



FY03: 'Year of changes'

ANNUAL PROGRESS REPORT BRIEF FY 2074/2075 (FY 2017/2018)



GOVERNMENT OF NEPAL



EUROPEAN UNION



Ministry for Foreign
Affairs of Finland

This brief covers the highlights of the 3rd Fiscal Year (FY03; 16.7.2017-16.7.2018) annual progress of the Rural Village Water Resources Management Project Phase III (RVWRMP III), operating in Districts of Far Western and Western Nepal.

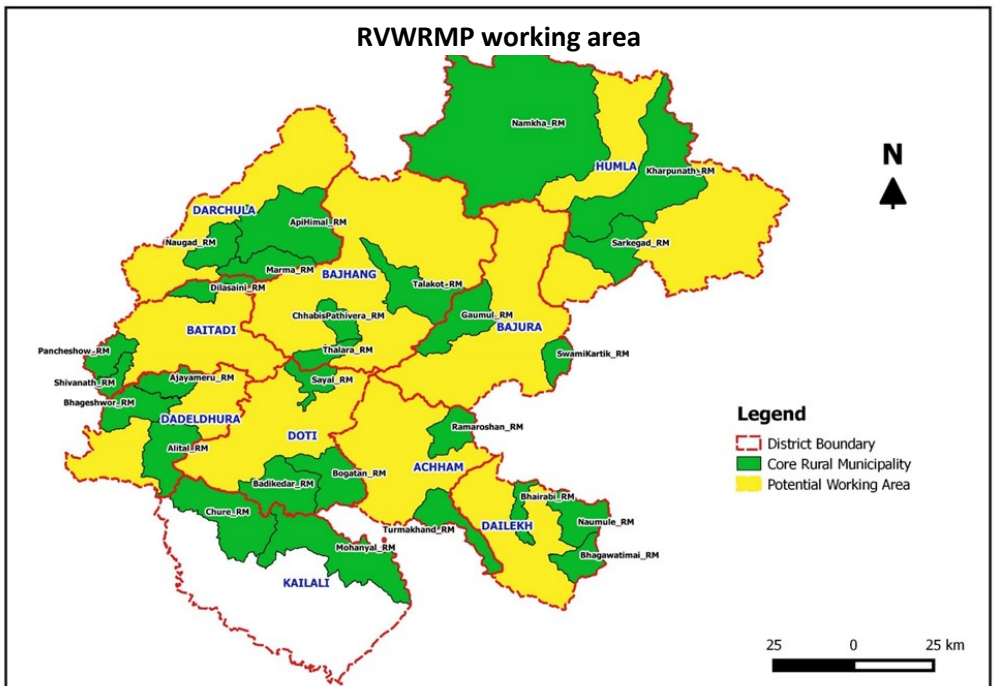
Year of changes

The FY03 was a year of changes: **The European Union joined the project** in November 2017, with the agreement signed to provide delegated funding of 20 MEUR. This increased the project budget by one third, expanded its scope to micro- hydropower, and increased the activities in the livelihoods sector. GoF and GoN contributions are 15 MEUR each, and RM contribution is 5.2 MEUR. Additional contributions are

expected from beneficiaries worth around 5 MEUR.

After the structural reform of the government, this was **the first year of co-operation with the new Rural Municipalities (RMs)** as the foremost partners of the project. The change in the government and the increased project size required adjustments to be completed in the project modalities and practices. The consecutive electoral and ongoing establishment processes in the RMs interfered with the field work to some extent in FY03. This led to a slightly slower progress than anticipated in some indicators.

Consequently, FY03 resulted in **changes in the administrative, financial and staffing structure of the project**. The project modalities, documents, and



RVWRMP's support to District ODF process

District	ODF declared	RVWRMP supported VDCs	Total VDC number	Support %
Achham	4/25/2013	9	65	14%
Dadeldhura	6/24/2014	7	24	29%
Bajura	11/28/2014	6	26	23%
Dailekh	6/22/2015	8	52	15%
Bajhang	12/31/2015	11	42	26%
Baitadi	7/12/2016	12	69	17%
Doti	7/12/2017	8	53	15%
Humla	12/14/2017	19	27	70%
Darchula	5/8/2018	15	36	42%
Kailali	5/13/2018	12	35	34%
Far West: Province 7	5/13/2018	80	350	23%
Working area total	5/13/2018	107	429	25%

guidelines were developed to align with the new government structure. The project changed its modalities to **enable a possibility to collaborate with all the hilly municipalities** in the project area as per their proposals.

Significant numbers of **new RM level staff were recruited** by the end of the FY03, including 27 Gaopalika Water Resource Officers, 15 Technical Facilitators and 15 Livelihood Facilitators. A recruitment was initiated for Support Organisations.

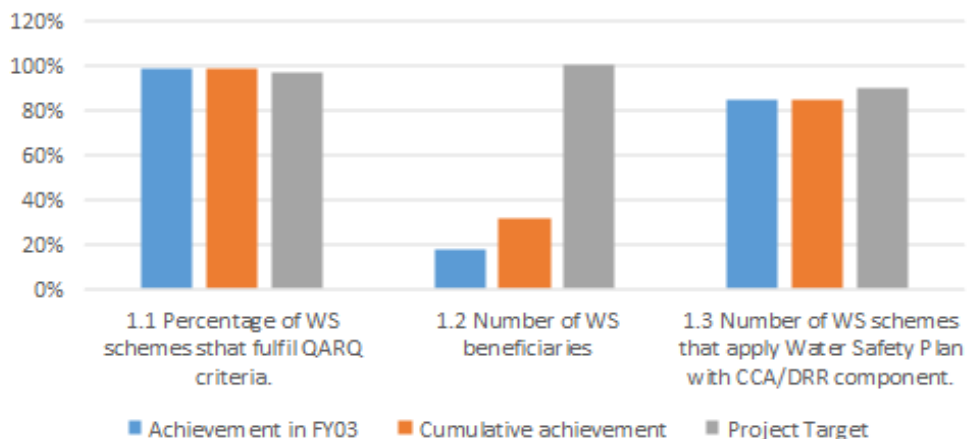
The project initiated **several new activities in cooperation with the RMs**, involving municipality strategy development and livelihoods planning on the project focus areas, Women as Decision-Makers workshops, Climate Change Adaptation (CCA) and Disaster Risk Reduction (DRR) training, and piloting water quality testing facilities.

Progress towards project purpose indicators

The project purpose is to achieve universal access to basic WASH services, and improved livelihoods with establishment of functional planning and implementation frameworks for all water uses and livelihoods in the project area—Far West & Western Nepal.

In the progress towards the project purpose indicators, the project initiated and proceeded far with **reorganisation of Water Use Master Plans (WUMPs) for all the 27 core RMs**, including the newly introduced **Livelihood Implementation Plans (LIPs)**. The ongoing work will be completed in the next FY. The project also integrated a livelihoods plan component to the WUMPs.

Progress in Result Area 1: WASH

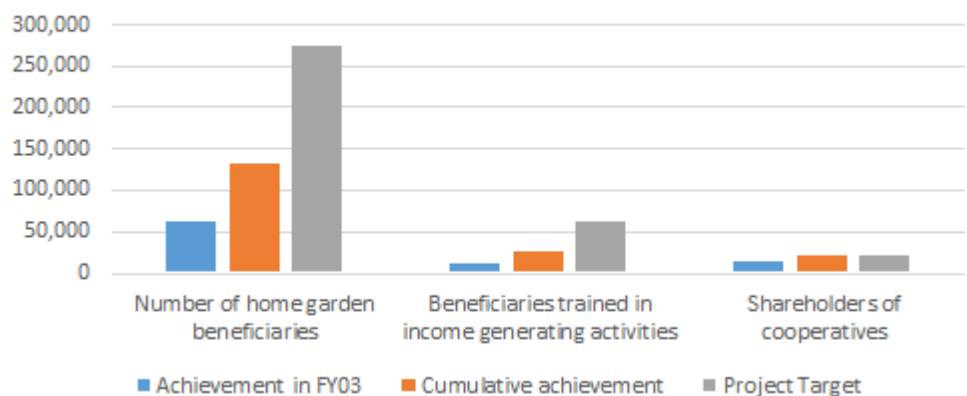


Furthermore, **the entire Far Western Province was declared Open Defecation Free (ODF)** in May 2018. Consequently, all project Districts are now ODF and the main focus has now turned to Total Sanitation, exceeding the respective targets of the project purpose indicators.

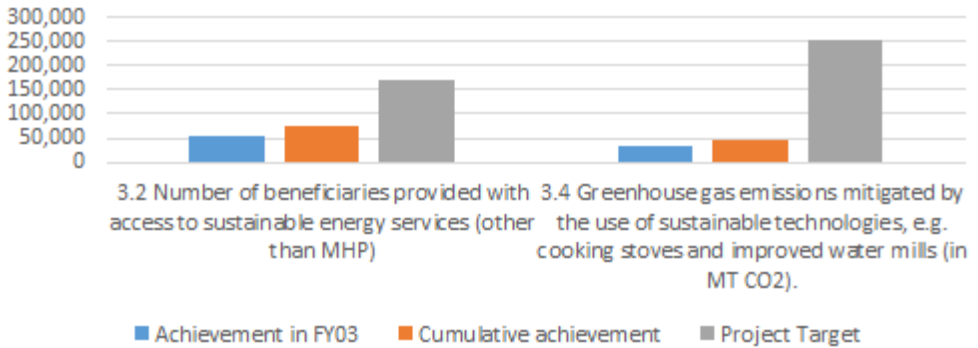
Progress in project implementation

The projects works in four Result Areas: 1. Drinking water, sanitation and hygiene (WASH); 2. Livelihoods development; 3. Renewable energy and climate change; and 4. Governance. The figures allow us to summarise the progress in these areas.

Progress in Result Area 2: Livelihoods



Progress in Result Area 3: Renewable energy and climate change

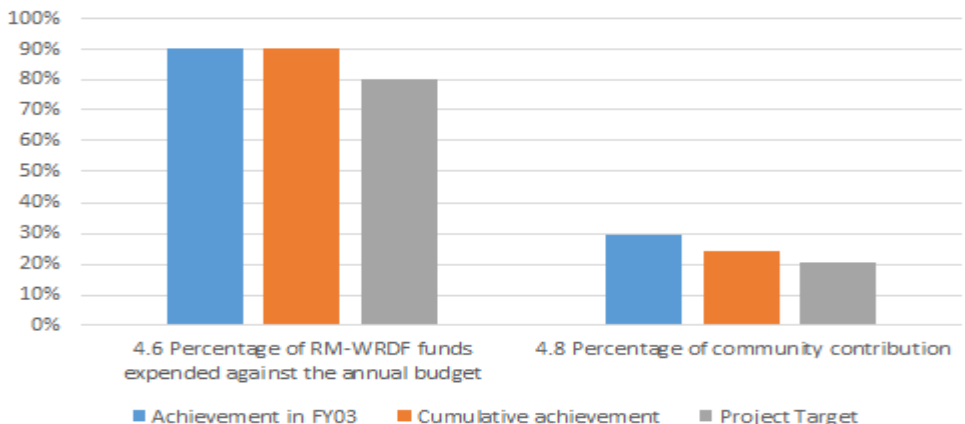


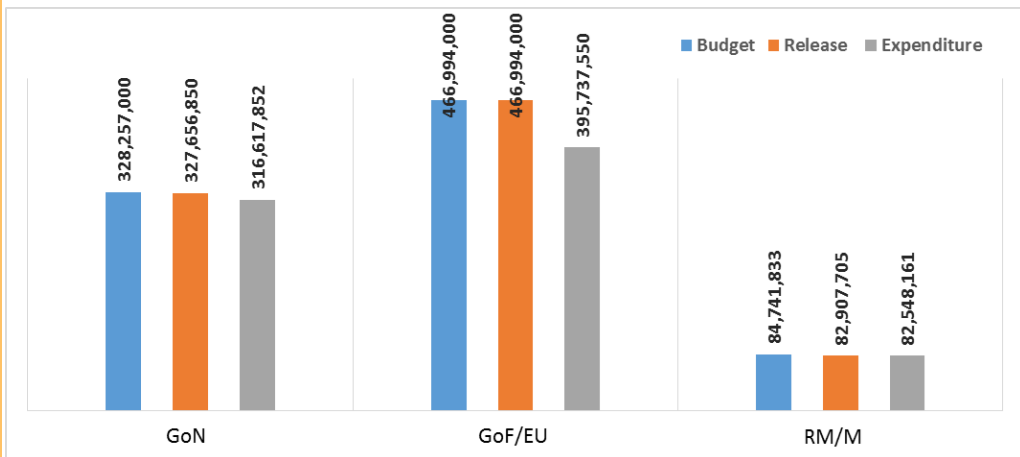
The project **completed 191 water supply schemes, with 61,000 beneficiaries**. The cumulative progress still lags behind the project targets despite the good progress in FY03. 99% of the schemes met QARQ (Quantity, Accessibility, Reliability and Quality) criteria and 85% had already completed the compulsory CCA/DRR post-construction component.

The project proceeded satisfactorily towards the project targets in home garden and income generation activities. The number of cooperative shareholders has already exceeded the target level.

51,000 residents had benefitted from improved cooking stoves (43,200) or improved water mills (7,800) in FY03. The cumulative total numbers at the

Progress in Result Area 4: Governance



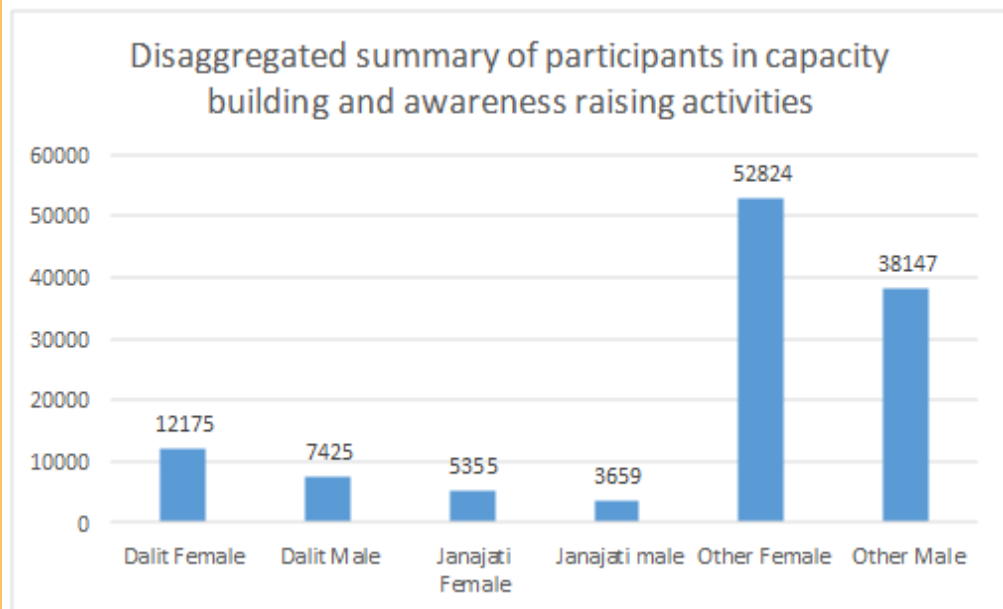


end of FY3 reached 44% of the project target of 170,000 beneficiaries. The emission reductions will accumulate towards the end at exponential pace. Therefore, the target will be met at the current level of activities.

The financial expenditures were at satisfactory level. During FY03, 99.7% of RM-WRDF budget was released, and

90.3% of the budget was expended in the RMs – a total of 794,900,000 NPR.

The RM contributed 10.3% of RM-WRDF and local contributions (cash and kind) to schemes reached 29% budgeted funds. Consequently, the users and the new municipalities contributed more than the Districts had ever released before, exceeding the project target levels (7%) already in the



first year of collaboration. These positive results indicate that working with RMs is possible and financially viable.

GESI and HRBA status

RVWRMP has mainstreamed a Gender Equality and Social Inclusion (GESI) approach in all its activities as a cross cutting issue. The project requires a proportionate representation of women and minorities in all activities, including in the formation of UCs and Cooperatives, and their leadership, and capacity building activities.

Organisations supported by RVWRMP had **equal representation by gender**, and representation of Dalits and Janajatis was fairly proportional. **More women than men participated in capacity building and awareness raising activities**, though there are variations depending on the type of training.

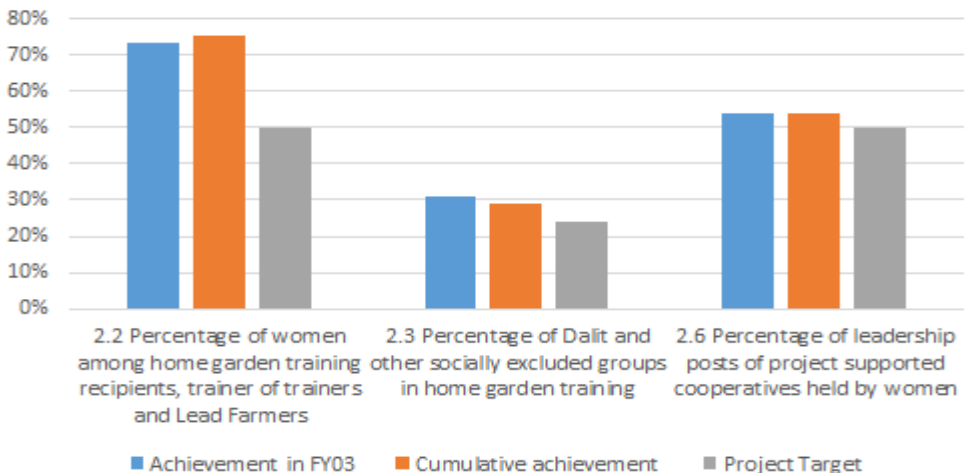
For the first time in twenty years, Nepal has elected local governments that are accountable to the voters. Therefore, the project conducted orientations including the HRBA/GESI theme for RM representatives. Furthermore, the project conducted **Menstrual Hygiene Management** trainings and **Women as Decision-Makers** workshops at the RM level.

Sustainability status

A water supply scheme is considered to be sustainable when it functions throughout its design life period at designed service levels. The result framework of the project has defined QARQ criteria for water supply. All the schemes should have a water safety plan with DRR and CCA components.

As of the reporting period, all the water supply schemes are fully functional. Village Maintenance Workers are

GESI and HRBA status indicators



mobilized in 97% schemes. 94% of Users' Committees had regular meeting system. Operation and Maintenance (O&M) regulation was implemented in 86% schemes. 12% of the schemes were affiliated with cooperatives. Annual General Assemblies were conducted in 66% schemes during the reporting period.

Lessons learnt and ways forward to FY04

The enthusiasm and energy of the new local government is tangible and initial cooperation with the RMs has been positive. RVWRMP III will continue supporting the municipalities to undertake their service provision tasks and to establish their own sectoral strategies and regulations.

It is critical that the project maintains an attitude of supporting sustainability and transferring tasks to the RMs. It will be important to continue building this ownership further. The project's cooperation with the RMs and WUMP/LIP as a planning platform for the RMs will play increasingly important role in enhancing the sectoral sustainability.

There are some difficulties in the cooperation that are expected to endure in the next FY. The RMs do not have their

full components of staff yet, and there have been frequent transfers of RM officials. The new recruitments at the RM level are expected to alleviate these problems.

Water source conflict remains a serious problem throughout Nepal, including in the project area. This includes competitive increases in water demand and depletion of sources. A critical role remains for quality RM level plans and proper scheme planning.

RVWRMP still struggles to recruit qualified female staff. The project will need to continue to consider alternative methods to improve the gender balance of staff.

Development of the WUMP/LIP, CCA/DRR trainings, and the water quality testing facilities for the RMs were seen beneficial, and improving the RM capacities.

The new GESI activities, such as Women as Decision-Makers workshops, empowered women and involved them to formulate gender responsive plans. The project will continue developing the modalities and activities in the future, and promoting active participation of all.



Project Support Unit

Amargadhi-5, Dadelhdhura
PB 40, Dhangadhi, Far West Nepal
Phone: +977-96-410413 /14 /15
www.rvwrmp.org.np

