



Rural Water Supply and
Sanitation Project in
Western Nepal Phase II

2015

Water, Sanitation and Hygiene (WASH) Implementation Guidelines RWSSP-WN II



Department of Local Infrastructure Development
and Agricultural Roads (DoLIDAR)
Ministry of Federal Affairs and Local Development

WASH Implementation Guidelines is approved by the 7th Supervisory Board Meeting (8 Oct 2015) of RWSSP-WN II for implementing WASH activities under the project in all working districts. DDCs shall follow the Guidelines and its supporting documents while implementing RWSSP-WN II.

Project Support Unit

RWSSP-WN II

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Agricultural Roads, Ministry of Federal Affairs and Local Development

by the Rural Water Supply and Sanitation Project in Western Nepal Phase II
(RWSSP-WN II) Project Support Unit

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LIST OF REFERENCES

Reference to WASH-IG Chapter Number	Reference RWSSP-WN II (server)	Referral Act, Regulations, Guidelines and Decisions	Remarks
2.6, 3.1, 7.1		Local Self Governance Act, 2055 (1999)	Government of Nepal
7.1, 7.3		Local Body Financial Administration Regulation, 2064 (2006) (LBFAR)	Government of Nepal
7.1, 7.2, 7.3		Public Procurement Act, 2063 (2006)	Government of Nepal
1, 2.1, 6, 7.1, 7.2, 7.4	1.2	RWSSP-WN II Project Document (Revised), Final, June 2014	3rd Supervisory Board Meeting, June 9, 2014
1	1.3	Agreement between GoF and GoN on the Co-operation in the Completion Phase of RWSSP-WN II (2013)	Signed by Nepal and Finland
1, 2, 6, 7.1, 8.1, 8.4	1.6	MoUs between DDC and DoLIDAR for RWSSP-WN II, signed in February-July 2014	With district performance indicators; signed in 14 districts in 2014 and 2 in 2015.
2.3, 4, 7.5, 8.3.2	10.4	National Sanitation and Hygiene Master Plan (2011), Nepali and English	Government of Nepal
5.1, 7.4	3.1.2	Community Contribution for RWSSP-WN II WSS Scheme Implementation, April 2014	Endorsed by the 2nd Supervisory Board meeting, April 3, 2014
6, 8.5	3.1.3	Support Person Selection and Mobilisation Guidelines, April 2014	Endorsed by the 2nd Supervisory Board meeting, April 3, 2014
3.1, 3.2, 5.1	3.1.4	Concept Note for Drinking Water Supply Schemes Selection	7th Supervisory Board Meeting; Annual Work Plan FY03 Annex 6.A
8.1, 8.3, 8.3.2, 8.4	3.1.4	Concept Note for Monitoring (2015)	7th Supervisory Board Meeting, Annual Work Plan FY03 Annex 6.B
3.2, 5.4, 8.3.2	3.1.4	Concept Note for VDC Exit (2015)	7th Supervisory Board Meeting, Annual Work Plan FY03 Annex 6.C
3.2, 5.4	3.1.4	Concept Note for Post-Construction Phase (2015)	7th Supervisory Board Meeting, Annual Work Plan FY03 Annex 6.D
3.1, 5.4, 8.3.1, 8.3.2	3.1.5	Post-Construction Guidelines, September 2015	Endorsed by 7th Supervisory Board Meeting
2.7, 5.2, 5.3, 5.4, 6, 7.5	3.2.2	Capacity Building Guideline for RWSSP-WN II, with Training Norms (2014, updated 15.5.2015)	Endorsed by the 2nd Supervisory Board meeting, April 3, 2014
2.2, 2.4, 3.1	3.3.1	District Strategic WASH Plan Preparation Guideline, September 2015 (work in progress)	Endorsed by 7th Supervisory Board Meeting
2.2, 2.3, 2.4, 2.6, 2.7, 3.1, 3.2, 4.1	3.3.2	VDC WASH Plan Preparation Guideline, April 2014, (Nepali and English), March 2014 and VDC WASH Plan Updating Guidelines, July 2014	Endorsed by the 2nd Supervisory Board meeting, April 3, 2014
3.1, 3.2, 4.1, 5.4, 8.1, 8.3, 8.3.2	3.3.5	VDC wide WASH Monitoring Format (2015)	Produced by RWSSP-WN II

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2.3, 2.6, 2.7, 3.1, 5.1, 5.3, 5.4, 7.1, 7.8, 8.1, 8.3.1	3.4.1	Step By Step Manual, (Nepali and English) (2015); first April 2014, updated English version 25.02.2015, updated Nepali version 11.03.2015	Endorsed by the 2nd Supervisory Board meeting, April 3, 2014
5.2, 5.3, 5.4, 8.1, 8.3.1	3.4.2	Scheme Monitoring Book - Formats for Water Supply Scheme Monitoring as per the Step-by-Step Approach (English and Nepali) 02.06.2014	Links to Step-by-Step Manual
2.3, 2.4, 5.4	3.5.1 – 3.5.4	Water Safety Planning Guidelines (2015) - separate guidelines for gravity, lift and overhead tank schemes	Produced by RWSSP-WN II
2.6, 5.2, 5.3, 5.4, 7.1, 7.3, 7.8	3.5.5	WUSC Operational Manual (in Nepali Only), 14.01.2015	Supporting guideline of Step-by-Step Manual
5.3, 5.4	3.5.6	Solar Lift Scheme O&M Manual (2015)	Produced by RWSSP-WN II; Nepali only
3.1	3.6.1	VDC Post-ODF Guideline and Model Plan, July 2015	Produced by RWSSP-WN II
4	3.6.4	Total Sanitation Monitoring Book (2015)	Produced by RWSSP-WN II
4	3.6.2	Public & Institutional Toilet Schemes Feasibility Study and Monitoring Formats (2015)	Produced by RWSSP-WN II
4	3.6.3	School Toilet Schemes Feasibility Study and Monitoring Formats (2015)	Produced by RWSSP-WN II
2.7, 4	3.6.5	Sanitation and Hygiene Capacity Building Manual (2015)	Produced by RWSSP-WN II
2.2, 2.6, 5.1, 5.2, 5.3, 5.4, 6, 8.1, 8.3.1, 8.3.2	3.7.1	HRBA & GESI Strategy and Action Plan, DoLIDAR/RWSSP-WN II, 2015 (first draft April 2014)	presented to the 1st Steering Committee, June 9, 2014; published as hardcopy in 2015
2.4, 5.4	3.7.3	Recharge Ponds Handbook for WASH Programme, 2013	Published by DoLIDAR
7.2	5	Government of Nepal Red Book, Annual Budget Sheet, Authorization letter, Annual Work Plans of each fiscal year	Ministry of Finance, MoFALD, DoLIDAR
2.7, 4	Phase I	Lead TBC Facilitator's Training Manual, 2011 & TBC Triggerers Training Manual, 2009 (RWSSP-WN I)	Published by DoLIDAR
2.6		Anti-Corruption Handbook for Development Practitioners, Ministry for Foreign Affairs of Finland, 2012	Published by Ministry for Foreign Affairs of Finland

LIST OF ABBREVIATIONS

CCA	Climate Change Adaptation	MIS	Management Information System
DAG	Disadvantaged Group	MoFALD	Ministry of Federal Affairs and Local Development
DDC	District Development Committee	MoU	Memorandums of Understanding
DDF	District Development Fund	MoUD	Ministry of Urban Development
DMC	District Management Committee	NGO	Non-Governmental Organisation
DoLIDAR	Department of Local Infrastructure Development and Agricultural Roads	NMIP	National Management and Information Project
DRR	Disaster Risk Reduction	NPR	Nepalese Rupee
DTO	District Technical Office	O&M	Operation and Maintenance
D-WASH Unit	District WASH Unit	ODF	Open Defecation Free
DWASHA	District WASH Advisor	PCO	Project Coordination Office
D-WASH-CC	District Level Water Sanitation and Hygiene Coordination Committee	PoCo	Post-Construction Phase
DWS	Drinking Water Supply	PSU	Project Support Unit
FY	Fiscal Year (Nepali)	RMSO	Regional Monitoring and Supervision Office
GESI	Gender Equality and Social Inclusion	R-WASH-CC	Regional Level Water Sanitation and Hygiene Coordination Committee
GoF	Government of Finland	RWSSP-WN I	Rural Water and Sanitation project in Western Nepal Phase II (The Project)
GoN	Government of Nepal	SO	Support Organisation
HH	Household	SP	Support Person/s
HRBA	Human Rights Based Approach	TBC	Total Behavioral Change
IEC	Information, Education and Communication	VDC	Village Development Committee
LBFAR	Local Body Financial Administrative Rules	VMW	Village Maintenance Worker
LDO	Local Development Officer	V-WASH-CC	Village Level Water Sanitation and Hygiene Coordination Committee
LSGDP	Local Self-Governance Development Programme	WASH	Water, Sanitation and Hygiene
M&E	Monitoring and Evaluation	WASH-IG	WASH Implementation Guidelines
MFA	Ministry of Foreign Affairs	WSP	Water Safety Plan
		WUSC	Water Users and Sanitation Committee

FOREWORD

RWSSP-WN II works through a district-based WASH programme that is embedded into local government structures and operating through the local governments' District Development Funds (DDF). The project is actively seeking practices that are replicable across the sector, ways of working that are *not* project dependent. In this line, the project was planning to fully align its practices with national practice through a shared Rural WASH Approach Manual or similar guideline that would have been truly shared across all the stakeholders, including also Department of Water Supply and Sewerage, Rural Water and Sanitation Fund Development Board, and other major government-implemented rural WASH projects and programmes, binding also their possible international donors.

Yet, as the five year project reaches the end of its second fiscal year (FY02), there is still no shared national approach manual and guideline other than the National Sanitation and Hygiene Master Plan 2011 that would guide RWSSP-WN II. While the project continues to actively contribute its real life experience towards the national WASH sector development and policy dialogues, it is hereby acknowledged that given the present situation in Nepal after the series of earthquakes and the massive reconstruction needs, it appears unlikely that any 'one WASH' guidelines are getting launched any time soon. The project is starting its FY03 and its mid-term, and the districts need clear cut guidance already from the auditors' point of view. ***There are several RWSSP-WN II produced guidelines, manuals and tools approved and available*** but no one document that would bring all these together.

This WASH Implementation Guidelines (WASH-IG) was approved by the 7th RWSSP-WN II Supervisory Board Meeting. All the District Development Committees (DDCs) shall follow it to achieve project goal and objectives as mentioned in clause 2.1 of Memorandum of Understanding signed between DDC and Department of Local Infrastructure Development and Agricultural Roads (DoLIDAR) for the Implementation of District Water, Sanitation and Hygiene (WASH) Programme supported by RWSSP-WN II.

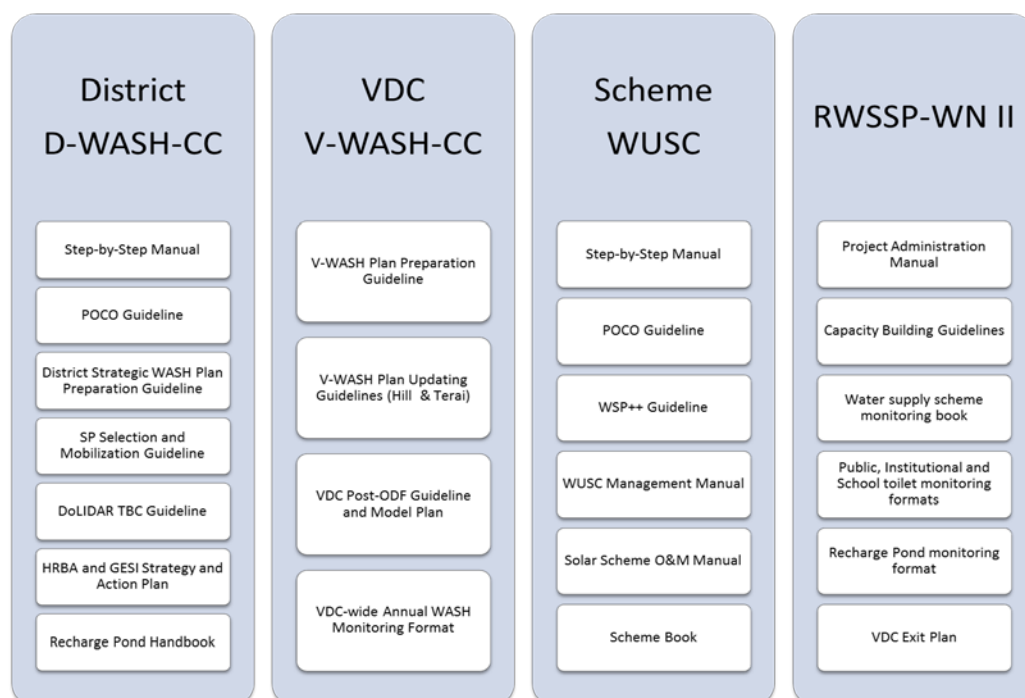


Figure 1-1 Guiding documents by their target group (District, VDC, scheme, project staff)

1 INTRODUCTION

Rural Water Supply and Sanitation Project in Western Nepal Phase II (RWSSP-WN II) is supported by the Government of Nepal (GoN) and the Government of Finland (GoF) and is anchored in the Ministry of Federal Affairs and Local Development (MoFALD)/DoLIDAR. It is continuation of financial and technical support that GoF has provided to water sector in Nepal since 1989.

RWSSP-WN supports the WASH sector development and implementation in 14 districts of Nepal: Myagdi, Baglung, Parbat, Mustang, Syangja, Tanahun, Nawalparasi, Rupandehi, Kapilvastu, Gulmi, Arghakhanchi, Palpa, Pyuthan and Rolpa districts of Western and Mid-Western Development Regions. Mustang and Palpa implement only sanitation and hygiene activities under RWSSP-WN II. The funding principles, fund channeling, reporting regarding fund, rules and roles presented in the **RWSSP-WN Phase II Project Document (2014)**.

References:

- RWSSP-WN II Project Document (2014)
- Agreement between GoF and GoN on the Co-operation in the Completion Phase of RWSSP-WN II (2013)
- MoUs between DDC and DoLIDAR for RWSSP-WN II (2014, 2015)

The results of RWSSP-WN Phase II are:

- Result 1 (Component 1 Sanitation and Hygiene): Access to sanitation and hygiene for all achieved and sustained in the project working districts;
- Result 2 (Component 2 Rural Water Supply): Access to safe, functional and inclusive water supply services for all achieved and sustained in the project working VDCs; and
- Result 3 (Component 3 Capacity Development): Strengthened institutional capacity of government bodies to plan, coordinate, support and monitor the WUSCs and other community groups in the implementation, operation and maintenance of domestic water, sanitation and hygiene programmes in a self-sustainable manner.

This WASH Implementation Guidelines is a reference document compiled to assist each district in implementation of RWSSP-WN Phase II funded activities and ensure uniformity while implementation. As a reference document, it refers to the relevant national policies and guidelines, and to existing documents that have already been approved for RWSSP-WN II. This is not stand-alone document.

2 STRATEGY AND APPROACHES

2.1 Institutional Arrangements

The competent authorities for RWSSP-WN II are the Ministry of Finance, Nepal and the Ministry for Foreign Affairs, Finland (represented in Nepal by the Embassy of Finland).

References:

- RWSSP-WN II Project Document (2014)
- MoUs between DDC and DoLIDAR for RWSSP-WN II (2014, 2015)

The executing agency is MoFALD/DoLIDAR together with participating DDCs. MoFALD/DoLIDAR is responsible for the provision of all necessary technical and managerial support to local governing institutions, as well as coordination of all infrastructure development activities undertaken at present within the framework of MoFALD and gradual transfer of the co-ordination responsibility to local institutions.

The planning and execution of RWSSP-WN II activities is the responsibility of each DDC, supported by DoLIDAR and the Project. See the Project Document (2014) for further details with regards to the Supervisory Board, Steering Committee and other details. RWSSP-WN II organization chart is presented in Figure 2-1 below.

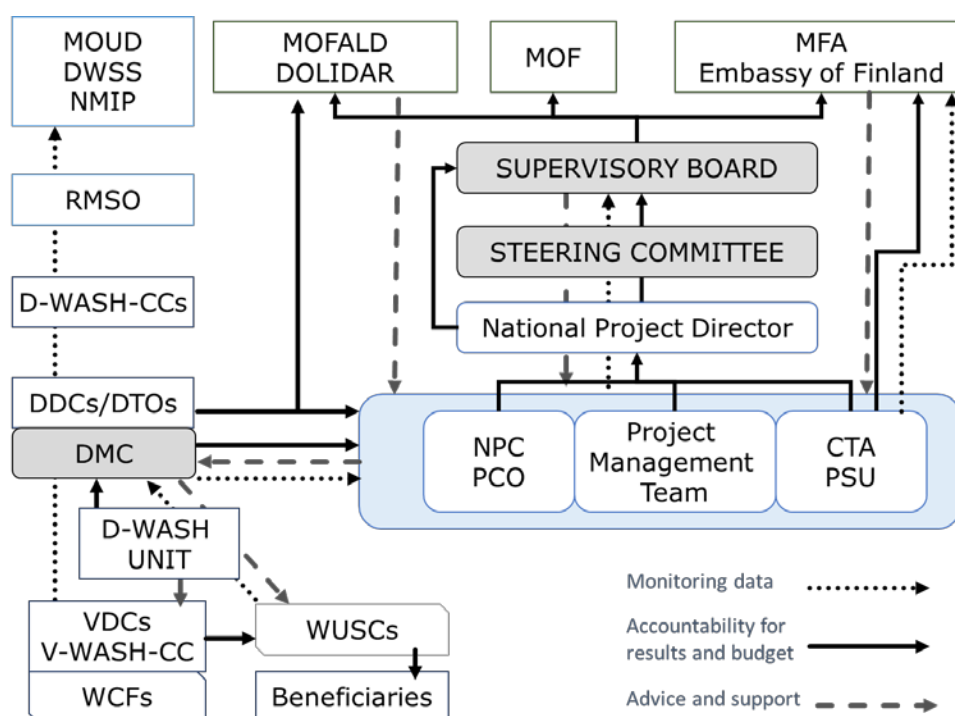


Figure 2-1 Organizational chart of RWSSP-WN II

District Management Committee (DMC) is responsible for planning, coordination, administration and management of all the Project activities in districts in core project districts. DMC meets at least once a month to review progress of Project activities in the district and discuss other relevant matters. Composition of DMC is given in Project Document (June 2014). The quorum of DMC is consists of Local Development Officer (LDO), Chief of the District Technical Office (DTO), representative from the Drinking Water Supply and Sanitation Divisional Office and District WASH Advisor (District Project Officer in case of DDC driven core districts).

District Technical Office (DTO) is in charge of the technical matters of the district and is responsible for the technical monitoring and providing support to communities.

District WASH Unit (D-WASH Unit) is entirely responsible to implement the decisions made by DMC. D-WASH Unit is responsible for all types of technical aspects of WASH activities. The unit must have enough human resources to ensure timely support to the communities. Additional required human resources are fulfilled through the services of support organization (SO) or support persons (SPs). D-WASH Unit shall have following responsibilities among others:

- **Planning:** annual WASH work planning, V-WASH planning, coordination, meeting management etc.
- **Implementation:** carrying out steps of the Step-by-Step Manual for water supply implementation, support WUSCs, various capacity and coordination activities etc.
- **Monitoring & Evaluation:** Regular monitoring of schemes and activities, periodic reporting
- **Awareness campaigns:** Open Defecation Free (ODF) and Post-ODF campaigning in VDCs and wards, support district level awareness activities, coordination with stakeholders etc.

District WASH Advisor (DWASHA) works closely with DTO in ten core districts. DWASHA assists DDC to plan, co-ordinate and monitor project activities. He/she supports, to the extent possible also the other sector partners and co-ordinates relevant activities. In case of Rolpa and Arghakhanchi, DDC driven districts, District Project Officer (DPO) shall perform the task of DWASHA.

National Project Director (NPD; part-time) is nominated by GoN, stationed in DoLIDAR, to facilitate planning, budgeting, progress review and monitoring at the central level. A senior officer of Under Secretary level is the **National Project Coordinator (NPC)** who will be supported by other Project Coordination Office (PCO) staff. National Project Coordinator's office will be within the Project Support Unit (PSU).

Project Support Unit (PSU) supports the project activities in districts. All project activities within any of the working districts is decided and coordinated by the District Management Committee (DMC). PSU has no direct activities in any of the districts. The PSU team will be headed by the Chief Technical Advisor who will report to the National Project Coordinator.

2.2 Human Rights-Based Approach & Gender Equality and Social Inclusion

The human right to water is indispensable for leading a life in human dignity. It is a prerequisite for the realization of other human rights. The right to water can be defined as the **right of everyone to sufficient, safe, acceptable and physically accessible and affordable water** for personal and domestic uses.

Reference:

- HRBA & GESI Strategy and Action Plan, DoLIDAR/RWSSP-WN II (2015)
- District Strategic WASH Plan Preparation Guideline (2015)
- VDC WASH Plan Preparation Guideline (2014)

A central dynamic is thus about identifying root causes of poverty, empowering rights-holders to claim their rights, training them on their responsibilities, and enabling duty-bearers (public institutions, including VDC, V-WASH-CC and DDC/DTO/D-WASH-CC) to meet their obligations:

- Ensure that the key principles such as participation, empowerment, non-discrimination and inclusion are well known and applied by the team & associated staff;
- Maintain a transparent & accountable approach to all activities, sharing information with all;
- Indicators need to measure the aspects described above, thus they must be disaggregated by sex, caste, ethnicity and disability. This applies to all monitoring practices (scheme-specific, VDC-wide, district-level);

- Develop the new V-WASH Plans so that they serve the remotest unserved pockets; take action to ensure the disadvantaged groups and women have their voices heard when the plans are prioritized at the VDC level.
- Work through Ward Citizen Forums to ensure that the principles get institutionalized into permanent structures in VDC level planning systems.
- Empower communities to take direct responsibility for themselves so that they resort to state assistance only where necessary.

Empowerment of women, Dalits and other disadvantaged communities is done by ensuring participation of male and female from each household of the community. All types of committees should have equal number of men and women (50:50), and women must be included in key positions of committees. Proportionate number of seats in V-WASH-CC and all other committees is reserved for the disadvantaged groups (DAGs). Separate confidence building meetings can be organized before the main meeting/event. Female and Dalit/DAG candidates get up to 25 extra marks in Support Person recruitment. Similarly, more marks shall be allocated to NGOs having women and Dalit as their executive members and for female and Dalit staff in the Support Organizations.

The action plan for both HRBA & GESI mainstreaming and for dedicated actions consists of eight thematic areas that are all practiced already in the rural water and sanitation sector. The activities under the following headings are described in detail in HRBA & GESI Strategy & Action Plan (2015):

1. HRBA & GESI in District Strategic WASH Planning
2. HRBA & GESI in VDC-level WASH planning cycle (V-WASH Plans)
3. HRBA & GESI in local government planning cycle
4. HRBA & GESI in scheme planning Step-by-Step
5. HRBA & GESI in sanitation and hygiene
6. HRBA & GESI in capacity development
7. HRBA & GESI in participatory monitoring and evaluation
8. HRBA & GESI in internal management practices

2.3 Environmental Sustainability

The project activities must be environmentally sound. Environmental conservation, especially as it relates to watershed protection and environmental sanitation, are high in the agenda. Environmental aspects are included in the Step-by-Step related trainings especially as part of water safety planning, DRR and CCA related events. The Step-by-Step monitoring pays attention to various environmental factors. The aim is to increase users' awareness on sustainable use of water resources and how they can protect the sources and water catchment.

Environmental aspects are relevant part of post-ODF activities especially related to wastewater, solid waste, indoor air pollution and overall cleanliness of environment. National guidelines for environmental assessment and considerations is followed even if this is rarely needed, given the project does not have schemes with 5,000 or over beneficiaries. Initial Environmental Examination is required for the schemes that serve 5,000-50,000 population, and Environmental Impact Assessment for those serving over 50,000.

Reference:

- VDC WASH Plan Preparation Guideline (2014)
- VDC WASH Plan Updating Guidelines for Hill and Terai (2014)
- Step-By-Step Manual (2015)
- Water Safety Planning Guidelines (2015)
- VDC Post-ODF Guideline and Model Plan (2015)
- National Sanitation and Hygiene Master Plan (2011)

2.4 Climate Change Adaptation (CCA) and Disaster Risk Reduction (DRR)

Many of the project VDCs are vulnerable to extreme weather events already now as it is. Water source depletion, landslides, erosion and other environmental degradation are already evident. Depleting source discharge, shorter but more intense rainfall, landslides, failure or decrease of winter rains, floods, water quality degradation and drought, which have widespread effect on water supply, sanitation and livelihoods of the people, are some of the realities that translate into annual local disasters every year.

Reference:

- Water Safety Planning Guidelines (2015) – separate guidelines for gravity, lift and overhead tank schemes
- VDC WASH Plan Preparation Guideline (2014)
- District Strategic WASH Plan Preparation Guideline (2015)
- Recharge Ponds Handbook for WASH Programme (2013)

Prevention, Reduction and Adaptation are the main activities in disaster risk reduction to be applied in the field. Suitable locations and alignment of structures and pipelines, quality of construction and appropriate design of structures as per the site conditions are some of the interventions introduced for disaster risk reduction (DRR). Integrated soil and water resources management principles will be applied in scheme level as far as possible to reduce both the anthropogenic and natural hazards, and by integrating such as recharge ponds/pits and related watershed management activities. Capacity development activities further enhance the preventive and coping capacity of the communities. The project has two main approaches to responding to both climate change and disaster risks:

1. **WASH planning in District and VDC levels.** In the District Strategic Water Sanitation and Hygiene Plans, activities for CCA and DRR in relation to the key risks (i.e. floods, landslides, drought and water source depletion) will be identified in coordination and cooperation with relevant stakeholders. VDC-wide WASH planning that maps water resources, land-use, and already now vulnerable areas among others, can be used to identify both immediate and long term actions needed to mitigate the risks. Some of the interventions already designed and implemented are erosion control bio-engineering activities and recharge/multi-purpose ponds/pits in source catchments.
2. **Water Safety Plan ++ (WSP++)** that pays attention to both water quality and quantity, and associated present and future risks. Practical activities can be related to the scheme structures, use of water and watershed management, including such as designing transmission pipeline for higher discharge, bigger reservoir capacity for more water storage, waste/excess water re-use in kitchen/home garden and animal drinking troughs, and various watershed improvement activities for recharge and soil stabilization.

2.5 Technology Options

Appropriate, tested and widely used technology options applied by RWSSP-WN II are presented in the table below. Overall, the project will follow the standards set by GoN under their respective line departments. HRBA/GESI approach applies to designing water supply and sanitation schemes.

Table 2-1 Technology options in RWSSP-WN II

Type of scheme	Technology options	Notes
Water Supply	Gravity flow systems Rainwater harvesting Point source improvement Solar or electrical lifting (hills) Overhead tanks (Solar or electrical) Multiple-use of water systems	Gravity flow as the first priority; timely completion and sustainability of the schemes after construction is taken in to consideration. First Priority is given to the unreached and unserved.
Environmental Sanitation	Latrines (dry, ecosan, Sulabh) Composting; household solid waste management; Tap stand & washing platform drainage (for home gardens)	Maximum utilization of local materials, skills and technologies. Sustainable technology choice; water scheme locations
School/Institutional/Public Toilets	Gender, Child and Disabled friendly structures	Availability of water; sustainable operation and maintenance is pre-condition.
Recharge Ponds/Pits	Earthen or side-lined ponds on a suitable location at the higher end of the catchment area, other simple recharge structures such as pits and trenches.	Multi-purpose use ponds recommended. Should consider easy access to animals and human safety (in terms of drowning!) Maximum use of local materials.
Scheme and catchment protection	Bio-engineering and plantation to protect catchment, water sources and scheme structures.	Soil stabilization by plantation, management of excess runoff water etc.
Improved Cooking Stoves	Low cost and mud type improved cooking stove, Metal cooking stove	Capacity enhancement of local masons, metallic cooking stove will be supported only in case of partnership model.

2.6 Good Governance

The concepts of decentralization, governance, good governance, local governance and water governance are all linked to institutional development and institutional capacity. Institutional capacity development refers to the processes that aim to establish or increase the capacities of institutions to exercise their legally defined functions.

Water governance *“is defined by the political, social, economic and administrative systems that are in place, and which directly or indirectly affect the use, development and management of water resources and the delivery of water service delivery at different levels of society.”* (UNDP Water Governance Facility, 2008). The project is committed to both good local governance and good local water governance.

Reference:

- HRBA & GESI Strategy and Action Plan, DoLIDAR/RWSSP-WN II (2015)
- VDC WASH Plan Preparation Guideline (2014)
- Step-by-Step Manual (2015)
- WUSC Operational Manual (2015)
- Local Self Governance Act (1999)
- Anti-Corruption Handbook for Development Practitioners, Ministry for Foreign Affairs of Finland (2012)

THE NORMATIVE PRINCIPLES OF GOOD GOVERNANCE

PARTICIPATION by both men and women is a key cornerstone of good governance. Participation may be either direct or through legitimate intermediate institutions or representatives. It is important to point out that representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision making. Participation needs to be informed and organised. This means freedom of association and expression on the one hand and an organised civil society on the other.

RULE OF LAW. Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, particularly those of minorities. Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force.

TRANSPARENCY means that decisions are taken and the enforcement thereof is carried out in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and the enforcement thereof. It also means that enough information is distributed and that it is provided in easily understandable forms and media.

RESPONSIVENESS. Good governance requires that institutions and processes try to serve all stakeholders within a reasonable timeframe.

EFFECTIVE AND EFFICIENT. Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.

ACCOUNTABILITY is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organisations must be accountable to the public and to their institutional stakeholders. Who is accountable to whom varies depending on whether decisions or actions taken are internal or external to an organisation or institution. In general an organisation or an institution is accountable to those who will be affected by its decisions or actions. Accountability cannot be enforced without transparency and the rule of law.

Source: Anti-Corruption Handbook for Development Practitioners, Ministry for Foreign Affairs of Finland, Department for Development Policy, Helsinki, Finland, 2012. Available at: <http://www.formin.fi/Public/default.aspx?contentid=256733>

2.7 Capacity Development

All the three result areas call for a systematic and extensive capacity development. Many capacity related activities do, in fact, support several result areas at the same time. It must also be noted that capacity development is more than training events and theoretical learning, but that *learning-by-doing, on-the-job training* and then applying (getting opportunities to apply!) the new skills into practice are equally important.

The training needs should be identified by respective District WASH Units. While inviting and selecting participants, the participation of women, Dalit, Janjati and other disadvantaged groups shall be encouraged.

Any person shall not be accepted to the same training event more than once. The total number of participants are considered within the approved budgets in the Annual Work Plan. There are two funding sources available for capacity development at different levels, through DDF and Technical Assistance funds. General classification of Source of Funding is provided in Table below.

References:

- Capacity Building Guideline for RWSSP-WN II (2015)
- Training Norms (financial memo, updated for every FY)
- Step-by-Step Manual (2015)
- Sanitation and Hygiene Capacity Building Manual (2015)
- VDC WASH Plan Preparation Guideline (2015)
- VDC WASH Plan Updating Guidelines for Hill and Terai (2014)
- Post-Construction Guidelines (2015)

Table 2-2 Classification of capacity development activities by source of funding

Thematic Area	DDF Funded	Technical Assistance Funded
Users Level capacity development as per Step-by-Step	All scheme related trainings	Special training events or piloted activities which are not planned in district annual work plans (as decided by Project Management Team RWSSP-WN II case by case)
SO/SP Level capacity development	The events planned for only one district and other regular meeting cost.	All SO/SP trainings that are combined to one or more districts.
Local human resources development	Local Service Providers	Local Service Providers IEC Materials
Technical Training	All technical trainings like Local Latrine Builders, Village Maintenance Workers, Rainwater Harvesting <i>Mistries</i> , Pump operators etc)	External Resource Person cost in special case only (case by case as decided by Project Management Team)
Events, Festivals and Awareness Campaigns	All regular events that can be planned annually, such as National Sanitation Week, Women's Day, World Water Day, ODF celebrations.	Special events, workshops, conferences and other occasions arising over the year as agreed case-by-case, District ODF cost sharing (district and central level)
Sanitation and Hygiene	All community/VDC level training campaigns	Regional level trainings e.g. Master Training of Trainers for behavior change triggers, SP/SO staff, etc.
District Level Capacity Development Activities	Regular meeting/workshops	DDC Accountants training, web-based reporting, DDC internal auditing
	All WUSC/VDC and DDC/DMC level exposure visits/trips, human resources development GESI & HRBA workshop, Monitoring workshop, PoCo workshop, etc.	VDC/DDC/DTO/D-WASH-CC policy formulation, local governance, effective implementation of laws, technical trainings, incl. GIS, Management Information System (MIS), GPS training that need to combine participants from more than one districts.
Central Level Capacity Development Activities	None	All central level capacity development activities.
	None	Central level and other visits that combine participants from more than one district.

3 PLANNING PROCESS

3.1 Planning cycle

RWSSP-WN follows the Local Development Planning cycle adopted by DDC as per Local Self Government Act and Regulation. The Local Self-Governance Act, 1999 has stipulated that each District Development Committee (DDC) should prepare their periodic district development plan by encompassing all aspects of the district. It is envisioned that the annual program of the district has to be drawn up and implemented based on these periodic plan. The Act has mandated DDC to prepare district's sectoral plans as per district requirement. How the local development planning cycle links to District Strategic Water Sanitation and Hygiene Plans and V-WASH Plans, and to the project, is described in the flow chart below.

District Strategic Water Sanitation and Hygiene Plan is the district's plan for WASH sector. It is a strategic tool and guideline for DDC in general and the District WASH Coordination Committee (D-WASH-CC) in particular. Issues related to water safety, disaster risk reduction and climate change adaptation are incorporated in the plan. For the step wise preparation process and data formats refer to the *District Strategic WASH Plan Preparation Guideline (2015)*.

References:

- Local Self-Governance Act and Regulation (1999)
- District Strategic WASH Plan Preparation Guideline (2015)
- VDC WASH Plan Preparation Guideline (2015)
- VDC WASH Plan Updating Guidelines, Hill and Terai (2014)
- VDC-wide WASH Monitoring Format (2015)
- VDC Post-ODF Guideline and Model Plan (2015)
- Concept Note for Drinking Water Supply Schemes Selection (2015)
- Step-By-Step Manual (2015)
- Post-Construction Guidelines (2015)

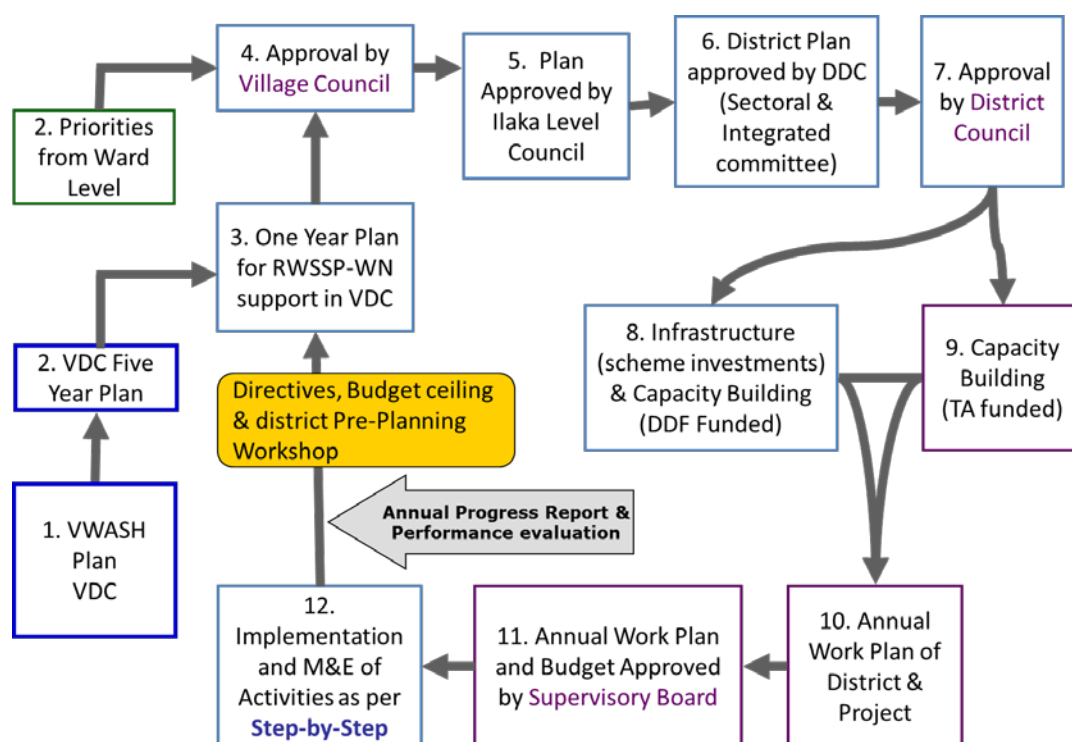


Figure 3-1 RWSSP-WN II planning cycle

VDC WASH Plan (V-WASH Plan) sets the VDC-wide vision and priorities for individual schemes and other WASH activities. V-WASH Plan is to be a commonly accepted plan prepared by the communities under guidance of the VDC, and thus reflecting local demand and responsibilities. V-WASH Plan identifies the existing use of water resources in a VDC and makes an integrated plan for use of water in a rational, equitable and sustainable way for water supply, sanitation and eventually, for Total Behavioral Change (TBC) in hygiene and sanitation.

For the step-wise preparation process and data formats, refer to the **V-WASH Plan Preparation and Updating Guidelines (2014, 2015)**. VDC will lead the V-WASH Plan formulation process, and share the cost for V-WASH Plan preparation. Those VDCs that are willing to hire and mobilize required human resources from their own cost for V-WASH Plan preparation process will be given priority in VDC selection for V-WASH Plan preparation. Following human resources may require for V-WASH Plan preparation process.

Table 3-1 Human resource requirement for V-WASH Plan preparation

Position	Person per VDC	Duration
Field Coordinator	1	Max 2 months
Sub Engineer	1	Max 2 months
Consultant will be hired from outside or inside DDC for data analysis and writing of V-WASH Plan following standard selection procedure.		

Step-By-Step approach to water supply is applied at the individual scheme-level as described in the **Step-by-Step Manual**. See also the Chapter 5 for water supply scheme selection. The individual project phases – preparatory, implementation and post-construction - and their corresponding steps to be followed are described in detail in Step-by-Step Manual, along with the formats to be filled in the different phases.

3.2 VDC Selection and Phasing Out

District Strategic WASH Plans guide the selection of VDCs for the project support. There are two selection modalities for water supply schemes: one where the hardship schemes are identified through the V-WASH Plan and another through the local government planning cycle.¹

The criteria for VDC Exit of RWSSP-WN II are based on the result area indicators defined in the RWSSP-WN II Project Document (2014). Each component in the exit criteria has a set of indicators covering different aspects, as proposed in the Table below.

Reference:

- District Strategic WASH Plan Preparation Guideline (2015)
- VDC WASH Plan Preparation Guideline (2014)
- VDC WASH Plan Updating Guidelines, Hill and Terai (2014)
- VDC-wide WASH Monitoring Format (2015)
- Concept Note for VDC Exit (2015)
- Concept Note for Post-Construction Phase (2015)
- Concept Note for Drinking Water Supply Schemes Selection (2015)

The data for the VDC phasing out criteria will optimally be collected at the same time when preparing for the VDC-wide annual WASH monitoring. Based on the available data, assessment if the VDC is ready to be phased out will be done by District Management Committee (DMC). For each criterion, the achievement level is defined based on three categories: alarming, on track, or completed. When all criteria have been fulfilled (i.e. completed), the VDC is ready for phasing out. VDC exit planning applies only to the working VDCs receiving long-term support from the Project.

¹ Ref: V-WASH Plan Preparation Guideline; V-WASH Plan Updating Guideline; Concept Note for Drinking Water Supply Schemes Selection

Table 3-2 VDC exit plan criteria

RWSSP-WN II Result Area Indicators	Exit Criteria	'Exit lights'		
		'Alarming'	'On track'	'Completed'
1.1 # of VDCs declared ODF	% of HHs using permanent toilet	Less than 80%	80-95%	More than 95%
1.2 # of institutions/schools/public places supported by the project fund in Phase II with disabled and gender-friendly toilets and access to hand washing	% of Phase I & II supported institutional, school and public toilets are functional with access to hand washing	Less than 60%	60-80%	More than 80%
1.3 # of Wards declared for having achieved total sanitation (wards within which each household complies with at least four out of five main TBC criteria as listed in the National Sanitation and Hygiene Master Plan)	# of TS declared wards (not mandatory criteria)	No ward	1-2	More than 3 (not mandatory for exiting)
1.4 # of VDCs implementing post-ODF strategy with institutionalized post-ODF support mechanisms accessible to all within a VDC	VDC post-ODF strategy/plan prepared (separate/a part of V-WASH Plan)	No	In process	Yes, and implemented
2.1 Safe water: # of water supply schemes supported by the Project fund in the Phase I and Phase II apply a Water Safety Plan with CCA/DRR component.	% of Phase I & II supported gravity, lift + overhead tank schemes apply WSP	Less than 25% of schemes	25-75% of total schemes	90% of Phase II schemes More than 75% of Phase I schemes
2.2 Institutional capacity: # of WUSCs supported by the Project fund in the Phase I and Phase II are inclusive and capacitated to provide sustainable services. WUSC defined as functional fulfils the following criteria: a) WUSC is registered and has statute b) O&M plan made and applied c) Adequate water tariff defined and collected d) Village Maintenance Worker (VMW) trained and regularly working e) WUSC has proportional representation of caste/ethnic/social groups and 50% women	Applies to Phase I and II supported gravity, lift and overhead tank schemes.			
	a) WUSC Registration complete	Less than 50%	50 to 60%	100% of Phase II 75% of Phase I
	b) O&M Plan	Less than 25%	25-75%	90% Phase II 75% Phase I
	c) Water Tariff including management cost and major repair cost recovery	Less than 25% of schemes	25-75%	100% of Phase II 75% of Phase I
	d) VMW trained and regularly working	Minimum of 50% schemes	50-80%	90% of all schemes
	e) WUSC representation	Less than 25% of schemes	25-75%	100% of Phase II 75% of Phase I
2.3 Improved services: # of water supply schemes supported by the Project fund in Phase II provide improved water supply services for previously unserved households in the programme VDCs (previously unserved means no access to improved water supply).	Improved service level of Phase II supported DWS schemes: the service level improved compared to the situation before intervention.	Less than 30% of schemes	30-70% of schemes	More than 70% of schemes

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2.4 Reaching the unreached: # of water supply schemes supported by the Project fund in the Phase II reaching the unreached (previously unserved by improved water supply supported by interventions external to VDC).	Considers only the 'purely unreached' who never got any external support for their DWS (Category A in feasibility study)	Less than 50% of unreached HHs got improved DWS facility	50-90% of unreached HHs got improved DWS facility	More than 90 % unreached HHs got improved DWS facility
2.5 Institutional water supply: # of schools & institutional/public locations supported by the Phase II have safe and functional water supply with accessible water points to all users.	% of schools and institutional/public locations supported by the Phase II have functional water supply	Less than 50% have functional water supply	50-90% functional water supply	More than 90% have functional water supply
3.2 # of VDCs have V-WASH Plan that is used and periodically updated	VDC has a V-WASH-Plan	No V-WASH Plan in place	V-WASH Plan prepared	V-WASHP completed, used, periodically updated, implemented as per plan,
3.4 # of VDCs practicing coordinated and inclusive planning through V-WASH-CC as per the V-WASH-CC TOR.	V-WASH-CC fulfilling their ToR	Fulfilling less than 20% of tasks	Fulfilling 20-50% of tasks	Fulfilling more than 50% of tasks.

4 SANITATION AND HYGIENE

4.1 Sanitation & Hygiene Strategies for ODF and Post-ODF Situations

RWSSP-WN II works programmatically for improved sanitation and hygiene in all its working districts. The leading document is the Government of Nepal **Sanitation and Hygiene Master Plan (2011)**. It states the ultimate target as to have total sanitized VDCs/communities. Various tools are available for behavior change (see references).

RWSSP-WN II follows the path established in its Phase I. The behavioral change in hygiene and sanitation means that households or institutions do not just construct and use toilets, but that the behavior is truly changed. The approach includes behavioral change in personal and household hygiene and sanitation, and in hygienic drinking water management in the prevention of waterborne diseases in all socio-economic groups. The behavioral change programs apply to all VDCs in all working districts, and are conducted in close coordination with all WASH sector stakeholders represented in D-WASH-CC.

In this, the project has two main lines of action:

Reference:

- GoN (2011) National Sanitation and Hygiene Master Plan
- GoN (2015) Draft Total Sanitation Directives
- VDC Post-ODF Guideline and Model Plan (2015)
- VDC WASH Plan Preparation Guideline (2014)
- VDC WASH Plan Updating Guidelines, Hill and Terai (2014)
- VDC Wide WASH Monitoring Format (2015)
- Public, Institutional and School Toilet Feasibility and Monitoring Formats (2015)
- TBC Triggers Training Guideline (Nepali) (2014), DoLIDAR
- Sanitation and Hygiene Capacity Building Manual (2015)
- Total Sanitation Monitoring Book (2015)
- RWSSP-WN I Lead TBC Facilitator's Training Manual (2011)
- RWSSP-WN I TBC Triggers Training Manual (2009)

Pre-ODF strategy: To implement the triggering activities at community and household level, the RWSSP-WN trains V-WASH-CC members and local support persons² on how to plan for and apply a number of different 'triggering tools' (see Table 4-1). The VDC stakeholders and support persons, in turn, train a group of volunteers from all wards in the VDC on the use of these triggering tools. Following this training, these ward level volunteers will then carry out community and individual level triggering activities in their local area with support from the V-WASH-CC and support persons. Triggering activities are supplemented by behavior change communication via other channels.

Post-ODF Strategy: Post-ODF phase follows the declaration of the areas as "Open Defecation Free" (ODF). VDCs and their V-WASH-CCs should plan this phase themselves by preparing a **VDC Post-ODF Plan** (can be a stand-alone plan or part of V-WASH Plan). This provides direction to the VDC and its V-WASH-CC to achieve the target of sustaining already achieved ODF status, improving hygiene status, and promoting total sanitation. **VDC Post-ODF Plan** is a product of participatory planning process and commonly accepted plan prepared by the communities under guidance of VDC. Key success factors are the active role of V-WASH-CC and involvement of various stakeholders such as education sector, health professional, religious leaders, community based organizations etc. both in pre- and post-ODF processes.

² These Support Persons are recruited and remunerated by the DDC but with the support of RWSSP-WN. Their main role and responsibilities are to work with core VDCs (selected to receive more intensive support by the project) to plan for and implement WASH activities, including triggering, as well as monitor progress and results.

Table 4-1 Community and individual triggering tools

COMMUNITY TRIGGERING TOOLS	INDIVIDUAL TRIGGERING TOOLS
Walk of Shame	Privacy
Defecation mapping	If she/he had toilet at home
Calculation of feces/GUHU	Peer group pressure
Calculation of feces/GUHU ingested by a person	Fear
Cost of illness	Economic reason
Respect to occupation	Demonstration effect
Flow diagram for water contamination	Health
Respect of women	Infidelity
Holy ignition	Reward/Incentive
Open defecation and begging	
Feces/GUHU to mouth transmission	
Water quality testing	

Firstly, true ODF is the foundation of post-ODF phase and basis for Total Sanitation. After VDC ODF declaration the focus should be on sustaining the ODF status. The promotion of toilet use is continued to ensure that all people are continuously using toilets, that the toilets are maintained, and that temporary solutions get upgraded to permanent ones.

Secondly, various sanitation and hygiene behaviors will be promoted through different behavior change communication tools. Sanitation and Hygiene Master plan identifies such as toilet use, hand washing, personal hygiene, solid and liquid waste management, household and environmental sanitation, and handling of safe drinking water.

Thirdly, after fulfilling the agreed total sanitation indicators the ward or VDC can be declared as total sanitation area. However, it should be emphasized that the declaration itself is not the ultimate aim but it should reflect the true change in sanitation and hygiene behavior of people.

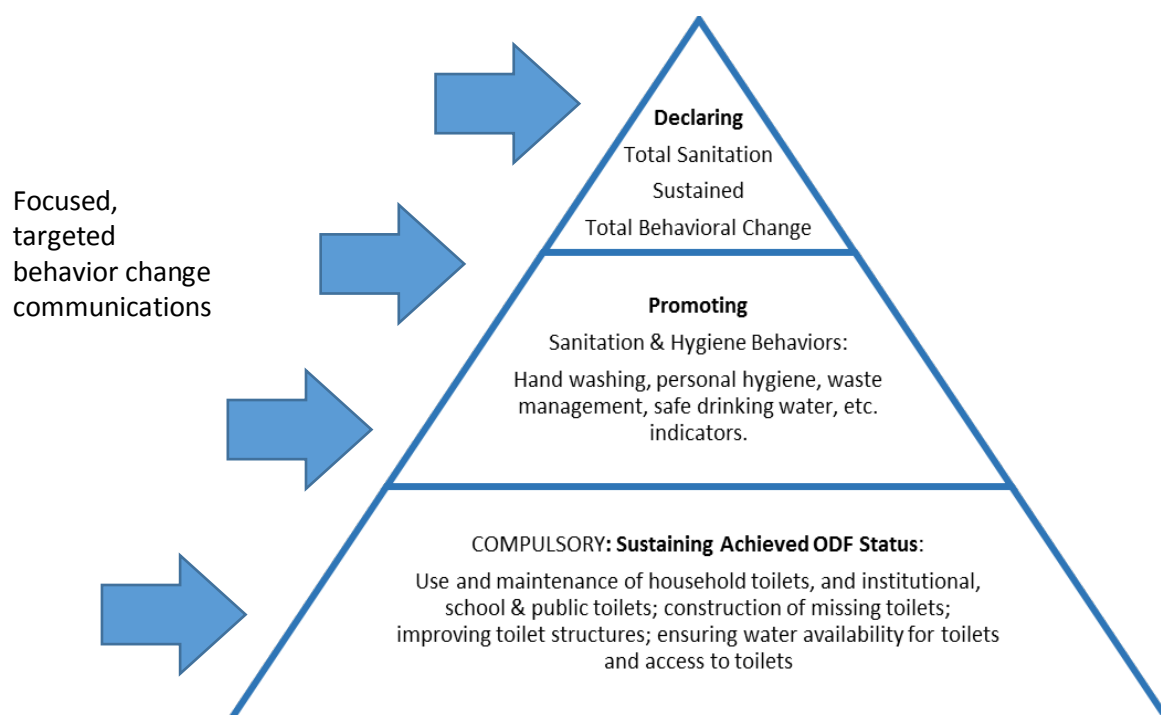


Figure 4-1 Sanitation strategy – both before and after ODF

4.2 Planning and Implementation at District Level

1. **At the district level**, D-WASH-CC formulates annual work plan of the district based on the district strategic WASH/sanitation plan. Target number of VDCs for ODF declaration and total sanitation declaration are identified during the planning process. D-WASH-CC formulates comprehensive plan for sanitation and hygiene and related capacity development activities.
2. **At the VDC level**, all V-WASH-CCs (supported by RWSSP-WN) should have prepared VDC level Sanitation and Hygiene Strategic Plan. This can be part of the V-WASH Plan and its updates, or a document of its own right (such as Post-ODF Plan). Strategy and activities are identified in this document.
3. **At the district level**, D-WASH Unit prepares its annual Sanitation and Hygiene work plan based on the available budget and norms of program implementation and shares it with all active stakeholders of the district. The proposed activities are forwarded to DMC for approval and incorporation in the project's annual work plan.
4. After approval of the annual work plan the activities are implemented following the **Capacity Development Guidelines (see reference box)**.

4.3 Public, Institutional and School Toilets

Public, institutional and school toilets will be planned according to the overall planning cycle of districts and VDCs (see Chapter 3).

The toilet designs must take into account gender, child and disabled friendliness, water and handwashing facilities, and also environmental aspects. The toilet designs and implementation process should be verified and monitored based on the feasibility study and monitoring formats (see references). To extent possible, the existing facilities should be upgraded to be more user-friendly. This may call for improvement to be made with regards to water supply facilities, drainage and solid waste management around the toilet compound. At this time also the O&M issues could be addressed, making the toilet also more feasible to maintain hygienic and clean.

During the preparation phase, special focus must be given on future operation and maintenance arrangements of the toilet because that is the main factor for long-term sustainability, ownership and functionality of the toilet. If that is not defined in the beginning of the process, it will be difficult to manage the toilet after construction.

Reference:

- Public & Institutional Toilet Schemes Feasibility Study and Monitoring Formats (2015)
- School Toilet Schemes Feasibility Study and Monitoring Formats (2015)
- Brochure: Accessible toilets for all

5 WATER SUPPLY SCHEMES

5.1 Water Supply Scheme Selection and Planning

Water supply schemes for the project support are selected in two ways: 1) Scheme identified and prioritized in the V-WASH Plan and 2) Scheme identified as a hardship priority scheme through the regular local government planning process. The process of Selection of the VDCs and schemes and the related planning process is presented in the table below.

Once the scheme selection is completed (steps 1 – 3 in the below table), the rest of the planning process is the same regardless of how the scheme was selected.

Reference:

- Concept Note for Drinking Water Supply Schemes Selection (2015)
- Step-by-Step Manual (2015)
- HRBA & GESI Strategy and Action Plan, DoLIDAR/RWSSP-WN II (2015)
- Community Contribution for RWSSP-WN II WSS Scheme Implementation (2014)

Table 5-1 Water supply scheme selection and planning process in RWSSP-WN II

Sn	V-WASH Plan Model	Hardship Priority Model
1	<p>VDC level V-WASH Plan is prepared in the selected VDCs according to V-WASH Plan Guidelines that includes ward level need identification and prioritization. All schemes prioritized at ward level by Ward Citizen Forums are further discussed in VDC level workshop. V-WASH-CC finalizes the VDC level priority of the water supply schemes. Please refer to V-WASH Planning Guidelines for process, steps and formats required for V-WASH plan preparation. V-WASH Plan has also other action items than water supply.</p> <p>VDC approves the V-WASH Plan including all the scheme priorities.</p> <p>V-WASH-CC prepares one and five year action plans of the implementation. Schemes planned for the particular year proceed to feasibility study as per Step-By-Step. The list of the proposed schemes is also in the Minutes of VDC Council decisions.</p>	<p>Ward Citizen Forum identifies the need and proposes the scheme to VDC Council.</p> <p>VDC Council prepares the list of the schemes. VDC Council plan the scheme under VDCs own program and recommend the schemes that need external financial support to Ilaka council.</p> <p>Ward Citizen Forums may propose water supply schemes only. They will identify these on their own, without any facilitation from Support Persons, given that the proposal/s can be coming from any VDC.</p>
2	<p>The schemes that are given priority in the V-WASH Plan are automatically prioritized at Ilaka level.</p>	<p>The schemes recommended by number of VDCs are analyzed at Ilaka level planning workshop. This is where the schemes are prioritized as per hardship of the community. These are then forwarded to DDC.</p>
3	<p>V-WASH-CC presents the V-WASH Plan to DDC council and Council approves it.</p>	<p>All the Ilaka level prioritized schemes are forwarded to district-level sectoral committee. The sectoral committee further prioritizes the schemes based on the set parameters. Prioritization by different committees are processed in integrated committee and final draft plan is prepared to submit to DDC. DDC will submit to District Council (as per LSGA) District Council approves the priority list of different sectors and forwards to the stakeholders, DoLIDAR, MFALD and national planning commission.</p>

4	<p>The schemes that are proposed under RWSSP-WN II support from both the models passes through standard feasibility study. The study shall focus on technical, social and financial feasibility. In both cases there must be unserved/unreached households in the scheme area. Detailed process of feasibility study is presented in Paper 1 of Step by Step manual of water supply scheme implementation. The studied schemes that are found feasible enter into preparatory phase. Unfeasible schemes are dropped out at this stage.</p> <p>DWASH Unit will carry out feasibility study of number of schemes (as decided by DMC) that are proposed for project support through Hardship Priority model. DMC shall nominate a team having one social and one technical person for the feasibility study. The team shall conduct feasibility study in all of the proposed schemes and recommend to DMC with priority list of the studied schemes. Priority of the schemes is done in following basis:</p> <ul style="list-style-type: none"> • Percentage of unserved population • Presence of DAG households in scheme area • Remoteness of the scheme area • Communities activeness and willingness to implement scheme • Possible per capita cost of the proposed scheme • Technical complexity of the scheme <p>DMC shall nominate a monitoring team to verify the feasibility study in those schemes where felt necessary. At this time, broader issues that may otherwise not be coming up similarly as in the V-WASH Plans can be discussed, such as those related to watershed, water scarcity and safety, vulnerable lands and land use changes, and inclusion. DMC shall decide to select number of schemes also considering available annual budget for RWSSP-WN II support.</p>
5.	DMC will compile and prepare one year plan of the district. The one year plan will also include major capacity development activities. RWSSP-WN's district annual plan will be presented in sectoral committees and integrated committee of DDC.
6.	DDC will submit district-wide Annual Work Plan and budget to DDC Council for approval.
7.	DWASH Unit will prepare plan of activities in standard NPC format and forward to DoLIDAR and PCO/PSU.
8.	PCO/PSU, in consultation with working districts develop Capacity Development Plan based on the capacity development assessment of district, project and central level.
9.	PSU will develop Comprehensive capacity development plan compiling all the district plans, project and DDC level capacity development activities for RWSSP-WN Annual Work Plan.
10.	PCO/PSU will submit RWSSP-WN II Annual Work Plan and budget of respective fiscal year to the Supervisory Board for approval.
11.	<p>DMC, mobilizing DWASH Unit implements the Annual Work plan following Step-by-Step procedure at VDC level. DMC is responsible for the monitoring and reporting. Cost sharing and contributions from different stakeholders are discussed in the Project Document, MoU between DDC and DoLIDAR and in the WASH Implementation Guidelines (WASH-IG). Contributions differ depending on type of intervention and technology used. Actual annual budgets are planned and approved in the Annual Work Plans for each Nepali Fiscal Year within the total ceiling of the Project funding. These are approved by the Project Supervisory Board.</p>

Pre-Conditions for Hardship Priorities Schemes

Following conditions are verified during the feasibility study of Hardship Priority schemes.

1. RWSSP-WN II intends to provide drinking water supply to unserved and unreached communities of remote areas. Therefore, any of the proposed schemes must have minimum **50% of the proposed households unserved, i.e. they are not served by any water supply scheme** (functional nor non-functional).
2. Users are ready to contribute cash and kind for scheme implementation as per project contribution pattern; and are ready to raise water tariff for operation and maintenance of the scheme for its sustainability.

3. Users are willing to complete the schemes following Step-by-Step Manual and HRBA & GESI Strategy and Action Plan of the project, in a transparent way.
4. VDC and DDC are willing to contribute 6% and 4% of scheme cost respectively in cash to WUSC account.
5. There is no serious **social or source dispute** that might adversely affect scheme implementation and future operation and maintenance of the scheme.
6. DDC is willing to manage **enough human resources** for scheme implementation and commit to follow the step by step process of scheme implementation.
7. The fund flow and related processes of implementation is same for the schemes selected through both modalities.

5.2 Preparatory Phase

Preparatory Phase for water supply schemes starts with assessing the technical and financial viability of the proposed scheme and making the users ready and capable to shoulder the implementation responsibilities of the scheme(s). During this phase, information as given in the planning phase will be utilized as the point of entry into planning. Note that all information, including water flows, need to be re-assessed by technical SPs for those prioritized schemes for implementation.

References:

- Step-By-Step Manual (2015)
- Capacity Building Guideline for RWSSP-WN II (2015)
- WUSC Operational Manual (2015)
- Scheme Monitoring Book (2014)
- HRBA & GESI Strategy and Action Plan (2015), DoLIDAR/RWSSP-WN II

The Water User Sanitation Committee (WUSC) is formed and registered bearing in mind the **HRBA & GESI Strategy & Action Plan (2015)**. In the preparatory phase, community is made ready to implement the scheme independently with enough capacity to bear the responsibilities. The steps to be carried out are given in **Step-by-Step Manual**. The steps shall be followed in sequence. Cash contribution from the users (part of cost sharing for investment) and VDC are collected and deposited into the WUSC bank account, which is established in this phase as WUSC gets registered. The WUSC account is administered and managed by the WUSC office bearers independently.

5.3 Implementation Phase

Implementation Phase will put the plan prepared in the Preparatory Phase into action. The main activities include the procurement of construction materials, physical construction of the structures, training and other capacity development as per **Step-by-Step Manual**.

References:

- Step-By-Step Manual (2015)
- Capacity Building Guideline for RWSSP-WN II (2015)
- WUSC Operational Manual (2015)
- Scheme Monitoring Book (2014)
- HRBA & GESI Strategy and Action Plan (2015), DoLIDAR/RWSSP-WN II

The duration of this phase ranges from six months to two years depending upon the size of a scheme.

Implementation Phase starts by signing agreement between WUSC, VDC, DDC and SO. DMC will facilitate preparation of the agreement. A model agreement is presented in the **Step-by-Step Manual**.

5.4 Post-Construction Phase

Sustainability and regular functionality of the completed schemes is an important aspect of the RWSSP-WN II. The project ensures the proper operation and maintenance of the developed water infrastructure. The extensive and diverse post-construction activities are guided by the specific **Post-Construction Guidelines**.

The focus is on enhancing the capacity of WUSC/VDC/V-WASH-CC so that the post-construction activities at scheme and VDC level will and can continue without external support in the future. Similarly, the activities to support establishment of linkages and regular dialogue with line agencies and the local government will also be carried out.

The capacity enhancement activities are broadly divided into three categories: district level, VDC level and scheme level, see Table 5-2. For the individual scheme level, see Table 5-3.

References:

- Concept Note for Post-Construction Phase (2015)
- Post-Construction Guidelines (2015)
- HRBA & GESI Strategy and Action Plan (2015), DoLIDAR/RWSSP-WN II
- Step-By-Step Manual (2015)
- Scheme Monitoring Book (2014)
- Capacity Building Guideline for RWSSP-WN II (2015)
- WUSC Operational Manual (2015)
- Water Safety Planning Guidelines (2015)
- Recharge Ponds Handbook for WASH Programme (2013)
- Solar Lift Scheme O&M Manual (2015)
- VDC wide WASH Monitoring Format (2015)

Table 5-2 Different level of capacity development activities under post-construction

Scheme level (WUSCs)	VDC level (V-WASH-CC)	District level
Post-construction seminar at scheme level (last step in the Step-By-Step Manual)	Post-construction Orientation to V-WASH-CC	Post-construction ToT to the SO/SP.
WSP formulation and O&M plan preparation workshop at scheme level	WUSC O&M management training at VDC level	District level WUSC/VMW/V-WASH-CC workshop
Basic O&M training to female tap group at scheme level	Annual VDC level WUSC/VMW /V-WASH-CC/Female Tap	District level post-construction workshop
Water quality monitoring	Group workshop at VDC level	Exposure visit for V-WASH-CC VMW / Local Latrines Builders
	Water quality monitoring	Refresher Training (as per need)

Table 5-3 O&M management activities

Operation and Maintenance	Water Safety Plan (refer to Water Safety Planning Guidelines, 2015)
Formulate and approve O&M regulation	Prepare annual operation and maintenance plan with Water Safety Plan
Establishment and mobilization of O&M fund	Appraisal of the scheme from water catchment to tap
Mobilization of Village Maintenance Worker (VMW) /care taker	Hazard analysis and risk identification
Store management (tools and spare fitting, remaining materials)	Activities planning and implementation
Monthly water/energy tariff define and collection	Users satisfaction verification activities
Annual general assembly of Users including public audit of O&M fund	Regular Participatory monitoring, documentation and management
Participatory monitoring of scheme operation, water quality, sanitation and hygiene behavior	

6 SUPPORT PERSONS SELECTION AND MOBILIZATION

All the DDCs have agreed to provide adequate full time staff to facilitate the District WASH implementation. If the DDC has not adequate staff it can make contract based employment with individuals or service providers by using DDF funds as below. DDC should also coordinate the use of available human resources from the district based line agencies such as Water Supply and Sanitation Division Office, District Education Office, Women Development Office and District Public Health Office.

References:

- RWSSP-WN II Project Document (2014)
- Support Persons Selection and Mobilization Guidelines (2014)
- MoUs between DDC and DoLIDAR for RWSSP-WN II (2014 and 2015)
- Capacity Building Guideline for RWSSP-WN II (2015)
- HRBA & GESI Strategy and Action Plan, DoLIDAR/RWSSP-WN II

DMC will mobilize various existing volunteer inputs from within the communities, such as TBC triggerers, Female Community Health Volunteers etc. By incorporating the Ward Citizen Forum mechanism, a close linkage with Local Self-Governance Development Programme (LSGDP) and its district, VDC and community based staff is established. DDC shall hire different human resources and depute them in D-WASH Unit. DDC shall continue to hire similar staff in post-project future, and institutionalize these from their own resources (outside DDF). Depending upon the institutional capacity of local NGOs and availability of qualified local human resources DMC can decide to hire NGOs to facilitate WASH activities. Mixed model may also be applied.

Support Persons Selection and Mobilization Guidelines (2014) presents the details of SP selection process, job descriptions, work planning, annual performance evaluation, related formats and scoring criteria. DMC is responsible for recruitment of required number of support persons in the district. **Support Persons Selection and Mobilization Guidelines (2014)** shows all the steps needed. Any attempt to interfere with the selection process before the result is finalized will disqualify the candidate. Candidate can be disqualified at any time also if any information or certificate/s submitted during the selection process be proved as not true.

Short term service providers are generally recommended to select from NGOs/existing roster. DMC may use the list of previously contended candidates. DMC may decide appropriate mechanism while hiring short term service providers for field level, considering the nature of job and prevailing rule and regulation. It is recommended to have output based contracts with such service providers. The tenure should be limited to maximum six months. No short term service providers will be hired to complement SP's regular jobs. Service providers' fee will not be more than fee of existing SPs in the district. Short term service providers are not entitled to get facilities other than basic service fee.

Table 6-1 Proposed staffing for each D-WASH Unit (maximum per district)

Position	Required Number (Maximum)			
	Core Hill Districts	Core Terai Districts	New District (Without Technical Assistance)	Sanitation Districts
1. District Project Officer			1	
2. Field Coordinator	6*	3*	2	1
3. Engineer	1	1		
4. Sub Engineers	2	2	1	
5. WSST/Assistant Sub Engineer	5	3	2	
6. Health Promoters	5	2	3	
7. Lead WASH Facilitators	2	10		
Total	21	21	9	1
*Out of the Field Coordinators one will act as GESI focal person and one as lead trainer				

7 FINANCIAL MANAGEMENT AND FUND FLOW

7.1 Overview and Guiding Principles

District WASH Fund is established in each district under DDF budget heading no. 3658214 for investment and 3658213 for recurrent cost. The Governments of Nepal and Finland and the concerned DDC contribute funds in the DDF as stipulated in the Project Document. DDF is administrated and audited as per Local Government Rules and Regulations approved by the GoN. While both GoN and GoF contributions are released to the same account. Fund from GoN is released to DDF through the regular process of Government of Nepal, whereas GoF contribution is released directly from MFA of Finland to DDF. Therefore at the end of the fiscal year, leftover GoF fund is carried over to the next fiscal year. In case of GoN leftover fund, it is frozen as per the GoN financial rules.

References:

- RWSSP-WN II Project Document (2014)
- MoUs between DDC and DoLIDAR for RWSSP-WN II (2014, 2015)
- Local Self Governance Act, 2055 (1999)
- Local Body Financial Administration Regulation, 2064 (2006)
- Step-by-Step Manual (2015)
- WUSC Operational Manual (2015)
- Anti-Corruption Handbook for Development Practitioners (2012), Ministry for Foreign Affairs of Finland

Funds under the DDF are for financing WASH activities, namely Capital Investment (29611), Program Cost (22522), Capacity Development (22512) and Administrative Cost (26312) Investment. All the WASH activities in districts (except central level capacity development and intra-district capacity development activities) are funded through DDF.

The guiding principles of Project funding and accounting lies on the transparency, accountability and proper utilization of the fund. There is a zero tolerance on financial misconduct and negligence. This applies to both project staff and the various stakeholders dealing with financial transactions.

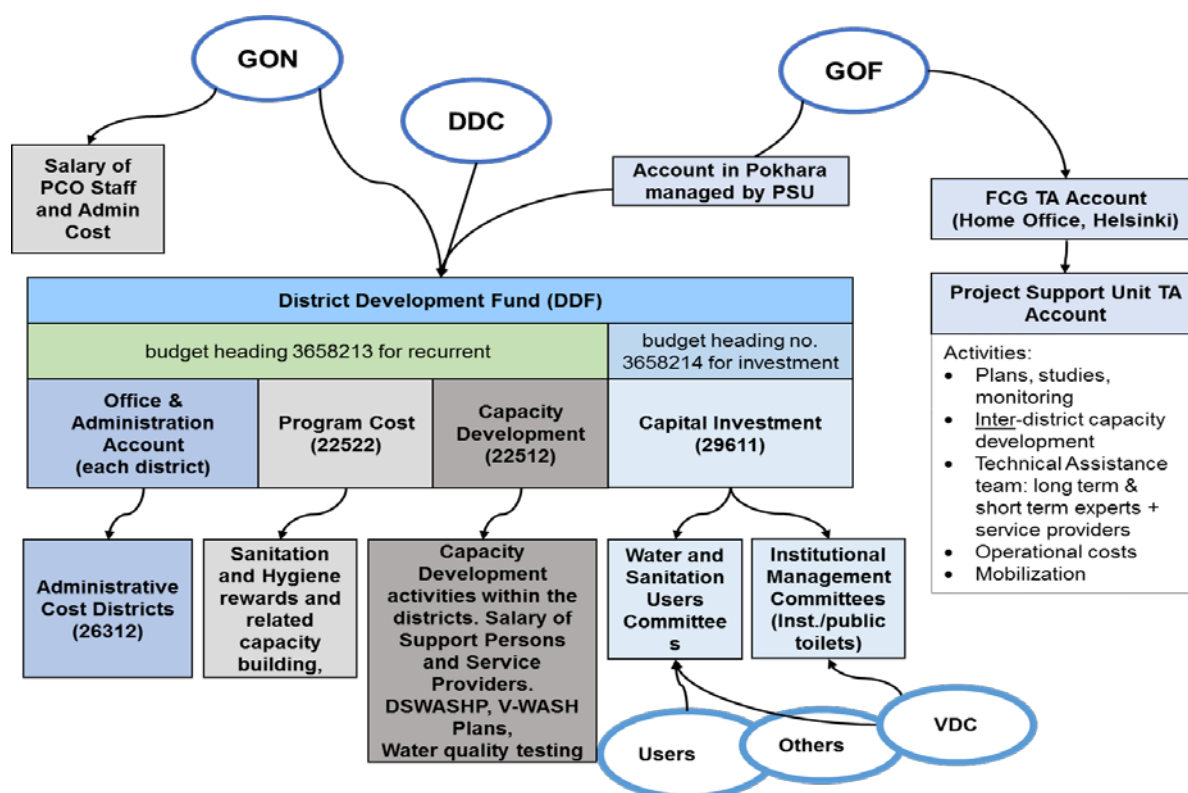


Figure 7-1 Fund flow chart

The following chapters elaborate each account in more detail. Project has three types of funding:

- **Investment account** in DDF receives funds from the two governments and DDC, and is administrated by DDC as any account under DDF.
- **Office & Administration Account** is Nepali Government funding, to be administrated by the Project Coordinator's Office (PCO) in Pokhara and concerned DDCs/ DTOs
- **Project Support account** is Finnish Technical Assistance funds, to be directly administrated by the PSU.

The fund flow is described in more detail in the Project Document and its annexes. The Annual Work Plan's Districts' work plan annexes provide detailed information concerning what should be charged under each heading.

7.2 Capital Investment (Exp H No 29611) - Public Construction

The *Capital Investment* expenditure heading includes all type of construction of such as water supply schemes, recharge ponds and public/institutional/school toilets. This expenditure is accrued through WUSCs or Institutional Management Committees.

All of the expenditure made under the heading will be publicly audited. WUSCs and Institutional Management Committees are accountability for construction of the schemes within the mentioned timeframe and as per the quality described in design report. Any type of misuse of fund is strictly forbidden. The expenditure and accounting procedure of the investment fund is explained in **Step-by-Step Manual** and **WUSC Operational Manual**.

References:

- RWSSP-WN II Project Document (2014)
- Red-book of Government of Nepal for each FY
- Approved Budget Sheet DoLIDAR/MoFALD
- Letter of Authorization for each year

WUSC Account is maintained to cover the cost of construction materials, wages payments, material transportation and other expenditure. Contribution from DDF (GoN, GoF and DDC), share of VDC and contribution from users and income from other sources are deposited in this account. Table 7-1 describes the timeline for instalments to be paid for WUSC:

Table 7-1 Instalments to WUSC from DDC

Instalment	Amount	When?
First	50% of agreed amount	After Signing implementation phase agreement, market survey and quotation approval by WUSC
Second	30% of agreed amount	After public auditing and submission of expenditure statements and recommended by monitoring team
Third/Final	(Max) 20%	After final completion of scheme, final public auditing as verified and recommended by monitoring team.
Total	100%	

Final instalment to WUSC shall be released based on the final evaluation of the work this is based on the Measurement Book. Therefore, final instalment may not be equal, and in any case shall not be more than the amount mentioned in the agreement.

Since the cost estimate is prepared on the basis of assumptions, any leftover material or construction tools at the construction site, if not specifically mentioned as returnable in the design report, shall be handed over officially to the WUSC as property of the community for the operation and maintenance of the scheme. Any fund for scheme cost not spent as per the design report shall remain as a property of the DDF. Such surplus amount shall be adjusted while making the final payment to the WUSC.

Standard agreement for implementation of scheme is made in between DDC, VDC and WUSC. The agreement paper mentions role and responsibilities of all the stakeholders. The agreement template is provided in **Step-by-Step Manual**. Following additional cost is provisioned for scheme implementation.

1. Store rent in road head (as per need);
2. WUSC management cost (max up to 2% of total cost), depending upon the size of the scheme as mentioned in scheme design report and agreement paper;
3. The DDC may approve an additional estimate for scheme materials in case it can be justified, e.g. due to unexpected rise in market price, changed natural conditions or a natural calamity.

The contingency, which is maximum 5% of the scheme cost, shall be provisioned in design report of the particular scheme for any kind of unexpected price escalation or damage of the structure or materials due to natural calamities. The contingency amount can never be used for other than scheme purpose. The monitoring and other cost are separately provisioned under capacity development heading under DDF for DWASH Unit.

7.3 Procurement of Construction Materials

7.3.1 Guiding Principles

Procurement of construction materials required for the schemes shall only be done by WUSCs. Therefore, WUSCs lead the procurement process, and the role of DDC/DWASH Unit shall be limited to facilitating the process. The process mentioned in LBFAR 2064 (clause 155) shall be followed. The provision made in clause 155 and role and responsibilities of WUSC (clause 156) is provided in Annex 1 of **WUSC Operational Manual**.

References:

- Provision Concerning the Works to be Carried Out Through Consumers' Committee (LBFAR 2064 clause 155)
- Functions, Duties and Powers of Consumers' Committee (LBFAR clause 156)
- WUSC Operational Manual (2015), Annex 1
- Public Procurement Act, 2063 (2006)

In case where WUSC and/or its users consider that WUSC is not capable to procure the external materials, if so realized and decided by beneficiaries mass meeting, DDC/DMC shall provide support preparing tender documents, tender evaluation and quality inspection following the process mentioned in chapter **7.3.3** of this guidelines.

The Project Document (a part of bilateral agreement between the governments of Nepal and Finland) clearly indicates that WUSC is accountable for procurement and management of construction activities, and that the fund flows to WUSC accounts (not through VDC or any other means). Therefore the procurement practice needs to go through WUSCs. In this regard, capacity development and sustainability through quality services being one key objective of the project, the clause 44 of Public Procurement Act 2063 states: *"Construction Works can be Carried out by Users Committee or Beneficiary Community: If economy, quality or sustainability is increased in having a construction work carried out or obtaining services related thereto from the users committee or beneficiary community or if the main objective of the project is to create employment and to have the beneficiary community involved, such work can be carried out by or such service can be obtained from a users' committee or beneficiary community by fulfilling the procedure as prescribed."* LBFAR (2007), clause 155 and Local Body Resources Mobilization and Management Manual, 2069 (clause 23, 1 (tha) (स्थानीय निकाय स्रोत परिचालन तथा व्यवस्थापन कार्यविधि, २०६९) state: *"Notwithstanding anything contained elsewhere in these Rules, out of the projects to be operated at the local level, a programme costing up to **six million rupees** shall be given priority to be carried out by the Consumers' Committee formed by the local consumers"*.

Clause 155 of LBFAR gives priority to users committees to implement projects estimated to cost up to six million rupees. However, there are no restrictions for the users committees to implement the projects estimated above six million rupees cost through the prescribed procurement process. Therefore, to maintain the thrust of bilateral agreement between the governments of Nepal and Finland and LBFAR, procurement and management of the schemes of any cost is provisioned to carry out by WUSCs.

Therefore, according to the provisions mentioned in the bi-lateral agreement (the Project Document of RWSSP-WN II), the Public Procurement Act clause 44 and LBFAR 2064, this Implementation Guidelines makes it mandatory for WUSCs to carry out all scheme related procurement and management regardless of the total cost of the scheme.

Since the procurement and management of schemes under RWSSP-WN II are carried out only by WUSCs, the Public Procurement Act (2007) and its regulations are not applied to WUSC because WUSC does not fall under 'public entity'. Procurement principles like competitive procurement, public audit and participatory decision making process shall be followed during procurement process by WUSC. Role of DDC/DTO and the project is to ensure proper use of the guidelines.

Public Entity as per the Public Procurement Act 2001, Chapter 1(2.b)

“Public Entity” means the following entity:

- (1) Constitutional organ or body, Court, Ministry, Secretariat, Commission, Department of the Government of Nepal or any other Governmental Entity or Office thereunder,
- (2) Corporation, Company, Bank or Board owned or controlled fully or in majority by the Government of Nepal or Commission, Institute, Authority, Corporation, Academy, Board, Center, Council established at the public level or formed by the Government of Nepal under the laws in force and other corporate body of a similar nature,
- (3) University, College, Research Center, which is operated by the Government of Nepal or receives grants fully or in majority from the Government of Nepal, and other Academic or Educational Institution of a similar nature,
- (4) Local body,
- (5) Development Board formed under the Development Board Act, 1956,
- (6) Body operated with loan or grant of the Government of Nepal, and
- (7) Other Bodies as specified by the Government of Nepal by publishing a notification in the Nepal Gazette, as a Public Entity”

WUSC procures materials only from the manufactures having received Nepal standards or from the authorized suppliers of manufacturer having received Nepal Standard/Indian Standard/British Standards/ DIN standards or equivalent. WUSC should purchase only those construction materials and equipment which meet the detailed technical specification and quality certified by DTO. WUSC is required to purchase the materials from a firm registered at VAT office unless otherwise waived according to financial regulations of GoN.

General Requirements for WUSCs

- a) WUSC must have received capacity development training on procurement process before undertaking the responsibility of procuring construction materials in preparatory phase.
- b) The training shall have included proficiency topics on existing procurement modes/processes under LBFAR 2064 (clause 155), technical specifications and quality standards of pipe, cement and other construction materials.
- c) WUSC shall call a mass meeting to discuss and decide on the existing modes of procurement. Criteria will be established for each mode of procurement, which can fall under any one of the following:
 - Mode 1: Direct Purchase (up to NPR 25,000 with VAT bill)
 - Mode 2: Competitive Quotation (any amount as decided by WUSC)
 - Mode 3: Tendering Process (any amount as decided by WUSC)

It is the responsibility of DMC and SO/SP to provide support to WUSC in preparing quotation/tender documents, identification of quality materials and preparing comparative charts in any mode of procurement (as described in the following chapters 7.3.2 and 7.3.3).

7.3.2 Procurement by Competitive Quotation

In general, the following steps shall be followed for this mode of procurement process, also described in the Step By Step Manual. The process is in line to Local Body Resources Mobilization and Management Manual, 2069 (clause 23, 1 (tha) स्थानीय निकाय स्रोत परिचालन तथा व्यवस्थापन कार्यविधि, २०६९):

1. SO/SP facilitates WUSC to prepare the procurement plan during Community Action Plan workshop. In this workshop the community will approve the plan.
2. Mass meeting of users will form a Procurement Committee comprising of 3 to 5 members. To facilitate this committee, DMC will nominate one technical staff from DWASH Unit. There should be at least one woman included. The technical staff should provide encouragement and confidence development to women and DAGs, as this is often a committee where GESI requirements are not met.
3. Community Action Plan having a procurement plan is attached in the Implementation Phase Agreement to be signed in between the WUSC and DDC for implementation of the scheme.
4. DWASH Unit shall provide the following preparatory support for WUSC:
 - a. prepare a list of all items that are likely to be used in the scheme, either as construction materials or equipment immediately after the implementation phase agreement
 - b. categorize the items in major headings as High Density Polyethylene(HDPE) Pipe, Galvanized Iron (GI) Pipe and Fittings, Cement, Steel, etc. separately for quotation purpose
 - c. provide a detailed technical specification of construction materials and equipment to WUSC and SO/SP
 - d. develop standard Quotation Formats and Notice for Quotations and provide them to WUSC. This Quotations Formats shall bear the official stamp of WUSC and indicate the following:
 - Bill of Quantities that clearly mention the quality standards (e.g. Nepal Standard, Indian Standard & equivalent) of materials to be procured;
 - Responsibility of Supplier (Manufacturer/Authorized supplier of manufacturing companies) regarding assurance of quality of materials;
 - Conditions of contract.
5. Once the implementation phase agreement is signed and all preparatory works done, the Committee shall first make a market survey for assessment of unit price, availability of construction materials in required quantity, and identification of potential manufacturers/authorized suppliers that can supply such items like polyethylene pipe, GI pipe, fittings, cement, steel bar, etc. of desired quality and standard. All the activities carried out during procurement process shall be clearly described in the Minutes.
6. The Procurement Committee shall submit Standard Quotation Form to at least three potential suppliers and ask them to duly fill in the quotations or alternatively, WUSC shall publish the Request for Quotation notice in a local newspaper. The Committee may have the option for further negotiation of price to fall within the approved rate. On the basis of least price (without compromising the quality), the Committee shall select supplier/manufacturer for purchasing of materials. The Committee may also negotiate with the selected supplier for transportation of materials to the road head and may decide the mode of payment. It is recommended that suppliers receive payments by Account Payee Drafts/cheques.
7. DMC shall release the amount of first instalment (maximum up to 50% of agreement amount) from DDF to the WUSC account.

8. In case the monitoring team informs DMC about mishandling or misuse of fund during procurement, the Local Development Officer (LDO) shall request the concerned bank authority to suspend the WUSC bank account. In such a case, the suspended bank account of WUSC can only be made operational on the written request of the LDO.

7.3.3 Procurement by Tendering Process

WUSC shall decide to follow tendering process, if the WUSC realizes that they are not capable to handle the procurement business. It MUST be decided by mass meeting held during preparatory phase. In that case, procurement shall be done in joint management of DMC and WUSC.

Joint Management: DMC shall establish a mechanism for joint management with WUSC for procurement of materials. Joint Management shall have the following mechanisms:

1. Formation of a Bid Committee by WUSC with 2 to 3 coming from its members and one staff from Support Organization/Support Person. The chair of this committee shall be the person decided by WUSC.
2. DMC shall nominate as additional members from DTO office, Account section of DDC, Legal adviser of DDC and any other person as decided by DMC.
3. Whole bidding process shall occur under the official name of WUSC.
4. DMC will decide on the selection of procurement method as per LBFAR.
5. DTO chief with assistance of DWASH Unit will prepare a complete set of bidding documents.
6. WUSC will nominate one of its members as a responsible person for selling of bidding documents. The person will be responsible for documentation of records. The Bid Committee shall nominate DTO chief to check the applications of bidders and will recommend for the issuance of bidding documents.
7. Bid evaluation shall be conducted by members of the Bid Committee. DMC will approve the whole bidding process and selection of bidder.
8. DTO chief with assistance of DWASH Unit shall prepare Contract documents and on behalf of the Bid Committee, WUSC will sign the Contract with DMC acting as witness.
9. DMC shall establish a mechanism for quality assurance for procurement of materials.
10. DTO chief and DWASH Unit technical staff of PSU shall check and approve the quality of materials and shall recommend to DMC for payments.
11. DMC shall recommend to WUSC for payment.
12. WUSC shall make payments based on the recommendation of DMC and approval from a mass meeting of users. Transparency and accountability is vital, therefore participation from all sectors of the users should be encouraged in the mass meeting.

7.4 Contribution Pattern for Public Construction

The Project Document has provided outline for the contribution for different components by different stakeholders. For public construction, expected DDC/VDC contribution is 10% (DDC 4% and VDC 6%) whereas, users' contribution is 25% in cash and kind. GoF contribution is expected maximum 32.5% and GoN contribution of minimum 32.5%.

References:

- RWSSP-WN II Project Document (2014)
- Community Contribution for RWSSP-WN II WSS Scheme Implementation (2014)

The contribution pattern was discussed during inception workshops and it was realized that community contribution of 25% is not possible in all type of applied technology, whereas there is room for more community contribution in some type of technologies like recharge ponds, gravity water supply schemes and toilet construction. Therefore, to make the contribution practical, GESI friendly and not compromising the overall contribution from local level, following contribution

pattern is approved by 2nd Supervisory Board Meeting dated April 3, 2014. The contribution pattern shall be followed by all the districts.

Table 7-2 Contribution pattern for Public Construction

Works assigned to community for kind contribution	Min. estimated contribution %
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A. Gravity Flow Schemes

1	Pipeline trench digging and burying for transmission and distribution system	19%
2	Unskilled labor for tap stand construction	2%
3	Site clearance and foundation digging for all structures	0.20%
4	Collection and transportation of all other local materials except sand	5%
5	One person day contribution for transportation of non-local material transportation by head load	1%
	Total	27%

B. Rainwater Harvesting Schemes

1	Unskilled labor for rainwater harvesting jar construction	6%
2	Collection and transportation of all other local materials except sand	7%
3	Labor for Gutter Fixation	0.76%
	Total	14%

C. Lifting Schemes (Solar or Electrical)

1	Pipeline trench digging and burying for transmission and distribution system	9%
2	Unskilled labor for tap stand construction	2%
3	Site clearance and foundation digging for all structures	0.20%
4	Collection and transportation of all other local materials except sand	5%
5	One person day contribution for transportation of non-local material transportation by head load	1%
	Total	17%

D. Recharge Pond

1	Site clearance and digging of trenches	17%
2	Collection of stones	20%
3	Unskilled labor (helper)	13%
	Total	50%

Note to community contribution: district fund will cover the cost for external materials, its transportation and skilled labor (*mistri*) only. All other costs should be covered by community

E. Public/Institutional toilets : DDF contribution is 50 - 70% (revised by 4th Supervisory Board Meeting on August 25, 2014 as recommended by 1st Steering Committee Meeting on 9th June 2014)

1	No kind contribution all the cost will be calculated on Cash	30-50%
	Total	30-50%

DMC shall decide on the contribution from local level (including DDC) ranging from 30-50% considering the availability of local resources from VDC/Municipality, Market Management Committee etc

F. School toilets

1	Stone collection and Trench digging	20%
	Total	20%

G. Point Source Improvement

1	Local materials and unskilled labor	35%
	Total	35%

While preparing the cost estimate, the components that are allocated for kind contribution must be calculated under the community in kind contribution. By doing so, the community contribution may also be higher than the anticipated minimum community contribution. In case the minimum community contribution cannot be achieved by calculating the allocated components, the remaining share shall be deducted from the paid headings to meet the total minimum community contribution.

If the scheme is planned for private taps, the house owner shall additionally contribute the maximum of 30 meters of pipe, water meter, tap, and other accessories needed for the private connection. Such costs shall not be included in the total cost of the scheme but shall be mentioned separately as additional community contribution in the design report.

7.5 Sanitation and Hygiene (Exp H No 22522) - Program Cost

Sanitation and hygiene related capacity development activities and reward money for ODF and Total Sanitation declarations are implemented under this heading following the **Capacity Building Guideline for RWSSP-WN II and the principles as outlined in the National Sanitation and Hygiene Master Plan 2011**. In all type of Sanitation and Hygiene activities; the contribution shall be 66.5% from GoF, 30% from GoN and 3.5% from DDC and VDC.

References:

- National Sanitation and Hygiene Master Plan (2011)
- Capacity Building Guideline for RWSSP-WN II (2015)
- See also references listed in Chapter 4

Table 7-3 Promotional grants under “Sanitation and Hygiene (Exp H No 22522) - Program Cost”

Sn	Description	Hill VDCs	Northern Terai VDCs	Southern Terai VDC
1	ODF per VDC	NPR 100,000	NPR 200,000	NPR 300,000
2	Total Sanitation Per ward	NPR 5,000	NPR 5,000	NPR 5,000
3	Total Sanitation Per VDC	NPR 10,000	NPR 10,000	NPR 10,000

Note: 1) DMC shall define the northern and southern VDCs of Terai districts. 2) No promotional grant shall be given to municipalities established before starting of RWSSP-WN II. However, promotional grant can be provided to municipalities declared during the project period of RWSSP-WN II considering the present ward or full municipality as one unit.

7.6 Capacity Development Activities (Exp H No 22512)

Following expenses are covered from the heading Capacity Development Activities (Exp H No 22512) for RWSSP-WN II.

Table 7-4 Expenses to be covered from Capacity Development Activities (Exp H No 22512)

Sub Headings	Description
C.1 WUSC Training (Step-By-Step)	All the scheme level training to WUSCs conducted as per step by step guidelines. Field coordinator is responsible for the coordination of the training and reporting.
C.2 Technical Capacity Development	Technical training like VMW, Local Latrines Builders, rainwater harvesting <i>mistri</i> , Pump operator etc. The training is managed by DMC nominated DDC/DTO staff.
C.3 Water Safety Planning/CCA/DRR	WSP training is managed by respective SP or assigned DDC staff or service provider as per agreement.
C.4 Gender Equality and Social Inclusion (GESI)	GESI related district level training/workshops. VDC level training is managed by respective field coordinators. District level events shall be managed by assigned DDC/DTO staff.
C.5 Learning and Sharing	Exposure visits of district, VDC and scheme level. The training shall be managed

	by assigned DDC/DTO staff.
C.6 Sustainability and Functionality	Post Construction related activities are managed by respective field coordinators.
C.7 Planning	V-WASH and DWASHP Planning cost managed by DDC/DTO staff.
C.8 Support Person Cost	Support persons salary, allowances and other costs managed by DMC
C.9 DWASH Unit Capacity Development	DMC, D-WASH-CC meeting cost and stationaries required for DWASH Unit
C.10 Monitoring	Scheme and VDC level monitoring cost. The budget shall be utilized for scheme monitoring as per step by step process, annual VDC level monitoring, ODF/TS monitoring from district level and any other type of special monitoring that is carried out by the district or central level.

7.7 Monitoring and Auditing of DDF

District WASH Fund is established under DDF to invest for RWSSP-WN II schemes and activities at district level. All DDF funded activities are to be approved in the district annual work plan. The progress of activities is endorsed by DMC meetings. Status of income and expenditure of DDF is regularly monitored by DMC. DWASHA in close coordination with account section of DDC verifies the payments made in the respective month and sends the financial report to PSU.

A joint team represented by PSU (Chief Administrative and Account Officer), PCO Account Officer and DDC Account Officer of respective district monitor each DDF minimum twice a year. First monitoring will be carried out during January-February and second monitoring during May-June of each year. The team will randomly verify the payments and its related procedures. The team will prepare on site report and submit to LDO of respective district, National Project Coordinator and Chief Technical Advisor of the project. The recommendations are discussed for action at that time.

Auditing Investment Account (DDF)

Auditing of the accounts will be done as per the prevailing GoN financial rules and regulations. The records, bookkeeping and accounting adhere to the principles of GoN financial rules and regulations as applicable to the local governments (DDC, VDC) and WUSCs. Internal audit of these accounts will be done by DDC concerned auditor and final audit by the Office of the Auditor General. Local development Officer on behalf of DDC will be responsible for timely auditing of the fund. The clearance of audit objection of the account will not be carried out to the next fiscal year. It should be cleared as soon as possible.

Anti-corruption measures

Due to a plethora of political administrative, accountability and other relevant problems, Nepal is at a vulnerable state and affected by corruption. RWSSP-WN will put into practice MFA's Anti-corruption Handbook for Development Practitioners and has zero tolerance against corruption.

This has two implications: (i) procedures and modalities are designed to eliminate corruption to the extent possible and (ii) prompt action is taken in possible corruption cases.

The prioritisation and selection of VDCs and schemes will be based on strict compliance with the criteria approved.

In principle, major procurement (water supply) will be carried out in a transparent manner at the lowest appropriate level (predominantly by WUSCs), accountable to water user groups.

Public audits at the community level are among the key instruments. Financial flows will be as direct as possible. In Phase II, funds for water supply investments will flow from DDC 's to WUSCs' account directly – not through VDCs.

Monitoring of the use of funds will be in compliance with GoN's mechanisms and subject to systematic and special audits.

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Auditing WUSC Accounts

Since DDCs have to get their DDF audited by the Office of the Auditor General, a separate audit at WUSC level is not required. However, DDCs ensure that WUSCs are following the suggested book keeping and accounting system and to see that the funds are used as intended. This is inbuilt into the Step-By-Step scheme monitoring and its specific formats. In case DDC feels it is necessary to get WUSC account audited, management of the audit will be done by DDC as decided by DMC. The fund required for the task should be covered from monitoring cost provisioned in the Annual Work Plan. Public audit of the funds released to the WUSC is mandatory before getting final instalment from DDF, and part of the Step-By-Step approach that has regular public hearings and public audits.

7.8 Financial Management at WUSC Level

Rationale and Objectives

Any organization or registered committee that deals with money has to keep a written record of all its financial transactions. Systematic bookkeeping includes exact information on all incomes and expenses. It shows to

whom payments have been made, when, for what purpose and what is the financial position after each transaction. This information allows a committee to budget and make realistic plans for future activities. Both a committee itself and concerned authorities need the bookkeeping also for monitoring and audit of the use of money, see **WUSC Operational Manual**.

The objectives of the WUSC book keeping are to:

- have a permanent record of each financial transaction;
- provide reliable information of the financial position of the WUSC;
- provide information for the financial decision making; and
- provide information for auditing.

References:

- Step-by-Step Manual (2015)
- Scheme Monitoring Books (2014)
- WUSC Operational Manual (2015)

Many stakeholders including DDC, VDC, SO, V-WASH-CC, WUSC and users are involved in the RWSSP-WN II. Every partner has a certain financial role, and each of them also wants to have a clear picture of the financial situation. It is very important that the WUSC has a good knowledge in bookkeeping and keeps written record of all its incomes and expenses. Systematic bookkeeping is especially important in RWSSP-WN II because the implementation funds go directly to the WUSC bank account based on the progress of work. In this project users are the owners and WUSC is the implementer of the scheme. They are involved both physically and financially. Because the users invest their own money to the project, they are interested and entitled to know how their money is used at every step of the project. WUSC has to keep a clear record (bills, receipts, technical evaluation and documents supporting the expenditures) of all financial transactions and make the records available to users and auditors whenever needed.

How to keep the records?

Government of Nepal has several formats to keep and update records of transactions. Yet, WUSC does not have professional staff for this purpose and dealing with many papers may be confusing also to the water users. WUSC is recommended to keep and update the basic records with the use of a minimum number of forms. Clear records as regards to the persons who have worked in full wage, who have worked in low wage or who have worked without wage have to be maintained separately.

Who will keep the records?

WUSC, as provisioned in their statute, has the main responsibility of recording all transactions and keeping the financial records updated. WUSC has to keep safely the bills and vouchers obtained in relation to the works done. This responsibility should be taken into account when selecting a suitable person for a WUSC treasurer. It is also recommended that all WUSC members know how to keep records updated. SO/SP should assist WUSC in bookkeeping.

Scheme related procurement

WUSC has the key role to play in procurement and financial matters. This is important part of capacity development: the members of WUSC have to learn where and how to procure materials, what they cost and how to assess quality and organize logistics, otherwise the future sustainability of the scheme is questionable. Therefore, it is utmost importance to take all these steps carefully: some WUSCs are more experienced than the others. On-The-Job learning is the way forward even if it may take time and effort from all concerned. If the financial reports are not in a written form, clear and reliable, the whole program may suffer. Unclear financial reports may lead to distrust and disputes among the users as well as with concerned authorities, see **WUSC Operational Manual**.

Reporting

The scheme implementation funds will be released to the WUSC account for the investment. This includes money that users invest in the scheme, and the contributions from both VDC and DDF. Part of the funds will be an advance from DDF according to the scheme progress. WUSC assisted by SO/SPs will submit monthly expenditure statement of funds to the DMC as prescribed in this guideline. DMC has also right to ask for financial and progress report as and when needed. In addition, WUSC is required to provide progress reports on project construction to the concerned local body (VDC and DDC) on bi-monthly basis. WUSC keeps the original bills and receipts along with financial statement. To clear the respective advance and get new instalment/final payment from DDF only technical evaluation of work will be required for payment to WUSC. Information about the expenses made by WUSC will be exposed in public audit. D-WASH unit shall forward Monthly financial reports (*Kharcha ko Phantwari*) to PCO/PSU/DoLIDAR within first week of each month.

Public Auditing

Public audit is conducted at least three times during a scheme cycle. WUSC is responsible to arrange the public audit in consultation with SOs/SPs and DMC. The first audit will be done upon completion of design/estimate. Scheme board, indicating all component wise cost estimate will be presented at this time. The second audit will be done after procurement of materials. Representation of majority of the respective beneficiaries is mandatory in the public hearing, which shall include 50% of women, proportionate representation of DAGs and representation of 2/3 of households. Documents and the "Scheme Notice Board", sometime called 'hoarding board' (containing social map, layout plan, budget and contributions, and eventually the actual expenditure) must be at least in Nepali language. Facts must be explained in the public hearing in other local language(s) as well.

The final public audit will be done when the scheme implementation is completed. Representation of the respective beneficiaries is mandatory in the public audit, which includes 50% of women, proportionate representation of DAGs and representation of 2/3 of households. When final monitoring team will agree on completion of the scheme, technical personnel of SO/DTO and SPs will measure the quantity of works and verify the WUSC's book keeping and prepare the final measurement book. The scheme expenditure shall be approved from the "Public Auditing". The final payment is made as per the final measurement book conceded by the public auditing.

Financial Clearance of Schemes

After completing all the construction works and financial transactions publicly audited, financial clearance of the schemes will be made. The following documents are needed for the scheme financial clearance:

- Measurement book
- Work completion report
- Minute of public auditing
- Recommendation of VDC
- Final field monitoring report

8 MONITORING AND EVALUATION

8.1 Rationale and Objectives

Monitoring and evaluation (M&E) are important to ensure that the intended results of the project interventions are achieved both in terms of quantity and quality. Monitoring should be relevant, timely and accurate. It should produce the data and information that project stakeholders require to understand the progress and impacts of RWSSP-WN II. M&E is built into RWSSP-WN II project's organizational and implementation structure. It is continuous and systematic flow of information within the project.

The information flow is two-way, providing immediate feedback and recommendations for those involved. The information serves many interests:

- Inform decision making
- Track progress
- Measure impacts and results
- Increase accountability
- Encourage investment and willingness to contribute
- Build capacity

References:

- Concept Note for Monitoring (2015)
- VDC Wide WASH Monitoring Format (2015)
- Step-by-Step Manual (2015)
- Scheme Monitoring Book (2014)
- HRBA & GESI Strategy and Action Plan, DoLIDAR/RWSSP-WN II (2015)
- MoUs between DDC and DoLIDAR for RWSSP-WN II (2014, 2015)

Monitoring and evaluation is a participatory process. The core elements of the district, VDC and scheme level monitoring in RWSSP-WN II are:

- Process follow-up (Step-by-Step process, Implementation Guideline, Fund Flow)
- Verification of data (Reports) provided by SO/SPs etc.
- Physical verification of constructed facilities
- Verification of quality of construction works and materials
- Identification of potential WASH service gaps in VDCs
- Quality of the capacity development of WUSCs
- Ensuring that the GESI/HRBA rules and procedures are obliged with

Also assessing impacts of the activities against set indicators is important. The project level (logical framework) monitoring is done in PSU utilizing the MIS system. PSU/PCO also provide information to national monitoring systems and government stakeholders.

8.2 Monitoring, Planning and Reporting Framework

The aim of RWSSP-WN II is to apply such monitoring, reporting and planning tools that could be utilized by the district and VDC actors regardless the presence of RWSSP-WN II. Clearly, some tools are only RWSSP-WN II specific but some of them could be applied by DDCs and VDCs as such or modified after phasing out of RWSSP-WN II. Monitoring and planning tools of RWSSP-WN II can be divided into three guiding categories: 'RWSSP-WN Specific', 'Not only RWSSP-WN specific', and 'Not RWSSP-WN specific'. However, the above mentioned division is not definite but serves more as an aspirational guidance in developing tools to be used long-term in WASH implementation.

The framework including the tools, data flow and categorization for different levels is presented in Figure 8-1. Different tools can be located between the categories depending on their role and content as part of long-term implementation process. The approach is aiming to assess different tools and their applicability potentially without the project support. The framework combines all relevant tools used for collecting and monitoring information and processes.

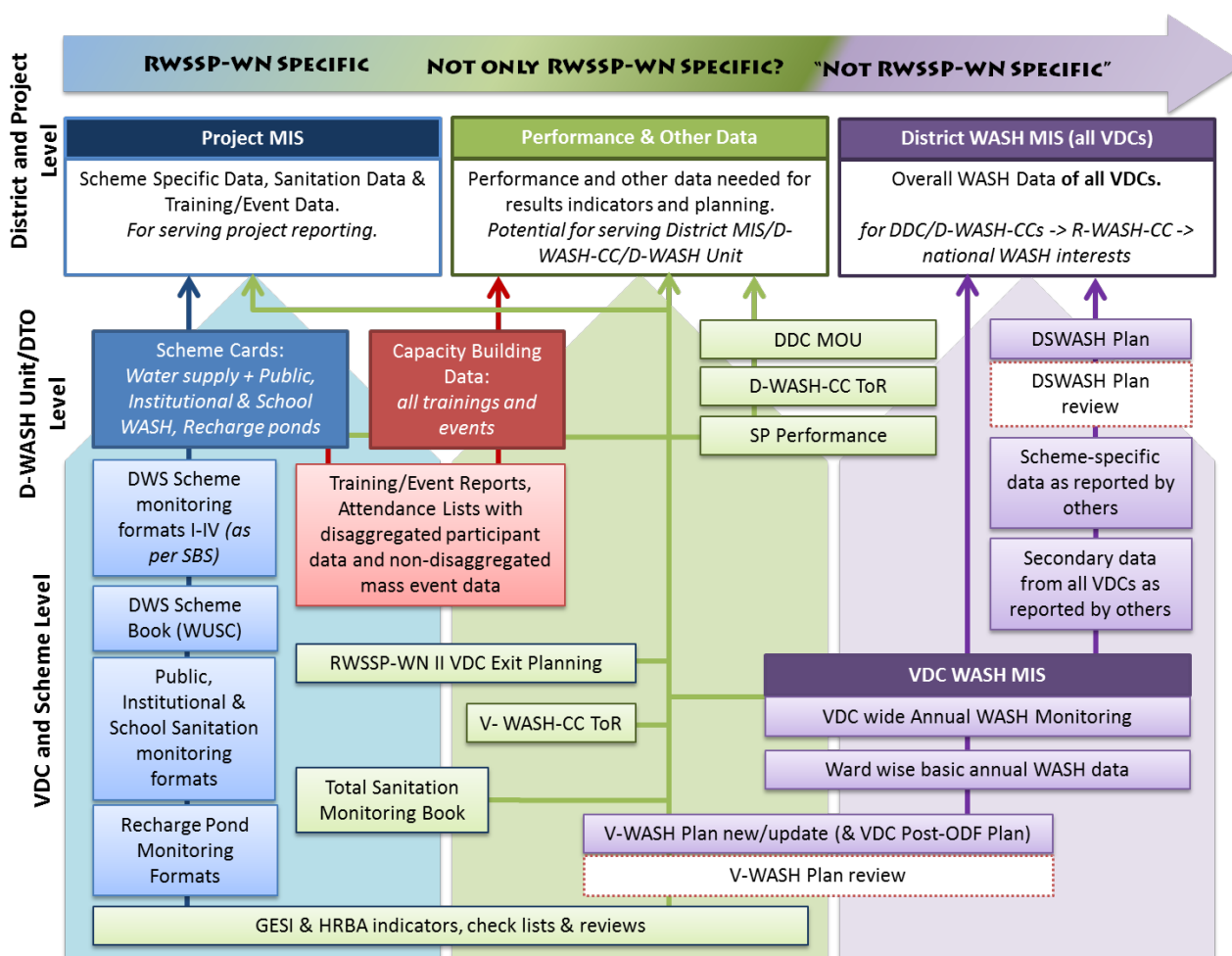


Figure 8-1 Framework for information flow and monitoring tools for different levels

8.3 Monitoring at Different Levels

Monitoring and evaluation of project activities will be carried out at different levels from community and scheme to project level as described in the following chapter. The monitoring will take place in different phases of the WASH programme cycle. Monitoring teams will carry out monitoring utilizing the applicable tool. For each RWSSP-WN II monitoring tool there is a defined approach how, when and who will be using the tool.

References:

- HRBA & GESI Strategy and Action Plan, DoLIDAR/RWSSP-WN II (2015)
- Concept Note for Monitoring (2015)
- VDC wide WASH Monitoring Format (2015)

The aim is to collect reliable data through a quality process and participating stakeholders. The monitoring events requiring larger participation will be planned in advance taking into account the relevant factors.

In addition to the recommended minimum monitoring visits, Central Level, DDC/DTO/DWASH Unit and PSU will carry out ad hoc supervision/follow up visits. All RWSSP-WN II M&E information will be adequately disaggregated to assess the inclusiveness of the project activities with particular regards to women and disadvantaged ethnic groups such as *Dalit, Janjatis, Religious Minorities and Terai Disadvantaged Groups*. The **HRBA & GESI Strategy & Action Plan** provides detailed indicators in this regard. GESI and HRBA as a cross-cutting theme is included across all monitoring systems.

In the following tables the main monitoring and related planning tools are listed for District & DWASH Unit, VDC and Scheme Levels. Time period, source of data and responsibilities are defined in the tables. Water supply scheme monitoring and VDC wide annual WASH monitoring are elaborated more in detail at the end of the chapter.

8.3.1 Scheme Level Monitoring

Monitoring of Drinking Water Supply Schemes is guided by the Step-by-Step Manual. There are three monitoring visits during the preparatory and implementation phases and one visit during the post-construction phase. For each DWS scheme there will be a **scheme monitoring book**. The findings of each monitoring visit should be validated by WUSC/users and to be recorded in the **WUSC register book and in the scheme monitoring book**.

For recharge ponds there are two monitoring visits. For public, institutional school toilets there are two compulsory monitoring visits and one optional. The scheme and community level trainings and events will be monitored as per need, in addition to the regular reporting of SO/SPs.

References:

- HRBA & GESI Strategy and Action Plan, DoLIDAR/RWSSP-WN II (2015)
- Step-By-Step Manual (2015)
- Scheme Monitoring Books (2014)
- Public & Institutional Toilet Schemes Feasibility Study and Monitoring Formats (2015)
- School Toilet Schemes Feasibility Study and Monitoring Formats (2015)
- Recharge Pond Scheme Monitoring Formats (2015)
- Post-Construction Guidelines (2015)

Scheme level monitoring applies to drinking water supply schemes, sanitation schemes and recharge pond schemes. The time period and responsible persons are given in the Table 8-1 below. The scheme formats will be filled at the spot of monitoring and signed by all the visiting members. The findings of the monitoring will be presented to the beneficiaries and the key recommendations will be written in respective minute book of beneficiaries (e.g. WUSC Register Book). The monitoring teams are requested to check these recommendations by the previous team before proceeding further in their task. All monitoring reports will be submitted to DMC of respective district and PSU.

Table 8-1 Scheme level monitoring

Document	Time Period	Source of Data
DWS Scheme Monitoring Book	According to Step-by-Step	Design documents, WUSC, users, minutes etc.
Public, Institutional, School Toilet Monitoring Formats	As required, before and after construction	Design documents, Management Committee, etc.
Recharge Pond Monitoring Formats	As required, before and after construction	Design documents, users, community, etc.

Monitoring Team from the district and PSU level will monitor the schemes at the various stages. Considering the frequency of the monitoring visits, the scheme level monitoring will be made more participatory. See the details for the monitoring teams in the respective monitoring formats for water supply, recharge pond and sanitation schemes. The monitoring team composition for DWS Scheme Monitoring is described below.

Table 8-2 Composition of DWS scheme monitoring team

Stakeholders	Recommended team members
DDC/DTO/DMC/ Line agencies	DMC member or any person assigned by DMC DDC/DTO staff (preferably officer level) Other members as per requirement
RWSSP-WN II	DWASH Adviser PSU representative, If needed
VDC	VDC Secretary/technical staff VDC level political leaders
V-WASH-CC	V-WASH-CC representative preferably from same ward
SP/SO	SO staff/SPs (as observers)

(At least 1 technical person from DDC/DTO/RWSSP-WN)

Topics of the water supply and sanitation scheme monitoring in different project phases are listed in more detail in the Table 8-3. While scheme monitoring are the most rudimentary monitoring event, other forms of monitoring also exist (see the following chapters).

Table 8-3 Monitoring objectives at different phases

Purposes of monitoring	Water supply schemes	Public, institutional, school toilets
During all phases	Trainings and other capacity building events held as planned Fund instalments as planned Adequate presence and performance of SPs In case of DWS, WUSC has adequate representation of women and Disadvantaged groups	
Preparatory phase	Does the scheme serve those who are unreached All who could be included, are included First public hearing held? Appropriateness of the design Capacity and commitment of users and WUSC to implement the scheme	Design & location are accessible, Disabled and GESI friendly Water facility Environmental sanitation School/Institutional Management Committee has potential for O&M Location and land; small business opportunities (in case of public toilets)
Implementation phase	Quality, costs and contributions to construction work Quality of construction materials Book-keeping and store-keeping	Quality, costs and contributions to construction work Environmental sanitation Future O&M plan School
Post-Construction phase	O&M and Water Safety Plan prepared and implemented VMW trained and working Water tariff collected Considerations to climate change and disaster risk reduction?	Toilet is used, clean, user-friendly Water facility Environmental sanitation

DMC and D-WASH Unit will plan all the monitoring visits in advance and invite the members with enough time margins so that the team members can manage the field trip. In the following table the scheme monitoring minimum frequency is provided technology wise.

Table 8-4 Minimum frequency of scheme level monitoring visits according to technology

SN	Scheme technology	End of Preparatory Phase	During Implementation Phase	End of Implementation Phase	PoCo Phase	Total Visits
1	Drinking water supply schemes	1	1	1	1	4
2	Recharge pond schemes	1		1		2
3	Public, institutional and school toilets schemes	1		1	1*	3

* Optional monitoring

8.3.2 VDC Wide Annual WASH Monitoring

VDC Wide Annual WASH Monitoring has the following objectives:

- Review the overall VDC WASH situation
- Assess the quality of sanitation and hygiene and water supply activities and define areas of improvement
- Produce the data for the DWASH MIS
- Guide the decision for RWSSP-WN II VDC exit
- Verify key data for RWSSP-WN II indicators

References:

- Concept Note for Monitoring (2015)
- Concept Note for VDC Exit (2015)
- VDC Wide WASH Monitoring Format (2015)
- Post-Construction Guidelines (2015)
- National Sanitation and Hygiene Master Plan (2011)
- HRBA & GESI Strategy and Action Plan, DoLIDAR/RWSSP-WN II (2015)

As part of VDC wide annual WASH monitoring also the fulfilment of V-WASH-CC ToR based on the National Sanitation and Hygiene Master Plan (2011) will be assessed. RWSSP-WN II VDC exit planning is based on the VDC wide monitoring outcome. Review of V-WASH Plan implementation progress status carried out as per need. See more details in the VDC Wide WASH Monitoring Format. The recommended Monitoring Task force for the VDC wide Annual WASH Monitoring is provided below (Table 8-5). VDC wide annual WASH monitoring provides data on deciding for RWSSP-WN II VDC exit and therefore being an important part of overall planning process. Various stakeholders should take part in VDC level monitoring (visits). It is highly recommended that Monitoring Task Force includes at least one female member.

Table 8-5 Composition of recommended Monitoring Task Force for VDC wide WASH monitoring

Role	Recommended Monitoring Task Force
Coordinator	Planning Officer (DDC)
Members	DDC/DTO DWSSDO VDC Level Political Party Representatives VDC secretary/WUSC/SPs in the field VWASH-CC members RWSSP-WN II, District WASH Adviser RWSSP-WN II, PSU Specialist (any) (at least one technical person in team composition)
Invitees	Working in WASH sector at the district level, journalist, stakeholder representatives, chamber of commerce etc. as appropriate

8.3.3 District & DWASH Unit Level WASH Monitoring and Data Collection

In the district level, the DWASH Unit collects regularly the data that feeds into the project MIS. DWASH Unit will up-date regularly the Scheme cards that provide an update on on-going DWS,

sanitation schemes and recharge ponds. DWASH Unit will submit the updated scheme cards to PSU MIS Specialist every two months. V-WASH Plans, data from the VDC wide annual WASH monitoring, total sanitation monitoring books (where applicable) and other secondary data from VDCs is collected at least every six months for the semi-annual and annual progress reporting.

Capacity development data is continuously up-dated based on the training reports and attendance list prepared by SPs in the SPs monthly or bi-monthly meetings. DWASH Unit will submit the updated data to PSU MIS Specialist for the progress reporting bi-monthly. The training and event data must be disaggregated. However, the mass event participant data does not have to be GESI disaggregated and it is reported separately.

In the activity level, each district is responsible to have exact information that has been recorded to the project MIS through scheme cards, and other reporting on Sanitation and Hygiene status and capacity development. It should be noted that above information should be readily available in the district offices and that DWASH Unit should give it to District Information and Documentation Centre (DIDC) in easily accessible format. Each district is responsible that they do have above information readily available.

Table 8-6 District level data collection

Document	Time Period	Source of Data
Scheme Cards	Bi-monthly	Design & Estimate Documents, Monitoring Books, Measurement Books, Institutional/Public/School Toilet Monitoring Formats, Recharge Pond Monitoring Formats, SPs' monthly reports
District WASH MIS	Semi-annually	V-WASH Plans, VDC wide Annual WASH monitoring, other Secondary Data from VDCs, Total Sanitation Monitoring Books
Capacity Development Data Format	Bi-monthly	Training and event reports and attendance lists prepared by SPs and DWASHAs, scheme monitoring books (disaggregated participant data of trainings and non-disaggregated data of mass events)

In addition to data that serves the project MIS, PSU also monitors each DDF at least twice per fiscal year. The district performance will be assessed at least once a year based on the indicators set in the DDC-DoLIDAR MoUs for RWSSP-WN II implementation. Fulfilment of the D-WASH-CC ToR based on the National Sanitation and Hygiene Master Plan will be assessed annually or as per request (see Chapter 8.4). Review of DSWASH Plan is carried out as per need.

Project level monitoring

RWSSP-WN II/PSU will independently monitor the District project activities to facilitate and ensure the implementation of various processes such as Step-by-Step and V-WASH planning and fund flow. As part of this, PSU organizes planning, coordination and monitoring workshops for the selected DDC representatives such as LDOs, DTO Chiefs, Planning Officers and Focal Persons. PSU will discuss about the recommendations of the meetings and evaluations for further improvement of the project with DoLIDAR/MoFALD/Steering Committee/Supervisory Board, and DDC/DMC. PSU does regular update of Project MIS based on the reporting from the districts.

Central level monitoring

A combined team of representatives from MoFALD/ DoLIDAR/Steering Committee members will independently monitor the project activities. The team will report to MoFALD and also to the Steering Committee and Supervisory Board through DoLIDAR. Monitoring teams will provide a copy of the findings of the monitoring to the Project Support Unit. There will be at least two field visits per year.

Planning data

In addition to the data collected through the monitoring activities discussed above, the project also produces data through its regular planning activities, i.e. District Strategic WASH Plans and V-WASH Plans. Details on the WASH planning practices is given in Table 8-7. This data serves monitoring purposes for example by setting the baseline against which project achievements can be assessed. During the review of the plans the progress on their implementation will be discussed. The plans serve also as tools for the District Annual Performance Assessment as part of the DDC-DoLIDAR MoU and VDC Wide Annual WASH Monitoring and RWSSP-WN II VDC exit planning. Similarly District Annual Work Plans are key documents when monitoring the district program implementation.

Table 8-7 Planning

SN	Document	Time Period	Source of Data
1	District Strategic WASH Plan	As required (review as needed)	Secondary and primary data according to the preparation guideline.
2	District Annual Work Plan (PSU-English) NPC format (PCO-Nepali)	Yearly (VDC/DDC Council)	V-WASH Plans, DWASH-CC/DMC, District Council Decisions
3	V-WASH Plan	As required (review as needed)	Primary data according to the preparation guideline.
4	RWSSP-WN II VDC Exit Planning	As required	VDC wide annual WASH monitoring, project MIS, scheme cards etc.

8.3.4 Reporting

In the following table the main reporting requirements are listed for Project, District & DWASH Unit, VDC and Scheme Levels. Time period, source of data and responsibilities are defined in the tables. In addition to below mentioned reports DWASH Unit submits the required data to PSU for the project MIS including among others the scheme cards, Sanitation and Hygiene status and capacity development data (see the Chapter 8.4.)

Table 8-8 Reporting

SN	Document	Time Period	Source of Data	By whom	For whom
Project Level					
1	Annual & Semi Annual Progress Reports	At the end & middle of FY	Project MIS including data from all monitoring tools and reports.	PSU	Supervisory Board Embassy/ MFA of Finland
2	Physical & Financial Progress NPC format (PCO)	Monthly/ Trimester/ Annual	Physical & Financial Progress in National Planning Commission formats (PCO) from districts	PCO	DoLIDAR/ MoFALD
3	Training and Event Reports (PSU organized)	As required	Training proposal, discussions, observations, pre- and post-tests etc. (See Capacity Development Guideline for RWSSP-WN II)	Person responsible for the training	PSU
4	Field Reports	As required	Observations, discussions, related documentations	Field visit participants	DMC, PSU
District & DWASH Unit Level					
5	District Physical & Financial Progress NPC format (PCO)	Monthly/ Trimester/ Annual	SP progress reports/Scheme Progress Reports/Monitoring and DDC Account (Fantbari)	DWASH Unit	PCO
6	DDF Report	Monthly	DDC Book keeping system	DDC Accountant	PCO
7	DDF Expenditure	Monthly	DDC Book keeping system	DWASHA	PSU
8	SO/SP's Monthly Reports	Monthly	From various documents all relevant data on schemes, capacity development and activities required for project MIS	SO/SPs	DDC, DMC

Financial Reporting

As the fund flows from the central level to the districts and from districts to scheme level, it is necessary to report about the use and status of the funds to the concerned authority. See Chapter 7 for additional information.

- D-WASH Unit and SOs/SPs report to DDC
- DMC/DDC reports to MoFALD/DoLIDAR and also to PCO. DDC should produce a financial statement on the use and status of DDF as per the GoN rules and regulations. The existing GoN practices of financial reporting (Ma.Le.Pa. Form No.213) should be used for reporting the status of DDF on monthly basis. A copy of the reports should also be provided to PSU.
- PCO reports to DoLIDAR/MoFALD and PSU to Embassy of Finland.

In addition, financial status of the district programmes and the whole RWSSP-WN II are presented in semi-annual and annual reports. PSU also prepares Quarterly Financial Reports following the Gregorian calendar, for monitoring of the Finnish contribution in line with the Finnish Fiscal year.

In the following figure the flow of progress and financial data between the main stakeholders is described.

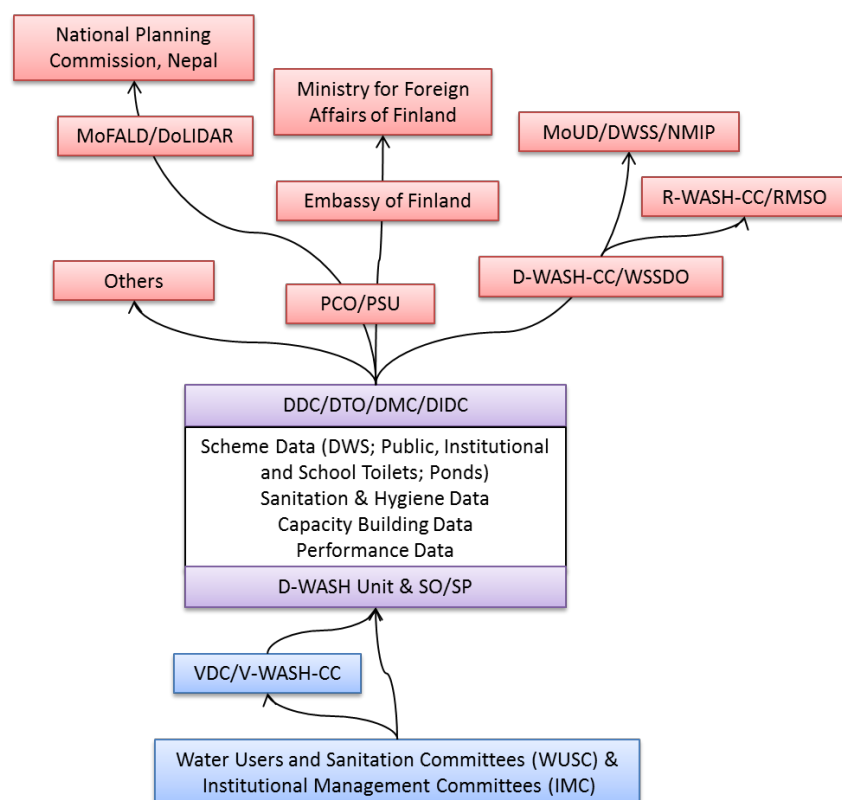


Figure 8-2 Progress and financial information flow between stakeholders

8.4 Performance Based Evaluation System

In Phase II **performance-based agreements** have been done with DDCs, SO/SPs, and staff itself. Performance indicators are measures of inputs, processes, outputs, outcomes, and impacts identified over the year in the context of regular scheme- and VDC wide formal monitoring visits. Performance evaluation encourages all team members for best performance and high quality results and impacts. The performance evaluation criteria for different actors are presented below.

References:

- Concept Note for Monitoring (2015)
- MoUs between DDC and DoLIDAR for RWSSP-WN II (2014, 2015)
- Support Person Selection and Mobilisation Guidelines (2014)
- Individual staff/SP/SO contracts and their Job Descriptions/Terms of Reference

Table 8-9 Performance evaluation at different levels

SN	Document	Time Period	Source of Data
1	District Programme Performance (MoU)	Annually	DMC, various district reports as mentioned in DDC-DoLIDAR MoU
2	DWASH-CC ToR	Annually	DWASH-CC based on ToR defined in National Sanitation and Hygiene Master Plan
3	SO/SPs Performance	Annually	Performance assessment based on job description
4	V-WASH-CC ToR	Annually	VWASH-CC based on ToR defined in National Sanitation and Hygiene Master Plan (part of VDC wide annual WASH monitoring format)

District Programme Performance: Annual performance evaluation of the DDC shall be carried out each year by joint team nominated by DMC of the district and Project Management Team RWSSP-WN II. The evaluation shall be one of the basis for annual budget allocation and other WASH supports to the district. The evaluation criteria shall be as follows. Details for the scoring criteria can be found in district MoUs.

Table 8-10 District performance evaluation indicators

Sn	Indicators	Score	Source of Verification
1	Annual Planning Vs Achievement	20	Annual Work Plan; Annual Progress Report; DWASH Unit
2	Contribution of DDC in District WASH Fund	20	Annual Progress Report; DDC Account Section
3	Monitoring and Reporting	20	Reports
4	DMC Meeting	5	DMC Meeting Minutes
5	Utilization of District WASH Fund	15	Annual Progress Report; DDC Account Section
6	Institutional Capacity	20	Annual Progress Report; DMC Minutes
	Total	100	

See Chapter 6 for SO/SP annual performance evaluation, and refer to **Support Organization/Support Person Selection and Mobilization Guidelines** for details.

8.5 Evaluation Approach

Monitoring reports are meant for the creativeness of the process of programs/projects/schemes while the results obtained from the evaluation are used for policy feedback. It is expected to establish adequate evidence to formulate the policy for effective WASH sector implementation at the central, district and VDC levels. To supplement this, a number of research and studies will be carried out by PSU in cooperation with the district and VDC stakeholders. These studies will help DDC to revise/update its modalities regarding the implementation of WASH programme from time to time and also replicate the best practices in other areas. All studies will be defined more in detail in the Annual Work Plans. For example following types of studies could be carried out.

- Research and Studies
- Technical, Operational and Environmental Audit
- Sustainability Studies
- Quick Impact Studies/ Case Studies