



ANNUAL PROGRESS REPORT FY04 FY2073/074 (July 17, 2016 to July 15, 2017) RWSSP-WN BRIEF 2-2017

SUMMARY

This Annual Progress Report covers the fourth Fiscal Year (FY04) FY2073/074 (July 17, 2016 to July 15, 2017). This Brief presents the progress of both the district programmes funded through the District Development Funds (DDFs) and the work funded through Technical Assistance (TA) accounts. During the reporting period, 95% of the total budget was released to the districts and 85% was utilized. Out of the TA budget, 90% was utilized. With a time elapse of 67%, 110,806 people (74 % of final target) have benefitted from new drinking water supply (DWS) schemes, 213,236 (64 %) from capacity development, 675 (96 %) VDCs and municipalities have been declared Open Defecation Free (ODF) and 324 wards (104 %) have reached Total Sanitation (TS). The state restructuring process of Nepal brought a lot of extra work for the Project in FY04 and from the beginning of FY05, the Project works in a new setting with Municipalities.

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

Project duration:
09/2013-09/2019

Competent Authorities:

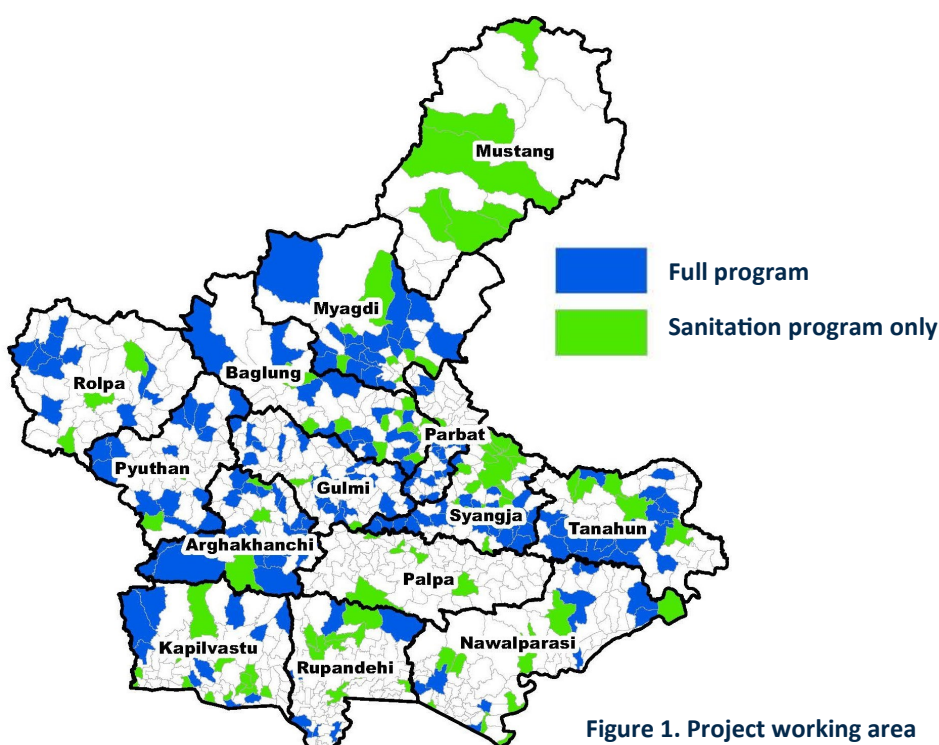
- * Government of Finland (GoF)
- * Government of Nepal (GoN)
- * Ministry of Federal Affairs and Local Development (MoFALD)
- * Department of Local Infrastructure Development and Agricultural Roads (DoLIDAR)
- * Technical Assistance (TA) consultant: FCG International (Finnish Consulting Group Ltd.)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

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Project Support Unit (PSU)

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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 districts.

Result 2. Access to safe, functional & inclusive water supply services for all achieved and sustained in the project working Village Development Committees (VDC).

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.

RWSSP-WN II works in Arghakhanchi, Baglung, Gulmi, Kapilvastu, Mustang, Myagdi, Nawalparasi, Palpa, Parbat, Rupandehi, Syangja & Tanahun (Western region) and in Pyuthan and Rolpa (Mid-Western region). Palpa & Mustang are supported for sanitation & hygiene.

PROGRESS IN FY04

RESULT AREA 1. SANITATION

By the end of the reporting period, 96% of the 702 working VDCs with total 4,000,890 population have declared ODF. Three districts (Palpa, Rupandehi and Kapilvastu) remain to declare ODF albeit Palpa is ready and waiting to be declared. RWSSP-WN II promotes TS in all its 14 working districts and this far 324 wards have declared TS (Figure 2). The Project has exceeded its original target of 300 Wards. Total 177 out of the planned 220 public, institutional and school toilets have been completed. The Project is well on track with its sanitation targets.

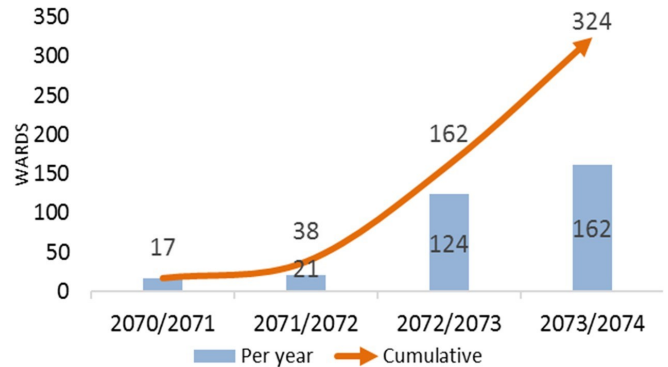


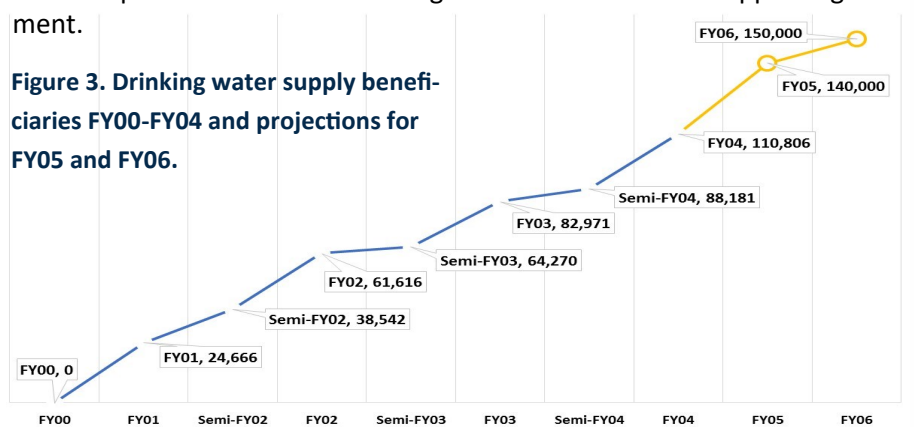
Figure 2. Total Sanitation declared wards by FY

RESULT 2. WATER SUPPLY

RWSSP-WN II supports both new DWS schemes as well as Phase I schemes that were either not finished during the Phase I or that require improvements in Phase II. RWSSP-WN II provides also hardware & software post-construction (PoCo) support to all Phase II and selected Phase I schemes. At the end of FY04, the Project had total 538 DWS schemes of which: 342 gravity, 67 electrical lift, 50 solar lift, 19 point source improvement, 16 electrical overhead tank, 16 rainwater harvesting, 15 tube well, 12 solar overhead tank schemes and 1 dug well scheme. Among these, 8 have Implementation phase completed but are not financially cleared, 120 have Implementation phase completed and are financially cleared, and 314 are in Post-Construction phase. Only these completed schemes and their beneficiaries are included in the Project progress figures.

There are cumulative number of 110,806 new DWS beneficiaries of which 27,835 were reached within FY04 (Figure 3). Total 81 new drinking water supply schemes were completed in FY04. The Project is well on-track to reach its total Phase II target of 150,000 DWS beneficiaries. Cumulative 128,664 water users have benefitted from PoCo support (Phase II target 200,000). Total 270 schemes have participated in Scheme-level PoCo Workshop and 61 schemes have signed PoCo Investment Support Agreement.

Figure 3. Drinking water supply beneficiaries FY00-FY04 and projections for FY05 and FY06.



In 2017, Joint Monitoring Programme introduced a new version of the water supply service ladder to monitor DWS schemes in the SDG era (Figure 4). The ladder consists of five categories: *Safely managed*, *Basic*, *Limited*, *Unimproved* and *Surface water*. The three first categories cover schemes with improved sources. ‘*Safely managed*’ covers schemes which are located on premises, available when needed and free from faecal and priority contamination. ‘*Basic service*’ covers schemes with water fetching time <30 min per round-trip and ‘*Limited service*’ schemes with fetching time >30 min per round-trip.

For the RWSSP-WN II schemes, the *Safely Managed* ladder means private taps, 12 months a year water reliability and absence of faecal coliforms. In summary, 62 % of all completed Phase I and Phase II gravity, lift and overhead tank DWS schemes supported in Phase II fulfilled all the criteria for Quantity (≥ 25 lpcd), Accessibility (≤ 15 min round trip), Reliability (12 months of water supply per year) and Quality (free from faecal coliforms).

As majority of RWSSP-WN II schemes are public connection schemes, only 17% of the project beneficiary population reaches the Safely managed ladder. Majority of RWSSP-WN II beneficiaries use Basic services (81%) even if these are also piped water schemes, the only difference being that there are no private connections. There is only 1 scheme (2%) that has limited service (water fetching time exceeding 30 minutes from certain households)

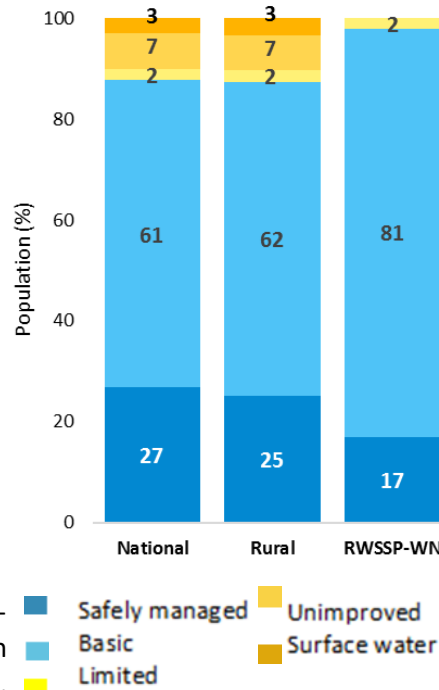


Figure 4. RWSSP-WN II (2017), Nepal National (2015) and Nepal Rural (2015) DWS schemes as per JMP service ladder

RESULT 3. STRENGTHENED INSTITUTIONAL CAPACITY

Taken the turbulent situation during the FY04 due to the restructuring process, the Project could still reach encouraging results under the Results area 3. Capacity-building events were continued as before at community, VDC and District levels reaching a cumulative number of 213,236 beneficiaries by the end of FY04 and 71,107 beneficiaries in FY04 only.

From the beginning of FY05, VDCs do not longer exist but are replaced by the newly established Municipalities. As the Project aims at strengthened institutional capacity of government bodies to plan, coordinate, support and monitor domestic water, sanitation and hygiene programmes in a self-sustainable manner, the focus will be steered from DDCs and VDCs to support the capacities of the newly established governmental bodies.

The Project has signed new Memorandums of Understanding (MoUs) with 99 Municipalities in which the Project will continue the activities.

PROJECT DESCRIPTION

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

District Development Committees (DDC) manage DDF, through which most of the project funds flow. The project is implemented by the District WASH Units (D-WASH Unit) under DDC. WUSCs have the everyday responsibility of the WASH management.

To ensure the poorest and excluded households’ access to WASH, the working VDCs are selected based on decisions of the village and district level coordination committees (D-WASH-CC, V-WASH-CC).

D-WASH-CCs prepare District Strategic WASH Plans to target the VDCs in most need and similarly V-WASH-CCs prepared V-WASH plans and coordinate WASH implementation at the local level.

The TA team is based in Project Support Unit (PSU) in Pokhara together with GoN Project Coordination Office (PCO).

The restructuring process of Nepal accelerated towards the end of FY04, and culminated into two local level elections held on 14/05/2017 and 28/06/2017. Together with the elections, a new three-tier governance system was introduced consisting of national, provincial and local tiers of governance.

CROSS-CUTTING OBJECTIVES

Climate Change Adaptation (CCA) and Disaster Risk Reduction (DRR) are embedded in RWSSP-WN II activities. They are considered in [V-WASH Plans](#), DWS scheme plans and in [Water Safety Plans \(WSP\)](#).

Water safety planning is an integral part of RWSSP-WN II. The project has launched its own [WSP++ tool](#), one plus standing for operation and maintenance (O&M) and the other for CCA and DRR. WSP++ is a tool that focuses on ensuring safe supply of drinking water of high quality with a comprehensive risk assessment and risk management approach from springshed to the household level. As part of PoCo support, each Phase II and selected Phase I WUSCs receive WSP++ training and prepare their own Water Safety Plan.

RWSSP-WN II considers itself as a **Human rights transformative project**. People's access to water and sanitation is recognized as a human right by United Nations General Assembly and RWSSP-WN II contributes fully to this. Gender equality and social inclusion (GESI) and Human Rights Based Approach (HRBA) are mainstreamed across all project policies and activities. Brochures on [Principles of GESI/HRBA](#), [Key actions for integrating HRBA/GESI](#) and [Accessible Sanitation](#) translate the key points of the Project [HRBA and GESI Strategy and Action plan](#).

Water Safety & Climate change adaptation in RWSSP-WN II

All the gravity, lift and overhead tank DWS schemes implemented in the Phase II prepare Water Safety Plan++ (WSP++) which helps to secure continuity of water supply by mitigating and adapting to direct and indirect environmental and climate-induced hazards. Water safety related trainings are given to water users both during the scheme implementation and in the PoCo phase.

By the end of FY04, total 283 DWS schemes had received WSP++ training and during this year only, 76 new schemes received WSP++ training. In addition, the Project has organized a cumulative number of 465 Climate Change Adaptation and Disaster Risk Reduction related trainings for 8,875 participants.

Spring water is the main source of drinking water in the middle hills of Nepal. Declining springs either due to climate change or land use changes are a true risk for DWS sustainability. RWSSP-WN II has developed its own [Spring shed approach](#) which aims at the protection of spring sheds and increased groundwater recharge with the help of recharge ponds, check dams, trenches and plantation.

By the end of the reporting period, 42 water supply schemes include spring shed protection structures in their design. Of these 13 are Phase II New Schemes, 5 Phase I schemes Improved or Carried over and 24 are PoCo Entry schemes. In addition, total 22 recharge ponds have been implemented as schemes of their own. RWSSP-WN II continues to encourage Municipalities to include spring shed protection and recharge structures in the scheme design from the beginning.

Gender Equality and Social Inclusion in RWSSP-WN II

Women's participation is high on the RWSSP-WN II agenda. The project requires 50 % female participation in Phase II WUSCs and provides specific trainings tailored for women to encourage their participation. At the moment, 40 % of high WUSCs positions are held by women which is an encouraging result.

Both gender and ethnic based discrimination is still practiced in Nepal. In the work of RWSSP-WN II, ethnic discrimination shows in the way that the "unreached" belong mostly to disadvantaged ethnic groups that live in marginal, hard to reach areas that often lack improved DWS services as well. RWSSP-WN II has an objective to "reach the unreached" and the Project has fulfilled well its target: 77 % of the new schemes supported in Phase II serve HHs without previous external support.

In total, 75 % of all the Phase II DWS beneficiaries belong to disadvantaged groups which tells about the success of the Project to reach the most vulnerable groups (Figure 5). The representation of the disadvantaged groups in RWSSP-WN beneficiary population is higher than their representation in the district-wide population statistics. Per RWSSP-WN II policy, all the beneficiary ethnic groups must have representative in the WUSC.

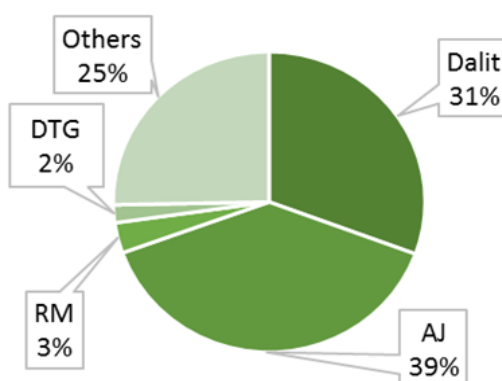


Figure 5. Share of DWS beneficiary ethnicities: AJ=Adibasi/Janjati, RM=Religious Minorities, DTG=Disadvantaged Tarai Groups

FINANCIAL RESOURCES

The total FY04 budget as in the GoN Red Book is NPR 486,000,000 (EUR 4,050,000). This was revised to NPR 486,000,000 during the final trimester when GoN provided more funds. This includes the contributions from GoN and GoF into the scheme investments, capacity development, governance and GoN administrative costs, including Project Coordination Office costs.

Figure 6 shows the overall situation by the main contributions, with the summary for GoN and GoF only. For GoF and DDC the “released” takes into account the carry-over funds from FY03.

The users’ contributions through WUSCs’ accounts and from VDCs are usually made under the Public Construction-heading for the DWS schemes. Figure 7 shows the contributions worth total EUR 4,178,886, made during FY04.

The users’ contributions exceeded all expectations: considering the value of the in kind contributions, the users contribution exceed the contributions by GoN almost matching the contributions by GoF under this heading! The contributions by DDCs and VDCs remain less than expected.

GoF contributions in EUR are shown in Table 1, both for those flowing through DDFs and those flowing the TA accounts.

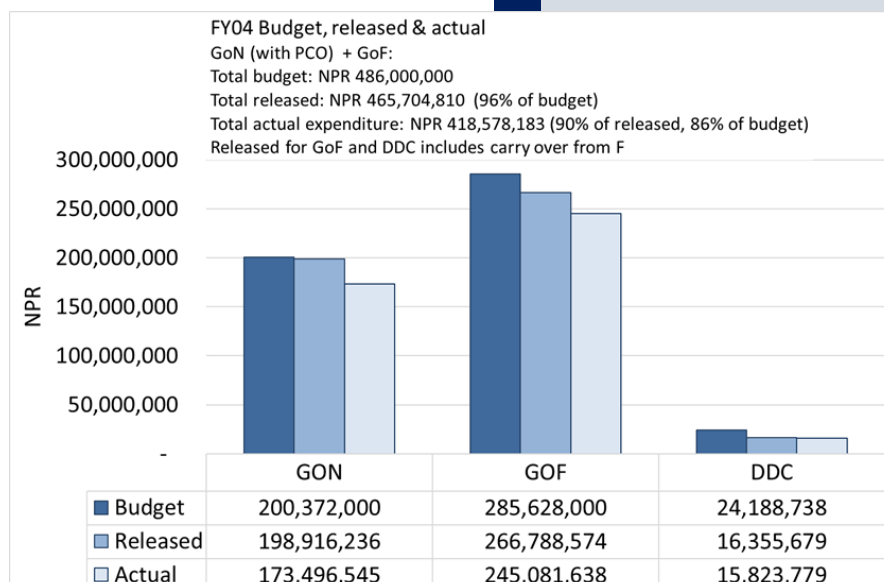


Figure 6 Contributions through DDF

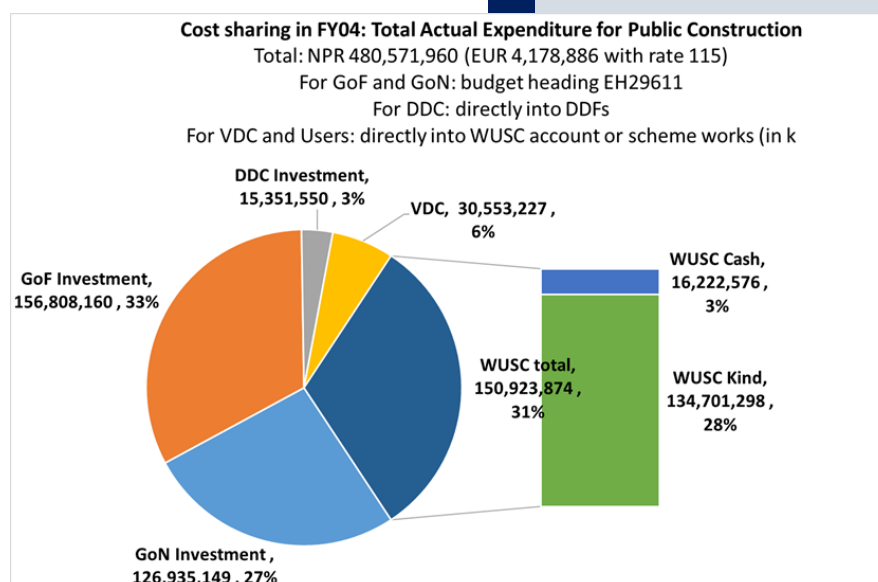


Figure 7 Contributions by WUSCs, VDC, DDC, GoN and GoF in FY04

Table 1. Contributions by the Government of Finland (EUR)

Cost item	FY04 (CY2016/17 - 2073/74)			Cumulative FY01-FY04		Total Phase II budget
	Budget	Actual	Actual/budget	Actual	% total Phase II	
Total through DDFs	1,932,190	1,846,774	96%	5,600,311	74%	7,617,672
TA (fees + reimbursable costs)	870,000	762,109	88%	3,226,538	65%	5,000,000
Running costs	250,000	235,792	94%	805,935	67%	1,200,000
Capacity building & Governance	110,000	111,778	102%	462,068	99%	465,300
Evaluation & Monitoring	15,000	13,156	88%	52,801	35%	150,000
Total through TA	1,245,000	1,122,835	90%	4,547,341	67%	6,815,300
Overall contingencies	0	0	0%	-	0%	440,000
Grand total through TA & DDF	3,177,190	2,969,609	93%	10,147,651	68%	14,872,972



LESSONS LEARNT, CONCLUSIONS & RECOMMENDATIONS

Nepal was going through fundamental changes over FY04. The long awaited elections were held in two phases, and VDCs were merged into new local units, Municipalities and Rural Municipalities. In this context, the Project started preparing its transfer from district-programme towards municipality-programme. In the new setting, the number of WASH Units has increased from 12 District WASH Units into 63 Municipality WASH Units and 14 Technical Support Units. The leading idea is that WASH services are local services, and therefore the planning, implementation and reporting must take place at the Municipality level.

Local ownership and leadership matters. As a change from the old setting, the Municipality WASH Unit is immediately closer to the citizens. This is where the tangible benefits of improved WASH are truly evident, influencing the daily life in these localities. The motivation to deliver high quality services should be high at this level given the involvement of the local bodies. Now there are more opportunities for meaningful engagement of local community groups, cooperatives and other stakeholders. This should boost the sense of ownership for sustainability and reliability.

What is also new is that the new Municipality WASH Units are functioning democratically. Due to the locally elected bodies, also the citizens' equal opportunities to influence political decision-making increase. Due to their locality, the new Municipality WASH Units are also more easily accessible for stakeholders, acting as public administration units that have an objective to produce better public services in their respective areas. These factors increase the accountability of Municipality WASH Units and are a clear improvement from the old context.

The rapid change that has now taken place with the newly elected bodies and new administrative units, resulted also in changing expectations from both the elected people and from the people who elected them. The change has been fast and RWSSP-WN II is in the frontline, one of the first ones that have gone ahead by re-defining its institutional structure to the municipal-level.

In the transition, it is highly important to keep the Municipality WASH Units transparent, accountable and responsible. The Project needs to give systematic attention in how the operational aspects in these units will turn out, making sure that good governance practices are introduced immediately. Autonomy of the newly established local institutions means providing operational freedom also to the Municipality WASH Units. They need to take their role both seriously and responsibly.

In the new context, the project will continue following the Step-by-Step approach keeping the WUSCs at the driver's seat. The related manuals and guidelines will need to be aligned with the new institutional context, paying attention to how individual WUSCs relate to the Municipality WASH Unit. Altogether, RWSSP-WN II considers the new governmental setting and the newly established Municipal WASH Units as a great opportunity to finally truly integrate WASH to the local governance level. It is both challenging and rewarding that the Project can support the fresh institutions in their first steps.

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