



ANNUAL PROGRESS REPORT FY05

FY 2074/075 – 2017/18 (16.7.2017–16.7.2018)

RWSSP-WN BRIEF 12-2018

SUMMARY

This Brief covers the highlights of the 5th Fiscal Year (FY05) annual progress of the Rural Water Supply and Sanitation Project in Western Nepal Phase II (RWSSP-WN II). It presents the progress of both the municipality programs funded through the Municipality WASH Funds (MWFs) and the work funded through the Technical Assistance (TA) budget.

After the state restructuring, this was the first year in operation for the municipalities. RWSSP-WN worked with 99 local government units rather than the previous 14. Despite of many changes the Project could mostly reach the physical targets and the financial progress was remarkable.

The municipalities released more funds within one year than what the districts had released in total over four years. The excellent results prove that working with the municipalities was worth the effort and the way to continue also in the future.

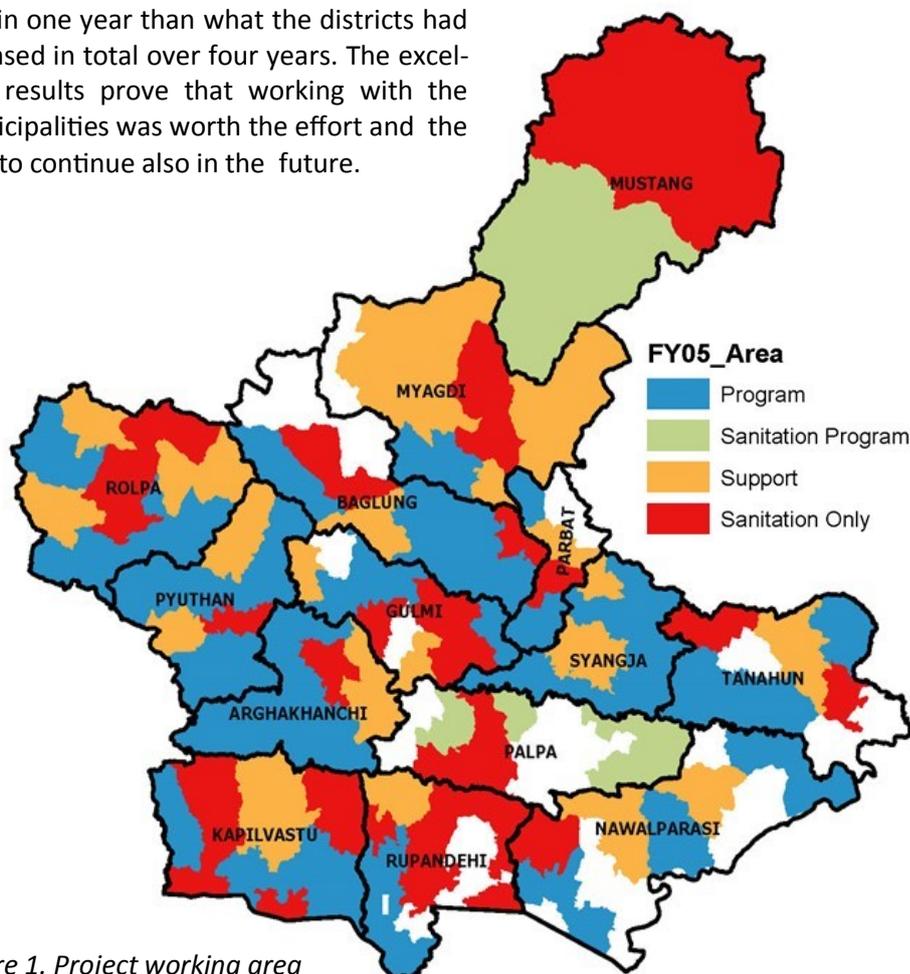


Figure 1. Project working area

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

Project duration:
09/2013-09/2019 (5/2019)

Competent Authorities:

- Government of Finland (GoF)
- Government of Nepal (GoN)
- Ministry of Federal Affairs and General Administration (MoFAGA)
- Department of Local Infrastructure (DoLI)
- Technical Assistance (TA) consultant: FCG International (Finnish Consulting Group Ltd.) www.fcg.fi

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PROJECT DESCRIPTION

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.*

RWSSP-WN II has three main result areas to achieve the long-term impact:

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 (WUSC) and other community groups in the implementation, operation and maintenance of domestic water, sanitation and hygiene programmes in a self-sustainable manner.

In FY05, the Project started operating through newly formed rural municipalities and municipalities in Baglung, Nawalparasi, Mustang, Myagdi, Parbat, Syangja and Tanahun of Province 4 and Arghakhanchi, Gulmi, Kapilvastu, Nawalparasi, Palpa, Pyuthan and Rolpa of Province 5.

This FY was the first operational year for the new rural municipalities (Gaunpalika) and municipalities (Nagarpalika). At the start of the year, the Memorandums of Understanding were signed with 99 local units. The new roles and responsibilities were defined in these.

ELECTIONS AND NEW LOCAL GOVERNANCE STRUCTURE

FY05 was a challenging year in many ways: due to the Election Code of Conduct, recruitment in the municipalities could only be started after the elections. Therefore, a number of Municipality WASH Unit staff positions remained vacant over the first six months of the year. This was the first year of the municipalities to run their own program (of which approximately only the 6 last months were active).

Yet, both physical and financial progress of FY05 is better than ever in the Project history. By the end of FY05, the Project has reached a time elapse of 83% of the full Project period and fulfilled or even crossed many of its end-line targets.

RESULT AREA 1. SANITATION

By far, the Project has completed 243 **public, institutional and school (PIS)** toilets (110 % of the end-line target) of which 148 are public, 64 institutional and 31 school toilets serving 9,268 students (Figure 2).

The Project has reached its end-line target regarding **Total Sanitation (TS)**. TS target of 300 Village Development Committee (VDC) Wards declared TS was fulfilled already in the end of FY04. In FY05, the Project continued its TS program reaching 30,412 direct beneficiary households (HHs) which is 61% of the 50,000 target set for the last two FYs (Figure 3).

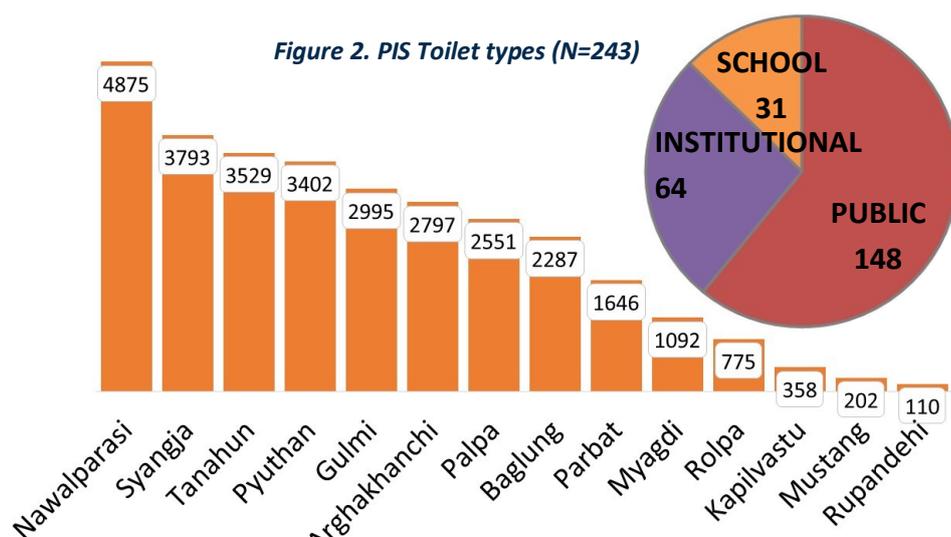


Figure 3. District-wise TS beneficiary HHs in FY05 (N=30,412). The district-wise results vary remarkably which tells about large differences in the sanitation status.

There was also good progress with regards to the Open Defecation Free (ODF) goals. Palpa district was declared ODF in 2018 and Rupandehi is ready to be declared.

In the Project working area, only 14 wards of Kapilvastu district remain to be declared ODF in FY06 (Figure 4).

By the end of FY05, the cumulative number of people living in ODF declared wards is 4,189,485.

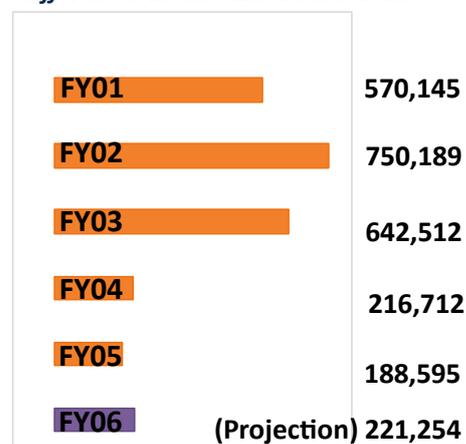
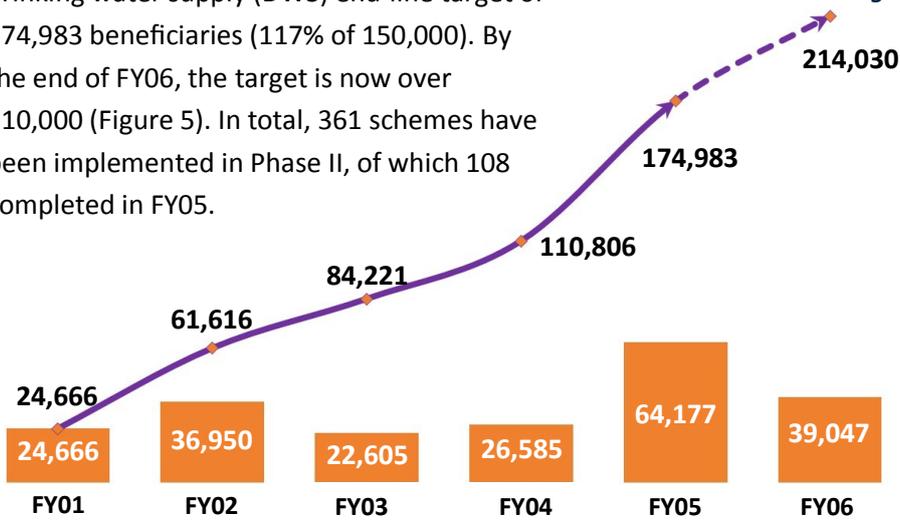


Figure 4. ODF beneficiaries per FY

RESULT AREA 2. DRINKING WATER SUPPLY

By the end of FY05, the Project reached its drinking water supply (DWS) end-line target of 174,983 beneficiaries (117% of 150,000). By the end of FY06, the target is now over 210,000 (Figure 5). In total, 361 schemes have been implemented in Phase II, of which 108 completed in FY05.

Figure 5. DWS beneficiaries FY01- FY05 with FY06 target



Most of the completed water supply schemes are gravity schemes (52 %) followed by electrical lift (14 %) and solar lift (13 %) schemes. Figure 6 shows the same data by beneficiaries per technology. Out of all Phase II beneficiaries 39% are served through lift schemes.

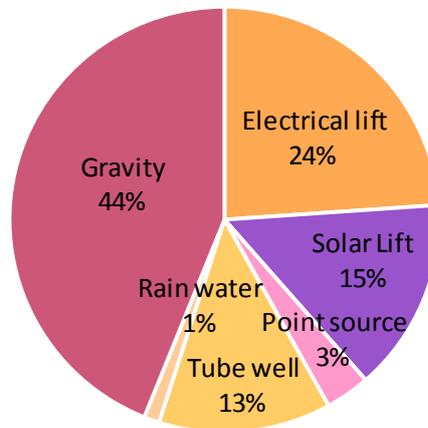


Figure 6. Scheme beneficiaries per technology (N=174,983)

In addition to the new water supply schemes, the Project has given **post-construction (PoCo)** support to 385 water schemes and their 156,571 beneficiaries. Total 56 Phase I and 22 Phase II water schemes have received PoCo investment support, and 382 schemes have received WSP++ training.

The Project has reached its end-line target of serving previously unreached HHs. In the end of FY05, 280 schemes served 18,139 previously unserved HHs (108 % of the target and 78 % of all the Phase II schemes). By now, 70% of all the Phase II beneficiaries belong to disadvantaged groups (Figures 7 and 8).

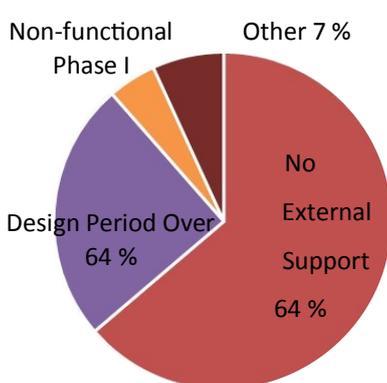


Figure 7. Scheme beneficiary groups (N=361 schemes)

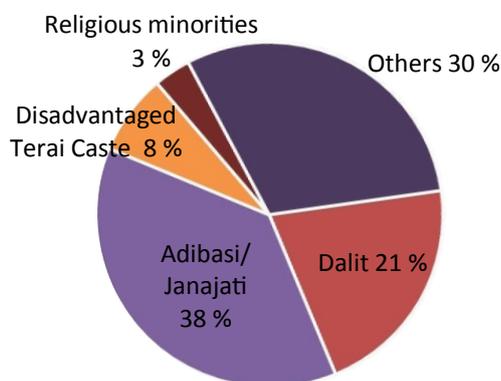


Figure 8. Scheme beneficiaries per ethnic group (N=174,983 beneficiaries).

PROJECT DESCRIPTION

RWSSP-WN II is implemented through local institutions strengthening their capacities in providing sustainable Water, Sanitation and Hygiene (WASH) services.

In FY05, the Project was implemented in 55 Program municipalities (full program), 7 Sanitation program municipalities (sanitation program only) and 23 Support municipalities (physical construction only) in 14 districts.

In the **Program municipalities**, the work is implemented by Municipality WASH Units (M-WASH Units) managed by the Municipality WASH Management Committee (M-WASH-MC) that is responsible for planning, coordination, administration and management of WASH activities in the municipality. M-WASH Units are chaired by the elected Municipality Chair person.

In FY05, the Project established also 14 **Technical Support Units** under District Coordination Committees to give technical support to the working municipalities.

In **Sanitation Program municipalities** in Mustang and Palpa districts the work was implemented through community-based organizations under the supervision of the municipalities.

In **Support municipalities** the work was fully supported by the Technical Support Units. The budget in these cases was only to cover the remaining water supply (or PIS toilet) scheme investment, nothing else.

The TA team is based in Project Support Unit (PSU) in Pokhara together with GoN Project Coordination Office (PCO), the District WASH Advisers and the Technical Facilitators operating through TSUs.

MUNICIPALITY WASH PLANS

Before the state restructuring, water supply schemes supported by the Project were selected in Village Development Committee (VDC) WASH Plans that prioritized schemes in most need.

Most of the newly established municipalities cover various VDCs within their borders with several blank areas. Therefore, the old plans are not accurate enough (and updated!) to be used as the main WASH planning tool in the municipalities.

In spring 2018, the Project piloted Municipality WASH Plan preparation in Harinas Rural Municipality, Syangja.

The field data was collected using smartphone-based application which enables presenting the data on a map. The visual presentation makes it easier to the local communities to analyze the data and spot any errors.

The data was collected from each household (100% of all within Harinas) instead of scheme level. This enabled an accurate analysis on unserved HHs and scheme functionality.

Ward level planning meetings were organized to ensure participatory and transparent planning. The Ward priority lists would be used as a basis of the municipality level plan.

The pilot proved that it is crucial that the new municipalities prepare fresh municipality level WASH plans: the analysis showed that even within served areas with safely managed water supply systems, there are still several unserved HHs.

RESULT 3. STRENGTHENED INSTITUTIONAL CAPACITY

Since FY05, RWSSP-WN II is implemented through municipalities to strengthen their capacity to provide sustainable WASH services. Despite of various challenges, the municipalities improved their performance throughout the year: while in times of the semi-annual reporting still 65% of the M-WASH Units lacked dedicated space in the Municipality Office, in the end of FY05, only one missed office space.

Six months back, only 53 % of the M-WASH Units had computer in use but by the end of the year all did even though 22 % of the M-WASH Units still missed internet connection. Six months back, still 32 % of the WASH Coordinators lacked confidence in using Microsoft Office software (needed in monthly reporting) but in the end of the year, only 13 % did.

Compared to the previous governmental setting, the state restructuring has brought many advantages: in FY05, municipality chairpersons and vice-chairpersons participated actively in scheme monitoring and other Project related events. In total, 73 % of the M-WASH-MCs practiced regular meetings (Figure 9).

The FY05 witnessed record high municipality investment with 91% of the municipalities committing more than the minimum requirement. This shows that there is ownership and the municipalities find the WASH program meaningful. Now, when the Project must face out from some of the municipalities, many of them have shown interest in continuing the cooperation and 22 have even shown interest in continuing running M-WASH Units independently.

In FY05, there were more events organised than in any other year before and the Project reached 119 % of its end-line target 250,000 capacity building beneficiaries (Figure 10).

In FY05, the Project organized 2,012 events with 81,806 participants. Of these, 68% belonged to disadvantaged groups.

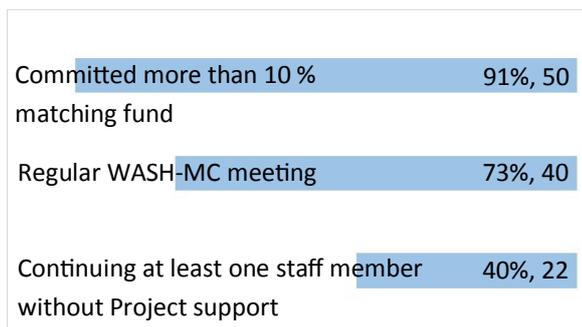


Figure 9. M-WASH-Units performance in July FY05 (N=55)

Figure 10. Actual and cumulative number of participants in various capacity building events FY01-FY05



FINANCIAL RESOURCES

The total FY05 budget as in the GoN Red Book was NPR 562,727,000 (EUR 4,893,278). This included the contributions from GoN and GoF only into the scheme investments, capacity development, governance and GoN administrative costs, as well as to PCO costs. The total budget through TA accounts for FY05 was EUR 2,605,290 of which 88% was utilized the savings being fully welcome for the final year. In FY05, the Project started channelling funds through Municipality WASH Funds. With the municipalities contribution, the total budget was record high at 650,290,559 (EUR 5,286,915) of which 93% was released and 89% utilized (Figure 11). The financial progress was better than in FY04, even if the total budget was over EUR 800,000 more. **This is an excellent result especially as it was the first year for the municipalities!** (Figure 12)

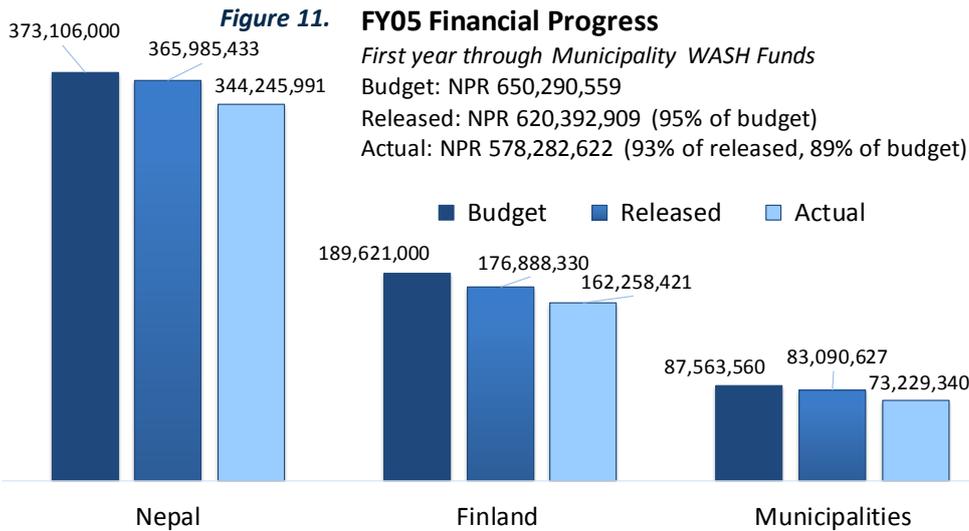
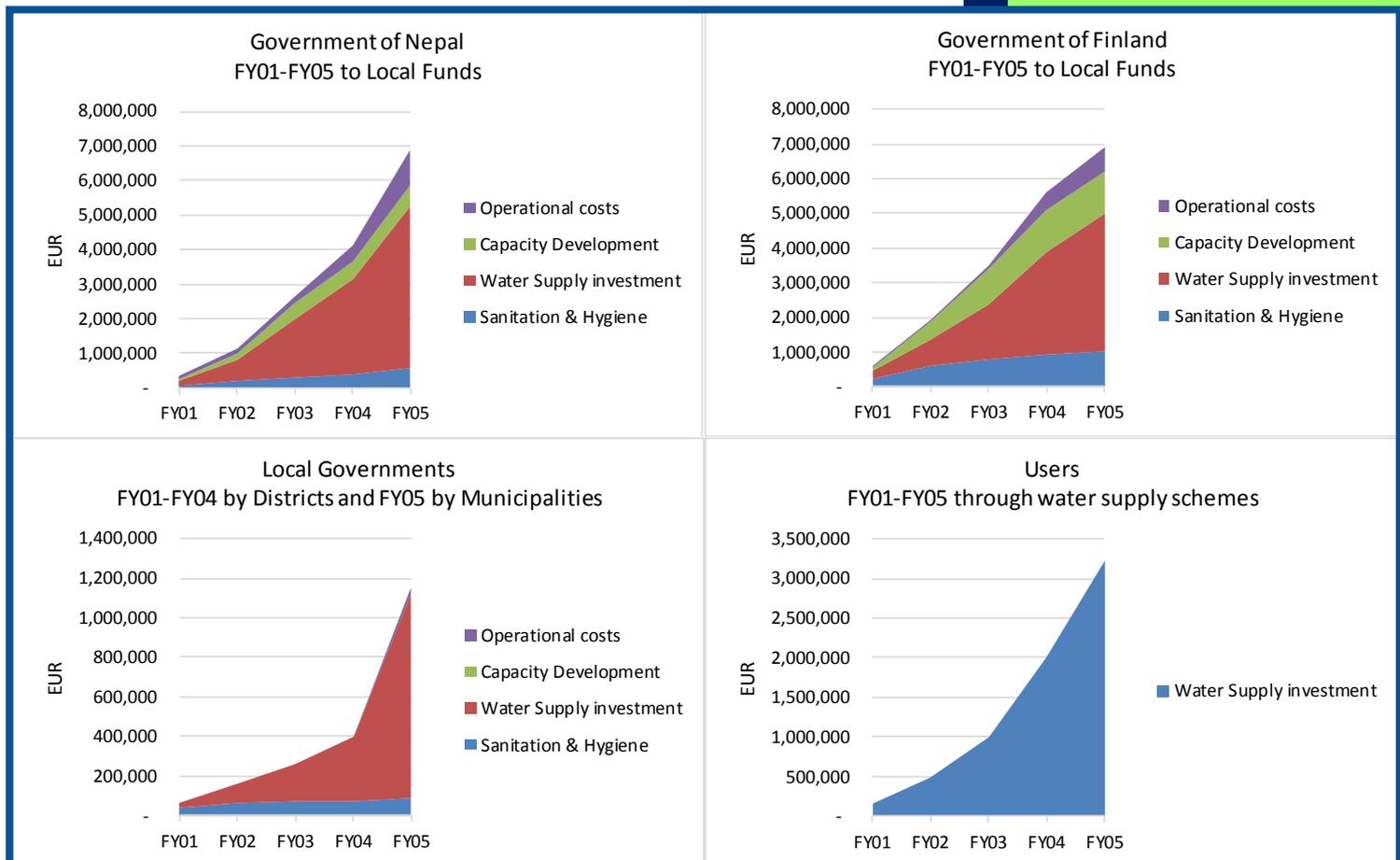


Figure 12. Cumulative actual contributions FY01-FY05



FINANCIAL MANAGEMENT

The Project put a large effort in improving the financial management of the municipalities through monitoring and trainings. Many municipality accountants had problems using an accounting software and provide financial statements accordingly. The accounts of income and expenditure vouchers of Project related activities were checked in total 54 municipalities in 12 Districts.

No municipality can perform properly without accurate financial management. The Project believes that MWF monitoring with hands-on support is the best possible capacity building to the newly established municipalities benefitting not only WASH but all sectors under the municipality.



LESSONS LEARNT, CONCLUSIONS & RECOMMENDATIONS

FY05 was a challenging year when a risk was taken in entering to the municipality level and establishing new working units, the Project being one of the first ones to do so.

With regards to local governance capacity and institutional sustainability, there is a huge need to strengthen municipality-level institutions and improve their efficiencies. The Project is in a good position to strengthen these capacities. 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. 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. The seven Sanitation Program municipalities and the Support municipalities were phased out in the end of FY05.

Managing information is another challenge. During the reporting period, the project was getting financial and progress reports from 99 local units. This caused a lot of work for the small team: to ensure that the figures are correct, to maintain transparency and accountability, and with those, overall accuracy of any financial or physical progress. To monitor the large number of units, the Project 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. Towards the end of the reporting period, a new Google Sheet (cloud, browser based) user interface was introduced to improve the user friendliness of the Project Management Information System.

With regards to sustainability, the new local structure is both an opportunity and a threat: 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. Similarly, if the central level policies do not encourage or give municipalities this opportunity by forcing to keep sector fragmented due to some vested interests, the opportunity is lost. This is the chance to have municipalities that follow the principles of good (water) governance and transparent decision making which is the prerequisite for decreasing disparity and for improved health of the inhabitants of the area.

The new context opens a number of new opportunities for such as sector harmonization, but also for donor harmonisation and joint programming with other development partners. The lead is with the municipalities who now have more authority and more resources than even before. There cannot be 'one-fit-for-all' sector 'harmonization' at the central level but rather, the central level elements should provide broader frame of reference within which the municipalities make their own decisions.



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