Financial Management Specialist will be recruited soon as the final procurement process is underway.</p> <p><b>Output 8:</b> It was shared that the Annual Quality Assurance Assessment has been initiated with the AQAA team on board and it is expected that the final report will be submitted in May. Regarding the Baseline and Perception Survey for LGCDP II, it has been finalized ad draft report shared and presented to DPs. The Annual and half year reviews for NAC – have been conducted, during the reporting period there have been one joint field visits that have taken place with three heads of mission visiting Nepalgunj. It was also informed that under the flexible short term policy of Pillar III, a TOR to design a roadmap for newly formed municipalities was developed and finalized in order to provide a consolidated approach to support the newly formed municipalities.</p> <p>On the financial progress for the first quarter it was noted that out of the quarterly budget of USD 910,290, the actual expense under PPSF amounted to USD 681,165 which resulted in 75% delivery rate of the PPSF. The planned budget and expenditure of PPSF activities against each output was shared as well as against each donor/ UN agency contributions.</p> <p>The current challenges were highlighted including large turnover of staff and whether to go for vacancies for some of the vacant position or to go for short term contracts.</p>	<p>The training manual to be placed in the LGCDP website and the roll out of such training to be supported through JFA.</p>
<p>Presentation of the Results and</p>	<p>Mr. Nepal presented the proposed revision of the RRF and highlighted the changes outcome and output wise based on recommendations made by the task force. He noted</p>	<p>The revised RRF was</p>



<p>Resource Framework (RRF) for PPSF</p>	<p>that in outcome 1, the resource allocated was USD 7.1 mn of which 2.1 mn has been spent until December 2014. The budget reallocated is 6.1 mn due to many positions being vacant, not the entire proposed budget was expensed (in output 1, 2 and 3). He also presented the current amount allocated for each output and highlighted the changes outcome wise.</p> <p>It was also noted that that the original budget for PPSF amount to USD 12.5 may change depending on the currency fluctuations of donor agency funding PPSF.</p>	<p>endorsed by the TASC</p>
<p>Second quarter work plan and key activities</p>	<p>The proposed key activities of the second quarter was highlighted by the NPM as follows:</p> <p><b>Output 1:</b> The 17 staff (10 professional staff and 7 support staff) at the PCU will continue to provide regular monitoring and evaluation and technical advice on institutional strengthening and service delivery and to assist MoFALD in coordinating LGCDP II day-to-day operations. A new PFM Specialist will be recruited in Q2. It was discussed whether the PFM Expert for the PCU should be taken from the alternative candidate for the DP Cell. It was informed that the PFM Expert could be taken either from the alternative candidate as a consultant (as a long term project staff would require that the TOR is the same) and that other alternative options would be explored. Two National UN Volunteers deployed at the central level will continue their assignments throughout 2015 by providing technical assistance on Information Communication and Technology (ICT) to MoFALD at central level and coordinate 6 National UNVs in RCU and 136 ICT volunteers in the districts and municipalities so they could deliver quality and timely assistance to local bodies.</p> <p><b>Output 2:</b> The 36 professional staff deployed in six regional offices of LGCDP II will continue providing technical backstopping to the local bodies in strengthening local governance, monitoring and reporting, social mobilization, community mediation, livelihood, local economic development, social protection, gender and social inclusion etc. A total of 6 full time national UN Volunteers, one for each RUC, as ICT officers will oversee the digitalization process and provide technical support to 136 ICT volunteers placed in districts and municipalities</p> <p><b>Output 3:</b> A total of 133 professional staff (DGEs and UGEs) hired through PPSF will be</p>	<p>Second quarter work plan was endorsed and revised work plan principally endorsed</p>



working closely with the local bodies for strengthening the capacity of DDCs, VDCs and Municipalities to improve the service delivery. They will be providing on-site technical assistance to coordinate and facilitate implementation of LGCDP II and also carry out monitoring and reporting functions at the local level. A comprehensive induction will be provided to all the LSPs through the NSP. Joint field visit with key official of MoFLAD will be organized to monitor LGCDP implementation in the new municipalities.

It was raised how the good learnings from various interventions and the local level within the programme will be institutionalized and internalized by local bodies through the support of UGEs and DGEs.

**Output 4:** CSO compliance monitoring mechanism: Two experts will be hired to provide technical assistance to Local Governance Accountability Facility (LGAF) secretariat to strengthen the monitoring and quality assurance of work performed by the selected civil society organizations.

Monitoring the implementation of the Performance Agreement document between Secretary and all LDO/ Eos to improve overall performance of MCPM.

Introduce livelihood improvement programme into graduated CACs

Representative study of revenue potentiality of DDCs Municipalities and VDCs: Sharing session on the study will be organized and action plan/strategy for implementation of recommendations of the study will be developed.

Review and update MCPM System: Based on recommendations of the impact study and further in house consultation, update MCPM System and Institutional Framework and hold a consultative workshop to finalize indicators to implement a new framework. A sharing session will also be organized on MCPM criteria for regular conditional grants to DDCs and municipalities.

Implement existing recommendation of changes in grant allocation formula: Based on recommendations of the study on grant allocation formula, update and prepare grant allocation formula and related indicators such as cost, accessibility, infrastructures,

financial discipline etc.

Equalization formulae: Procure a consultant to prepare LBs equalization formulae based on geographical location and revenue optimization.

Support to application of performance based principles to sector financing: Prepare concept note in the area of primary education, primary health, agriculture & veterinary in order to develop and introduce MCPM indicators for devolved sector grants in the area of primary education, primary health, agriculture & veterinary.

**Output 5:** Programme Recruitment Facility: PPSF will support MoFALD in establishing PRF in MoFALD. Following the finalization of the ToR, consultants will be hired to develop a detailed concept paper and operational guidelines and policy document on PRF. This will be a participatory process with rigorous consultations with MoFALD officials, other ministries and development partners.

**Output 6:** Local Economic Development- Two national consultants to stock take best practices on LED/PPP models in Nepal and design LED/PPP approach for LGCDP II in alignment with similar initiatives. Training of relevant officials and key stakeholders in selected municipalities will also be conducted subsequently.

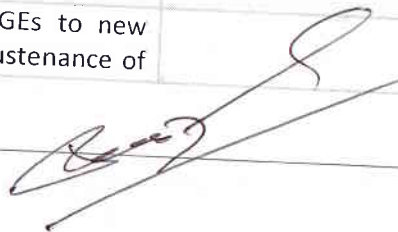
Quality Lab Strengthened: Based on the concept note prepared by the Technical Division, an independent quality assurance review of community infrastructure projects; concept paper on approach to strengthen quality of infrastructure projects will be developed followed by stakeholder consultations.

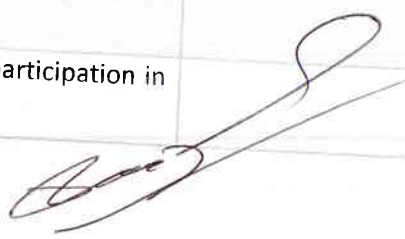
Improved quality of local infrastructure: Consultants to be procured to recommend approach (e.g. Building code, MTMP etc.) Based on which recommendations are to be adopted following workshops to agree on recommended approach to improved quality of local infrastructure.

**Output 7:** DP Cell- In addition to the Local Governance Programme Management Specialist, the Coordination and Monitoring Specialist, and a driver, the DP Cell will also be staffed a PFM Specialist and a Programme.



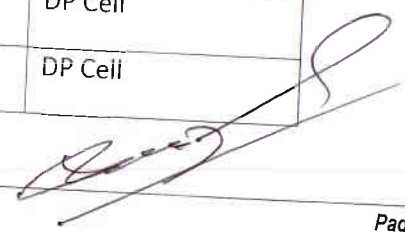
	<p>DP Cell will facilitate learning and sharing session on thematic in consultation with DPs and also create opportunity for systematic sharing of good practice and experience of Aligned programme that support LGCDP.</p> <p><b>Output 8:</b> Annual and half year reviews: Annual and half year reviews of the programme will be organized prior to NAC meetings which will include joint field visits involving both government officials and DPs.</p> <p>Focused Evaluations will include study on current implementation on Social protection through gov. and private banks which will enable MoFALD to strategize the way forward for delivering social security payments through branchless banking as well as improve the service delivery of SP based on findings of the study.</p> <p>Baseline and Citizen Perception survey: The Baseline and Citizen Perception survey will be finalized and shared with all stakeholder.</p> <p>Quality assurance mechanism: (AQAA) following the operational guidelines developed for conducting annual quality assurance, the QA framework will be tested by a team of a national and international expert, following which findings would be disseminated in a workshop.</p> <p>Flexible short-term policy advice: As proposed in the NAC, following the concept note prepared by the Municipal division, a new municipality's road map will be developed with a team of national and international consultant.</p> <p>UNV will provide support in development of a draft E-governance policy concept note for MoFALD.</p>	
Highlight on audit report of PPSF	Mr. Nepal shared that the audit findings of PPSF captured only minor clerical issues were identified which have been acted upon and there was no major issues found. He informed that the audit findings would be shared to all concerned DPs.	Audit report for PPSF to be shared to concerned DPs after finalization.
Relocation of	The discussion held in Sub-NAC meeting tabled the issue to relocate UGEs to new municipalities had been delegated for the TASC. It was discussed that the sustenance of	



<p>UGEs to new municipalities</p>	<p>both UGEs and DGEs is critical and that the issue needs to be reviewed closely. Out of the 58 UGEs in old municipalities, 1 in NPP3; 4 are NPP2 and rest are NPP1 position, out of the total 5 UGEs are vacant and no alternative candidates exist in the roster. The question to replace remaining vacant positions through new vacancy was enquired. Out of 133 municipalities, 70 will be staffed with new engineers, and remaining 61 municipalities lack permanent Eos and no external support from PPSF/ LGCDP, hence the management of MoFALD has requested for placement of UGES in 61 new municipalities as well as continuing to support old municipalities following 16 July onwards as it may not be possible to relocate them immediately.</p> <p>Mr. Reshmi R Pandey enquired if there are any objections, as this has been demanded by new municipalities. Mr. Bishnu Adhikari stated that given the current issues and challenges relating to utilization of UGEs, it is important to define their role/ TOR and it needs to be realistic how they would be able to support new municipalities, and there should be a narrow focus. Hence he noted that it needs to be reflected how the UGEs and DGEs will be performing their functions and that high expectations should not be made and focus should be made on what areas DGEs/ UGEs should be focusing on.</p> <p>Ms. Sophie Kemkhadze, Deputy Country Director, UNDP, suggested that MoFALD share additional information on the proposal for relocation of UGEs to new municipalities and that the TORs should be updated such that it is more focused on specific support that UGEs would be required to do. It was suggested that another meeting or exchange via emails could be continued to come to a decision.</p>	<p>MoFALD to share additional information and reference such as revised TOR for UGEs to support new municipalities to discuss again/ in a meeting or via email.</p>
<p>Staffing related</p>	<p>It was noted that the Local Governance Advisor needs to be filled out possibly through a consultancy based position. It was noted that the vacant position for PFM experts be filled out along with the assistant for the DP Cell.</p>	
<p>Closing</p>	<p>Mr. Pandey closed the meeting by thanking all the participants for active participation in the meeting.</p>	

**ATTENDANCE LOG**

S.NO	NAME	DESIGNATION	ORGANIZATION
1	Mr. Reshmi Raj Pandey	Joint Secretary/ Programme Director	MoFALD/LGCDP II
2	Mr. Purusottam Nepal	Under Secretary/Programme Manager	MoFALD/LGCDP II
3	Mr. Subas Chandra Siwakoti	Under Secretary ( Account)	MoFALD
4	Mr Ram Krishna Lamichhane	Admin Officer	MoFALD
5	Dr. Sophie Kemkhadze	Deputy Country Director	UNDP
4	Ms. Laura Leyser	PFM Advisor and DP Focal person	DFID
5	Mr. Bishnu Adhikari	Governance Advisor	DFID
6	Mr. Saroj Nepal	Sr. Programme Officer	Embassy of Denmark
8	Ms. Vebeke Sorum	First Secretary	Embassy of Norway
9	Mr. Bholu Prasad Dahal	Governance Advisor	Norway
10	Mr. Yam Nath Sharma	Assistant Country Director	UNDP
11	Ms. Pragya Bashyal	Program Analyst	UNDP
13	Ms. Pragyan Joshi	Program Analyst	UNCDF
14	Mr. Anil Chandrika	Coordinator	DP Cell
15	Dr. Raghu Shrestha	Evaluation and Monitoring Specialist	DP Cell



16	Ms. Reshu Karki	Communication and Documentation Officer	LGCDP II
17	Mr. Mahesh Pokharel	Procurement Specialist	LGCDP II
18	Mr. Surendra Bhandari	Admin/Finance Officer	LGCDP II

