



SEMI-ANNUAL PROGRESS REPORT FY05

2074/75 – CY2017/18 (16.7.2017-14.1.2018)

RWSSP-WN BRIEF 3-2018



SUMMARY

This is the RWSSP-WN Phase II Semi-Annual Progress Report for the first half of the fifth Fiscal Year (FY05). It covers the six-month period of Nepali FY 2074/075 (July 16, 2017 to January 14, 2018). It presents the progress of both the programmes funded through the Municipality WASH Units (M-WASH Units) and the Municipality WASH Funds (MWFs), and the work funded through TA accounts. Despite of the challenging operational environment within the reporting period, the Project reached most of its targets and is well on track.

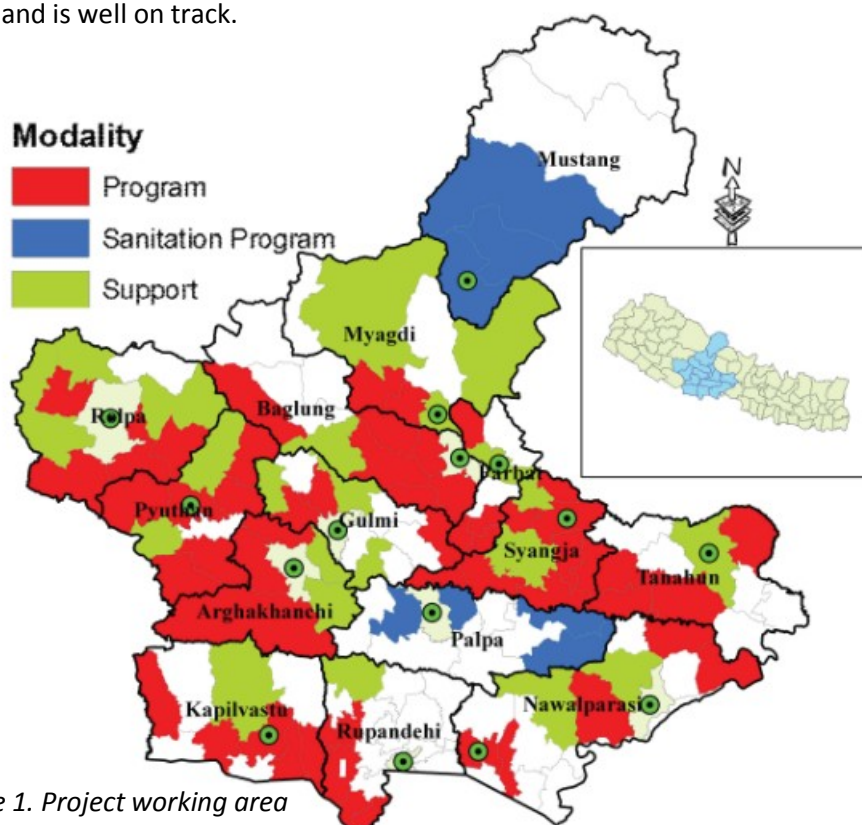


Figure 1. Project working area

Rural Water Supply and Sanitation Project in Western Nepal Phase II

(RWSSP-WN II)

Project duration: 09/2013-09/2019

Project stakeholders:

- Ministry for Foreign Affairs, Government of Finland (GoF)
- Ministry of Finance, Government of Nepal (GoN)
- Ministry of Federal Affairs and Local Development (MoFALD)
- Department of Local Infrastructure Development and Agricultural Roads (DoLIDAR)
- Municipalities (both *Gaunpalikas* and *Nagarpalikas*)
- Technical Assistance (TA) consultant: FCG International (Finnish Consulting Group Ltd.) www.fcg.fi

Implementation: Municipality WASH Units & Municipality WASH Funds

Report type: Semi-Annual Progress Report

Prepared by: Project Support Unit (PSU)

Submitted: January 31, 2018

Report distribution: Public

OVERALL OBJECTIVE:

RWSSP-WN II works for improved health and fulfilment of the equal right to water and sanitation for the inhabitants of the project area through a decentralized governance system.

THREE RESULT AREAS:

Result 1. Access to sanitation & hygiene for all achieved and sustained in the project working municipalities

Result 2. Access to safe, functional & inclusive water supply services for all achieved and sustained in the project working municipalities

Result 3. Strengthened institutional capacity of government bodies to plan, coordinate, support and monitor the Water Users and Sanitation Committees and other community groups in the implementation, operation and maintenance of domestic water, sanitation and hygiene programmes in a self-sustainable manner

WORKING AREAS:

Western Development Region: Arghakhanchi, Baglung, Gulmi, Kapilvastu, Mustang, Myagdi, Nawalparasi, Palpa, Parbat, Rupandehi, Syangja & Tanahun

Mid-Western Development Region: Pyuthan and Rolpa

Province 4: Nawalparasi East, Baglung East, Mustang, Myagdi, Parbat, Syangja, and Tanahun.

Province 5: Arghakhanchi, Baglung West, Gulmi, Palpa, Kapilvastu, Rupandehi, Nawalparasi West, Pyuthan, and Rolpa.

IMPACT LEVEL PROGRESS ANALYSIS

The following two pages analyze changes with regards to the RWSSP-WN II impact level indicators, then focusing on results outlines both physical and financial progress. The impact level indicators are:

- Incidence of diarrhoea in under-5 children
- Under 5 child mortality reduced
- Incidence of water and sanitation related diseases reduced
- Improved local governance capacity to provide effective WASH service delivery
- Decreasing disparity between the worst- and best-served municipalities with regards to sanitation and water supply coverage

OVERALL OBJECTIVE: IMPROVED HEALTH

This analysis compares Nepal Demographic Health Survey data from 2011 and 2016 in the RWSSP-WN II working area. The incidence of diarrhoea is directly connected to both water supply and sanitation, also acknowledged in this report: *"The percentage of children under age 5 with diarrhoea varies according to the availability of toilet facilities"* (Ministry of Health, 2016).

The percentage for diarrhoea in under five children decreased from 15.7 % (2011) to 5.3 % (2016) in Western Development Region (WDR) and from 14.6 % (2011) to 8.4 % (2016) in the Mid-Western Development Region (MWDR) between 2011 and 2016. More specifically, the Province number 4 had the lowest percentage of under five diarrhoea in all Nepal in 2016 (3.7%). However, the working Province number 5 had the third highest prevalence of diarrhoea of all provinces (8.2%).

The under 5 mortality had decreased from 57 (2011) to 39 (2016) deaths per 1,000 births in WDR and from 73 (2011) to 50 (2016) deaths per 1,000 births in MWDR. More specifically, there were 27 deaths per 1,000 births in Province 4 in 2016 and 45 deaths per 1,000 births in Province 5 in 2016. Based on the statistics, especially RWSSP-WN II working area in Province 4 (Baglung East, Mustang, Myagdi, Parbat, Syangja, Tanahun, Nawalparasi East) stands out with less under 5 diarrhoea and less under 5 mortality than any other Province in Nepal. Province 5 stands behind but has improved considerably as well in the last 5 years period.

National Climate Change Impact Survey 2016 studied the increase of the incidence of water borne disease in Nepal during the last 25 years. Western Hill area stands out positively also in the incidence of disease as only 3.52 % of the households reported increase in the area. After Western Mountain area (0 % increase), it has the top record in the whole Nepal (20.67 % in average). However, Western Terai and Mid-Western Hill have witnessed increase in waterborne disease by 34.35 % and 43.77% respectively.

Based on the statistics, especially RWSSP-WN II working area in Province 4 (Baglung East, Mustang, Myagdi, Parbat, Syangja, Tanahun, Nawalparasi East) stands out with less under 5 diarrhoea, less under 5 mortality and less waterborne disease than other areas in Nepal.

Sources: Ministry of Health and Population: Nepal Demographic and Health Survey 2011 and Nepal Demographic and Health Survey 2016

National Planning Commission Secretariat, Central Bureau of Statistics: National Climate Change Impact Survey 2016

OBJECTIVE: FULFILLMENT OF THE EQUAL RIGHT TO WATER AND SANITATION THROUGH A DECENTRALIZED GOVERNANCE SYSTEM

RWSSP-WN II faced remarkable changes in its operational environment in the first half of FY05. A new federal structure was established in Nepal with 246 municipalities and 481 rural municipalities. Nepal organized municipality level elections in May 14 and June 28, and provincial and parliamentary elections in November 26 and December 7, 2017. The changes affected RWSSP-WN II strongly as the project was deeply embedded in the former local governance units: District Development Committees and Village Development Committees.

Municipalities are now governed by democratically elected bodies. This increases the citizens' equal opportunities to influence the decision-making and local development. The reform can potentially improve the local governance capacity to provide effective WASH services and to decrease the disparity between the worst- and best-served municipalities.

In the new setting, RWSSP-WN II operates in **98 local body units** of which 55 Program municipalities (full programme with Municipality WASH Units), 7 Sanitation program municipalities (sanitation only), 23 Support municipalities (public construction schemes only) and 13 Technical Support Units operating under District Coordination Committees serving both Programme and Support Municipalities espacilly with technical services.

FY05 started by signing the Memorandum of Understandings (MoUs) between the new municipalities and DoLIDAR (25/07/2017-29/10/2017). MoUs define the new roles and responsibilities, replacing the earlier District WASH Units with the M-WASH Units. All are available at our web-site in both English and Nepali. The Project was received well by the newly elected representatives as in all cases no-one else had signed this type of agreement with them.

While MoUs were signed within the first months of the FY, there were delays. The election code of conduct banned recruitment and gatherings. Therefore, many newly established M-WASH Units could not start the recruitment and consequently still lack staff at the end of the reporting period. There is both high turnover and non-availability of competent staff in the municipalities. The new municipalities also lack proper working environment, including desks, computers and phones. Some municipalities have faced delays in receiving funds from the central level. The Figure 2 shows the situation in the 55 Program municipality M-WASH Units as per 15/01/2018.

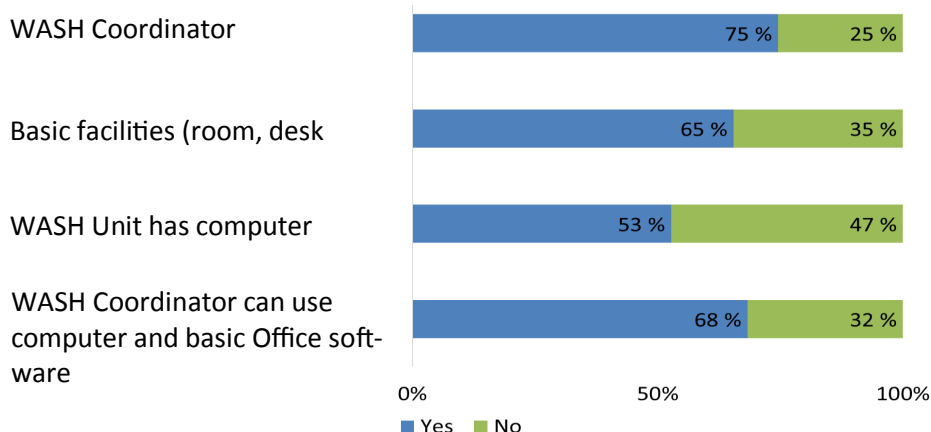


Figure 2. M-WASH Unit situation 15/01/2018. M-WASH Units n=55, WASH Coordinators n=41

RWSSP-WN II is implemented through local institutions to strengthen their capacities in providing sustainable WASH services. The Project is now implemented by the M-WASH Units, led by municipality-hired WASH Coordinator. These operate under the **Municipality WASH Management Committees** under the leadership of the elected Municipality Chairman. The roles and responsibilities are defined in the Memorandums of Understanding, all available at the project web-site in both English and Nepali.

Water Users and Sanitation Committees continue to have the leading role in individual water or sanitation scheme planning, implementation, procurement and later, operation and maintenance.

Since the working modality has changed, **a new indicator was introduced at the start of this FY:**

Indicator 3.7: Number of local administrative units (M-WASH Units) with established and operational policies and procedures for participation of local communities in water and sanitation management.

Considered operational if the Municipality WASH Unit can plan, implement and report their WASH Programme, verified by:

a) Municipality WASH Unit Monthly Progress Report

b) Municipality WASH Unit Monthly Workplans and staff monthly time sheets

c) Municipality WASH Unit Financial Statement from the Municipality Accounts Section

d) Municipality WASH Unit Event Report which shows the GESI aspect of participation

SUSTAINABLE SANITATION

Most of the Project working districts have declared ODF. Now the focus has turned to the sustainability of these achievements.

The Project has conducted a large-scale study on *toilet use* in ODF-declared areas of five districts Baglung, Gulmi, Parbat, Rupandehi and Syangja. As of 04/01/2018, the sample included 515 respondents.

Out of these, 44% replied that they have never done open defecation over the past 7 days. This means that more than half (56%) are still practicing open defecation.

One of the questions asked was whether there are specific days when the respondent or his/her family members do not use the toilet. Total 124 (24%) replied that yes, they or their family members do not use the toilet during menstruation.

Out of these 124, there were 42 respondents that even if they responded having not done open defecation over the past seven days, they (or their family member) would still do Open Defecation during menstruation.

This increases the number of those who would not use the toilets from 56% to 64%. This is a significant findings considering the large sample size and hinders dramatically the sustainability of the ODF movement.

Based on findings, RWSSP-WN II has paid more attention on women's toilet use during menstruation and the menstruation hygiene management (see last page).

PROGRESS IN THE REPORTING PERIOD

In the first half of FY05, the Project reached 7,243 new water supply beneficiaries (Figure 3) which is more than what we reached in the first half of FY04 (5,210). This can be considered a very positive result taken the difficult operational environment during the reporting period.

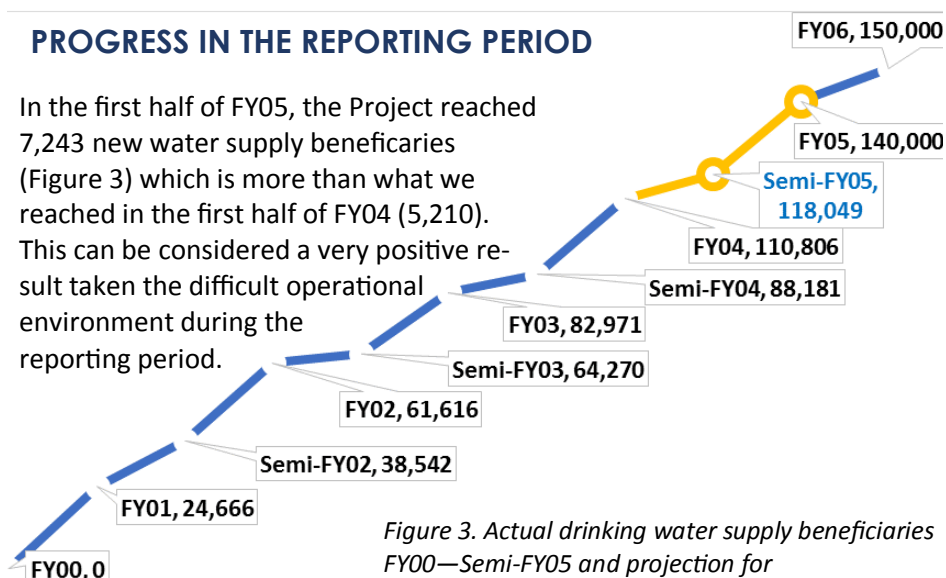


Figure 3. Actual drinking water supply beneficiaries FY00—Semi-FY05 and projection for Semi-FY05—FY06.

The Project has supported 636 schemes in Phase II, out of which 48% are in Post-Construction phase, 26% have completed implementation, 16% have Implementation phase ongoing, and the rest are at various stages of preparatory works (Figure 4). In total 205 schemes were active during the reporting period.

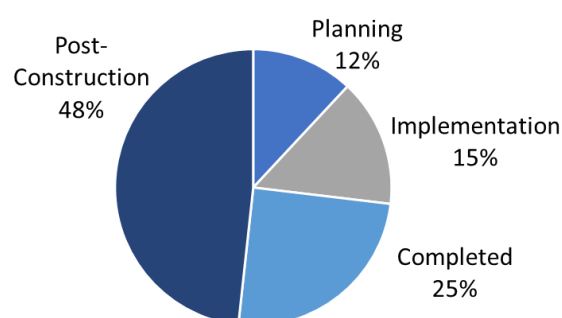


Figure 4. Status of all Project schemes

54% of the new water supply schemes completed in Phase II are gravity schemes followed by 16% solar lift and 11% electrical lift schemes. The Project is going to reach its final target 150,000 beneficiaries. If all the schemes that are currently under implementation will be completed, the Phase II will reach over 160,000 new water supply beneficiaries by the end of FY06.

11 out of 14 RWSSP-WN II working districts have been declared Open Defecation Free (ODF) and Palpa district is ready to be declared. In the remaining districts Kapilvastu and Rupandehi, five municipality wards declared ODF in the reporting period with total 20,640 inhabitants. This means 33 municipality wards remain to be declared. Total 34,640 people (including also the declared areas) benefitted from new household latrines in the Project working area. In addition, total 4,262 new households fulfilled total sanitation indicators as listed in the National Sanitation and Hygiene Master Plan.

During the reporting period, total 524 capacity building events were organized under the Project. Half of these (52%) were related to Step-by-Step approach with Water Users and Sanitation Committee (WUSC) members as the primary beneficiaries and 39% were sanitation program related events. These events had total 18,318 participants of which 51% male and 49% female. For ethnic/caste division, see Figure 5. In total, 71% of all capacity building beneficiaries were from disadvantaged groups.

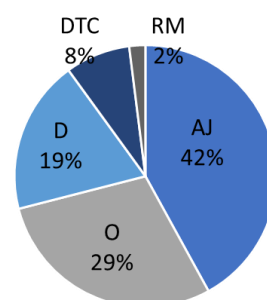


Figure 5. Ethnicities of capacity building beneficiaries. D=Dalit, DTC=Disadvantaged Tarai caste, RM=Religious minorities, AJ=Adibasi/Janajati, O=others

HUMAN RESOURCES

By the end of the reporting period, the Long Term Experts' actual FY05 person months spent are as follows, the target being 10.5 person months per each staff member (1 person month = 21 working days):

- 45% International experts (2 persons)
- 46% Project Support Unit-based experts (5 persons, including Chief Admin & Accounts)
- 52% District-based experts (8 District WASH Advisers in Technical Support Units)

Total 259 monitoring days were reported through the Time Sheets. This does not include such as meetings, supervision visits and training events, which in practice also have a monitoring dimension. There has been no Short Term Experts during the reporting period.

FINANCIAL RESOURCES

The total FY05 budget through the Government of Nepal Red Book is NPR 562,727,000 (EUR 4,893,278 with rate EUR:NPR 115). Together with the municipalities contributions, the total annual budget is over NPR 633,768,000. This is NPR 123,772,000 more budget than previous FY. The following compares the present progress to the semi-annual progress last year:

- **RedBook: 46% of GoN+GoF budget released** (last year this time: 44%)
- **RedBook: 17% of GoN+GoF budget utilized** (last year this time: 18%)
- 32% of GoN budget released (last year this time: 29%)
- 16% of GoN budget utilized (last year this time: 15%)
- 48% of GoF budget released (last year this time: 54%)
- 19% of GoF budget utilized (last year this time: 21%)
- 21% of Municipalities budget released (last year this time districts: 22%)
- 12% of Municipalities budget utilized (last year this time districts: 2%)
- 36% of GoN+GoF+M budget released (last year this time: 43%)
- 17% of GoN+GoF+M budget utilized (last year this time: 17%)

The actual semi-annual contribution by the municipalities already now exceeds the actual *annual* contributions by the districts during the earlier years (Figure 7).

Considering the highly challenging operational environment over the past six months, and the radical change from channelling the funds through the local units instead of districts, and the fact that this year's budget is much higher than the previous year's, the financial progress and also municipalities contributions can be described as **excellent!**

FY05 TOTAL BUDGET - FIRST YEAR THROUGH MUNICIPALITY WASH FUNDS
TOTAL BUDGET: NPR 633,768,838 (EUR 5.5 MILLION)

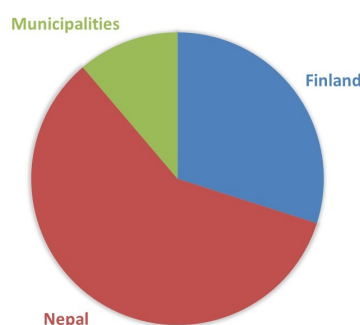


Figure 6. FY05 total budget.

Municipality WASH Fund (MWF)

PSU & PCO conducted the following joint monitoring during the reporting period:

Baglung:

Galkot Municipality (18.12.2017)
Tarakhola Rural Municipality (19.12.2017)
Bareng Rural Municipality (21.12.2017)
Kathekhola Rural Municipality (4.12.2017)
Jaimini Municipality (26.12.2017)
Nishikhola Rural Municipality (28.12.2017)

Tanahun:

Ghiring Rural Municipality (01.01.2018)
Bhimad Municipality & Rishing Rural Municipality (02.01.2018)
Bhanu Municipality (03.01.2018)

Nawalparasi:

Bulingtar Rural Municipality (05.01.2018)
Madhyabindu Municipality (07.01.2018)

Municipality WASH Fund joint-monitoring is an opportunity for strengthening the new municipalities' account sections, hence benefiting the entire municipality.

Actual Expenditure - Contributions by Fiscal Year

Note: FY05 Semi-Annual is the first year of operation through Municipality WASH Funds, instead of District WASH Funds

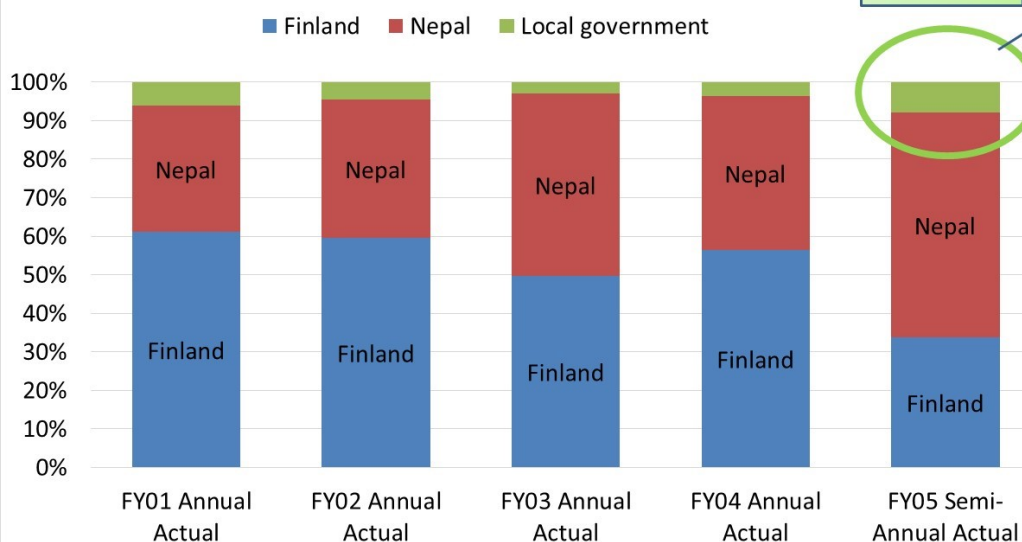


Figure 7. Actual expenditure—contributions

CROSS-CUTTING OBJECTIVES

Women and girls can hardly lead safe, productive and healthy lives without safe drinking water, adequate sanitation and hygiene facilities at home and in places of work and education.

Over the reporting period, the Project discovered that about one fourth of the menstruating women in RWSSP-WN II working districts do not use the toilets. This undermines the ODF status even in the Western Development Region that was not believed to be affected by the discriminative *Chhaupadi* tradition.

Surprised by the results, we had to take a stronger emphasis on the issue. That is why the Project launched a brief on **Menstruation, WASH and RWSSP-WN II Position Paper** to clarify and to guide the municipalities in including menstruation related issues in their work plan activities. The Project aims also to contribute to research and (multi)-sectorial policy dialogues by launching specific Menstrual Hygiene Management surveys and by sharing the findings with the sector.

The focus is on breaking taboos and mainstreaming menstruation related issues through small doable actions within the whole WASH framework from selecting a tap location to safe disposal of pads. For RWSSP-WN, menstruation is more than menstrual hygiene management. This is a rights question.

For more: RWSSP-WN Brief 2-2018: Menstruation, WASH and RWSSP-WN - Position Paper.
<http://www.rwsspwn.org.np/briefs2018>

LESSONS LEARNT, CONCLUSIONS & RECOMMENDATIONS

With regards to local governance capacity and institutional sustainability, there is a huge need to strengthen municipality-level institutions and improve their efficiencies. We acknowledge that the newly elected representatives have the core role and responsibility when identifying municipality-wide priorities. They must both represent their constituents and provide leadership. Therefore, it is of utmost importance that the Municipality WASH Management Committees, where also the elected members are represented, prepare the next annual work plan. Even if it is the final year of RWSSP-WN Phase II and a number of phase out issues need to be considered.

The Project is in a good position to strengthen the capacities at the municipality level. While working for WASH and technical issues, we can address the broader local governance environment. For instance, strengthening the capacity of the municipality accountants will benefit financial transactions in the entire municipality. Taken the urgent and intensive capacity building needs at the municipality level, the large number of M-WASH Units (55) is a real challenge. To ensure the quality and institutional sustainability of the M-WASH Units, the last year of RWSSP-WN Phase II has to reduce the number of these units. In the seven Sanitation Program municipalities, the Project suggested to implement the program through local community-based organizations in those locations. These sanitation-only districts should be phased out by the end of this FY.

Managing information is another challenge. At the moment the project is getting financial and progress reports from 55 municipalities as well as the Technical Support Units. To monitor the large number of units, the Project has developed a cloud-based (Google Drive) monthly reporting system that can be used for both planning and reporting purposes, and that can be accessed by several persons. To ensure the quality of data and reporting, the Project must institutionalize a system including routine monitoring of data and periodic in-depth assessments where one-to-one feedback can be given to the individual municipalities. This system has the potential of continued use at the municipalities also after the Project has phased out.

With regards to inequalities within a municipality, the WASH services need to continue to be targeted in an efficient manner. RWSSP-WN II has succeeded in this with the VDC WASH Plans (V-WASH Plans, see our web-site for both VDC-wise V-WASH Plans and the related guidelines), and by selecting the schemes through the local government planning process with the 'serving the unserved'-principle guiding the final selection. These principles need to be mainstreamed into the M-WASH Units to ensure that the vulnerable groups and the remote corners of the municipality will continue to benefit from the WASH services. The V-WASH Plans are applicable in the new setting where the previous VDCs tend to be municipality Wards. Decreasing the disparity between the worst- and best-served communities within the municipality helps to decrease the disparity also between municipalities.

This new situation is both an opportunity and threat for the long-term sustainability: if the municipalities are not getting support at this critical moment when new municipality-level policies and practices are established, the momentum for building local WASH governance capacity for effective WASH service delivery can be lost. Operational municipalities that follow good governance and transparent decision making are the prerequisite for decreasing disparity and for improved health of the inhabitants of the area. It is more important than ever that the Project supports the fresh local authorities in their development to strong and sustainable service providers.