

**For the Establishment and Mobilization of
Technical Support Unit (TSU)**

Memorandum of Understanding

Signed between

Office of District Coordination Committee

..... District

and

**Department of Local Infrastructure Development
and Agricultural Roads (DoLIDAR)**

Date:

Background

- 1) This memorandum of understanding is framed in exercise of power conferred by the Project Supervisory Board meeting minute signed on 16th June, 2017 (2074 Asadh 2). This Memorandum of Understanding (MoU) is signed between District Coordination Committee of **District** (hereafter referred as 'DCC') and the **Department of Local Infrastructure Development and Agricultural Roads** (DoLIDAR) for the establishment of **Technical Support Unit** and implementation of **Rural Water Supply and Sanitation Project in Western Nepal Phase II** (hereafter referred as the 'Project').
- 2) The agreement between the Government of Nepal and the Government of Finland to achieve improved health, socio-economic status and fulfillment of the equal right to water and sanitation for the inhabitants of the Project area was signed on September 16, 2013 (Bhadra 31, 2070) to support district water supply, sanitation and hygiene (WASH) programs through *Rural Water Supply and Sanitation Project in Western Nepal Phase II* (RWSSP-WN II). The Project is anchored in the Ministry of Federal Affairs and Local Development (MoFALD)/ DoLIDAR.
- 3) The Project is supporting the water, sanitation and hygiene (WASH) sector development and implementation in 14 districts of Nepal: Arghakhanchi, Baglung, Gulmi, Kapilvastu, Mustang, Myagdi, Nawalparasi, Palpa, Parbat, Pyuthan, Rolpa, Rupandehi, Syangja & Tanahun.
- 4) By signing this MoU, DCC shall agree to establish Technical Support Unit to be located under DCC. The Technical Support Unit team shall be operated by the Secretary of DCC under the direct supervision of the District WASH Adviser/District Project Officer.
- 5) For the mobilization of the Technical Support Unit team and implementation of project activities in the Municipalities/Rural Municipalities (hereafter referred as 'Municipality') within in the concerned district, the Project Document (June 2014) and its amendment approved by the Project Supervisory Board shall remain valid. The various guidelines and manuals as already practiced in the Project continue to be followed.

Roles and Responsibilities of DCC

- 6) DCC shall provide adequate office space, furniture and other equipment's required to operate day to day tasks of the Technical Support Unit. In this regard, the existing DWASH Unit and its all assets shall automatically be transferred to Technical Support Unit.
- 7) DCC shall form a monitoring team under the Secretary of DCC. The monitoring team shall monitor project supported activities in municipalities within.
- 8) DCC shall:
 - a) Coordinates and monitors the project activities with the coordination of Technical Support Unit.
 - b) Ensures the Technical Support Unit staff is recruited and awarded performance based annual contract according to project "Human Resource Mobilization Guideline, 2017".

The Technical Support Unit staff are hired by the concerned District Coordination Committee. DCC shall form a committee to hire and evaluate the performance of TSU staffs'. This committee consists of two nominated members from DCC and a project representative nominated by PMT.

- c) Ensures the Technical Support Unit is mobilized within the project supported municipalities.
- d) Maintains and updates the Technical Support Unit Staff administrative records.
- e) Supports project representative and the Technical Support Unit in monitoring of the municipalities WASH Accounts established to channel the project funding.
- f) Facilitates to establish Municipality WASH Units as described in the separate MoUs signed in between the Municipalities and DoLIDAR.
- g) For the smooth transition of project, DCC shall handover the financial and physical progress related documents of all carried over project supported activities to respective municipalities.

Technical Support Unit

- 9) The Technical Support Unit shall be responsible for coordination of all project related matters between DCC, Municipalities and the Project.
- 10) The Technical Support Unit shall meet as and when needed for coordination and facilitation to plan and review the Project related activities within the district and to discuss other relevant matters.
- 11) The Technical Support Unit shall have the following staff:

Position	Required	
	Hill	Terai
District Project Officer*	1	0
WASH Engineer	1	0-1
WASH Sub-Engineers	1-2	0-2

*Applicable only for Arghakhanchi and Rolpa

For the first year after signing this MoU, the support person working in District WASH Unit will continue to work under Technical Support Unit keeping in the same position as they are. In case the employment contract is matured, the annual performance evaluation shall be done according to clause no 7 (b) in this MoU and shall be renewed.

- 12) The Technical Support Unit shall ensure that the Municipality WASH Units continue to follow the existing project guidelines, manuals and its amendments while planning, implementing, monitoring and reporting of the Project funded WASH activities.
- 13) The Technical Support Unit shall support the Municipality WASH Units within the District in:
 - a) Planning, coordination, administration and management of all Project funded activities
 - b) Preparation of the Project funded WASH infrastructure survey, design, cost estimate, supervision, monitoring and valuation for approval from the municipalities/rural municipalities.
 - c) Regular supervision & monitoring of the Project supported WASH infrastructure works to ensure the quality of construction materials and structures.
 - d) Coordination with the Municipalities WASH Units and the Project for effective implementation of project activities, ensuring quality and sustainability.
 - e) Manage and update the project management information system and progress reporting.

- f) Supports for recruitment and annual performance evaluation of the Municipality WASH Unit staff.

Financial Management and Transparency

- 14) By signing this MoU, DCC shall commit to establish a WASH Fund under the regular DCC consolidated funds. The WASH Fund receives funds from the Government of Nepal and from the Government of Finland for TSU staff salary, allowances, office running cost and other planned activities.
- 15) Technical Support Unit shall prepare a detailed annual workplan based on the ceiling provided by the Project and proposes it to the office of District Coordination Committee. The approved annual work plan shall be reviewed after the completion of second trimester.
- 16) DCC and Technical Support Unit jointly shall be responsible to maintain transparency of all the financial transactions. All expenditures are made according the provisions of the Project guidelines.
- 17) DCC shall provide copy of the WASH Fund related financial reports and statements to the Project on a monthly, trimester and annual basis using the standard reporting formats. The reports include contribution from Government of Nepal and Government of Finland.
- 18) Authorized Project representative/s shall monitor the WASH Fund records and accounts as part of the regular financial monitoring. Report of such monitoring is agreed on site and a copy is forwarded to the respective authorities.
- 19) DCC shall request the Government of Finland contribution using the formats provided by the Project. These funds shall not be frozen at the end of fiscal year but carried over into next fiscal year for the Project activities.
- 20) Government of Nepal contribution shall be released as per the GoN rules and regulations.

Roles and Responsibilities of the Project

- 21) The Project shall provide both funding and technical support to the Municipality WASH Unit in development, coordination and implementation of Municipality's own WASH programme.
- 22) The Project has two wings: (i) Project Coordination Office (PCO) was established by DoLIDAR and is led by the National Project Coordinator. PCO is responsible for the coordination, supervision, monitoring and reporting of the Project to the Government of Nepal and its provincial line agencies. (ii) Project Support Unit (PSU) was established by the International Consultant on behalf of the Government of Finland and is led by the Chief Technical Adviser for coordination, supervision, monitoring and capacity building, as well as for reporting of the Project to the Government of Finland.
- 23) PCO shall be responsible for physical and financial monitoring and reporting related to WASH supported by the Project. PCO's primary duty is to ensure smooth release of the Government of Nepal funds for Municipality WASH funds, and the reporting of the use of funds released. PCO's duty is to communicate and coordinate with the Municipalities in all matters related to Project implementation to ensure the Government of Nepal -led facilitation. PCO is responsible for compiling and submitting the annual plans and monthly, trimester and annual progress reports as per the Government of Nepal rules and regulations.
- 24) PSU shall assign the District WASH Adviser/Project Representative for each Technical Support Unit. This person will be the primary contact point for the Municipality. District WASH Adviser supervises

the Technical Support Unit and is supported by the sectoral specialists from PSU and PCO as per need. One District WASH Adviser may support a number of municipalities within more than one district. Operate the account through which the Government of Finland contributions are released to the Municipality WASH Fund as requested by the Municipality using the prescribed format.

PSU/PCO together shall:

- compile, verify and submit monthly, annual and other status reports from all Project working Municipalities to both governments through PSU and PCO, and train and support the Municipality WASH Unit staff in this regard if needed. PCO and PSU have the authority to request action for improvement in quality and consistency of the Municipality WASH Unit staff, their recruitment and management;
- coordinate with the Municipality WASH Units in planning, funding, implementation, monitoring and reporting of WASH sector activities in general and the Project activities in particular;
- ensure that the priorities and related activities and monitoring are in line with gender equality and social inclusion and Human Rights Based Approach strategy, and are based on the District Strategic WASH Plan and V-WASH Plans as appropriate, and are in line with the project policies and guidelines;
- prepares sustainability and functionality plans together with the Municipality WASH Units, with attention to both post-construction and post-ODF support needs, aiming at total sanitation and fully functional water supply and sanitation schemes that apply WSP++;
- coordinate, monitor and support the Municipality WASH Units in capacity development activities, prepare the Municipality WASH Units' capacity needs assessments; and contribute to continued content and approach development in this regard;
- mainstream and monitor climate change adaptation and disaster risk reduction into the Municipality WASH Units' workplans; and train the Municipality WASH Unit staff to apply these at scheme level activities, with attention to multiple-use for multiple-benefit of water systems;
- monitor all aspects of project progress and finances; participates in the regular Municipality and scheme-level monitoring, and ensures that all the Municipality WASH MIS is updated; and
- encourage the Municipality WASH Units to develop and maintain WASH specific technical knowledge management systems. This includes ensuring that scheme-specific documents are available with both WUSC and the Municipality WASH Unit, with backups in PSU.

Roles and Responsibilities of Federal Authority¹

- 25) Federal Authority shall be responsible for the provision of all necessary technical and managerial support to local government institutions, as well as for the coordination of all infrastructure development activities.
- 26) Federal Authority shall support the Municipality in liaising with provincial government agencies, disseminating various government policies, rules and regulations to the Municipality and the Project.
- 27) Federal Authority shall appoint a National Project Director, who will be stationed in Central office with responsibility for planning, budgeting, progress review and monitoring at the central level.

1) _____

¹ Until the Federal Authority is established and functional, DoLIDAR acts on behalf of the Federal Authority as described below in #54 to #58.)

- 28) Federal Authority shall appoint a National Project Coordinator, who will be stationed in PCO for day to day implementation of the Project and who co-chairs the Project Management Team for effective support to the Municipalities in WASH implementation.
- 29) The Federal Authority shall be the focal section for central level coordination and reporting.

Coordination and Co-operation

- 30) It is mutually realized that development and implementation of harmonized, aligned and integrated WASH programme is a joint effort. Therefore, it is important to continue to bring all WASH stakeholders and agencies under the District WASH Coordination Committee (D-WASH-CC), Municipality WASH Coordination Committee and the ward-level Coordination Committees (previously identified as Village Development Committee or Municipality WASH Coordination Committees (V-WASH-CCs and M-WASH-CCs). Terms of Reference and compositions of these are as in the National Sanitation and Hygiene Master Plan 2011.

Miscellaneous

- 31) By signing this MoU signatories mutually commit themselves to thrive towards the WASH related Sustainable Development Goals (SDG 5, SDG 6, SDG 10).
- 32) Project has the right to withhold fund releases, deduct annual budget and dismiss this MoU if the activities in the District are not carried out according to this MoU, approved work plans and other standards.
- 33) Roles and responsibilities of the key stakeholders are presented in the Project guidelines.
- 34) If the governmental line agencies will change within the project period, all the responsibilities of the line agencies mentioned in this document are automatically transferred to the new authorities.
- 35) If any clause of this MoU requires further clarification, addition, revision or deletion, both parties in a mutual consensus can do so. However, in case of any other disagreement and unsolved dispute, the cases will be forwarded to the Project Supervisory Board for decision; this decision will be the final.
- 36) This Memorandum of Understanding shall remain effective until July 15, 2019 and the Memorandum of Understanding signed earlier between DDC and DoLIDAR is hereby replaced.

Date:

Place:

Signatures

On behalf of District Coordination Committee

On behalf of DoLIDAR

Signature:

Signature:

Name:

Name: Mr. Jeevan Kumar Shrestha

Position: Chief

Position: Director General

Seal

Seal

Witnessed by:

On behalf of RWSSP-WN II

Signature:

Signature:

Name: Sanna-Leena Rautanen

Name: Mahendra Bahadur Baniya

Position: Chief Technical Adviser

Position: National Project Coordinator

Seal

On behalf of District Coordination Committee

Signature:

Signature:

Name:

Name:

Position: Local Development Officer

Position: Vice-Chief

Seal:

Seal: