





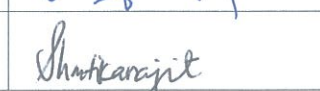
Joint Project Steering Committee and Local Project Appraisal Committee
Meeting
for
Nepal Climate Change Support Programme
23 November 2012

MoEST Meeting Hall
Singha Durbar, Kathmandu

Minutes

Members Present:

S.N.	Name	Organization	Designation	Signature
1	Keshab Pd. Bhattarai	MoEST	Secretary	
2	Shoko Noda	UNDP	Country Director	
3	Gopi Nath Mainali	NPC	Joint Secretary	
4	Reshmi Raj Pandey	MoFALD	Joint Secretary	
5	Resham Dangi	MoFSC	Joint Secretary	
6	Dr. Prabhakar Pathak	MoAD	Joint Secretary	
7	Gokarna Mani Duwadee	MoEST	Joint Secretary	
8	Shankar Prasad Adhikari	MoEST	Joint Secretary	
9	Dr. Govind Pokharel	AEPC	ED	
10	Bhuban Karki	MoF	Under Secretary	
11	Chakra Pani Sharma	MoFALD	Under Secretary	
12	Lava Bahadur K.C.	MoEST	Under Secretary / NPM NCCSP	
13	Ritu Pantha	MoEST	Director	
14	Naresh Sharma	MoEST	Agri-Economist / NPO NCCSP	
15	Vijaya Singh	UNDP	Assistant Country Director	
16	Simon Lucas	DFID	Climate Adviser	

17	Ranjan Shrestha	EU	Senior Programme Manager	
18	Parshuram Upadhyay	NAVIN	E.D.	
19	Leela Sthapit	UNDP	Programme Associate	
20	Tek Bahadur Gurung	UNDP	Consultant	
21	Shanti Karanjit	UNDP	Climate Change Policy Analyst	

Agenda:

1. Opening remarks by Mr. Keshab Bhattarai, Secretary, MoEST
2. Welcome remarks by Ms. Shoko Noda, Country Director (CD), UNDP
3. Presentation of draft project document by Mr. Tek Gurung, UNDP Consultant
4. Discussion
5. Conclusion/closing remarks by:
 - Ms. Shoko Noda , CD, UNDP
 - Mr. Keshab Bhattarai, Secretary, MoEST

Proceedings:

The meeting was chaired by Mr. Keshab Prasad Bhattarai, Secretary of MoEST and co-chaired by Ms. Shoko Noda, CD, UNDP.

Mr. Keshab Bhattarai (Secretary, MoEST) welcomed all the participants to the joint Project Steering Committee (PSC) and Local Project Appraisal Committee (LPAC) meeting held to appraise Technical Assistance component of “Nepal Climate Change Support Programme”. In his opening remarks, Mr. Bhattarai stressed upon the fact that joint meeting of PSC and LPAC was never held before and this meeting has become a precedent. He highlighted the importance of NCCSP in the Nepal’s context and the ongoing climate change activities being undertaken in Nepal under MoEST’s leadership which has helped Nepal in combat against climate change. He gave special emphasis to National Adaptation Programme of Action (NAPA) and Local Adaptation Plans for Action (LAPA) framework approved by the GoN. Expressing his full commitment on behalf of the GoN and MoEST for successful implementation of NCCSP, Mr. Bhattarai requested Ms. Shoko Noda to give her welcome remarks.

Ms. Shoko Noda (CD, UNDP) in her welcome remarks, thanked and congratulated Mr. Bhattarai for assuming his new office. Ms. Noda thanked all the partners, especially DFID and EU for their support in NCCSP and expressed UNDP’s willingness to contribute to DFID/ EU bigger climate change initiatives. Referring to Broad Framework Document of NCCSP signed on 10 January 2012, Ms. Noda emphasized on UNDP’s role of providing technical support to the GoN (MoEST) in implementation of NCCSP. She highlighted that the main objective of holding a joint LPAC and PSC Meeting for NCCSP was to appraise and endorse the NCCSP TA programme document so that implementation of the programme could start at the earliest.

She further mentioned that NCCSP being a flagship adaptation programme, its implementation is of particular interest to many other countries as well.

Mr. Bhattarai requested all the participants for self-introduction and asked UNDP team for presentation of draft project document.

Mr. Tek Bahadur Gurung, UNDP Consultant, made a presentation on the NCCSP project document (please refer to Annex 2 for the presentation slides).

Follow up questions raised during the presentation¹ and responses made:

Mr. Bhuvan Karki (MoF) raised three points of clarifications which were addressed immediately by UNDP team:

- i) Why was the word "senior" (i.e. Senior Supplier and Senior Beneficiary) used in the management arrangement?

It was clarified that as per the new corporate policy for UNDP supported programme/projects guided by Programme and Operations Policies and Procedures (POPP) issued by the UNDP HQs. PEB is role-based management arrangement and the "Senior" represents the role (s) that an agency (ies) has to play on behalf of the "Suppliers" or "Beneficiaries".

- ii) What will be the role of MoEST Account Officer in programme fund handling?

As written in the programme document it was clarified that responsibility of handling overall NCCSP funds (both TA and non TA) management will be of Finance and Accounts Officer recruited by the Programme while the role of MoEST's Account Officer will be to facilitate NCCSP fund disbursements from MoEST to UNDP and DDCs against the expenditure and reporting. This arrangement was made considering that MoEST Account Officer will be overburdened if s/he was asked to handle NCCSP full-fledged programme fund.

- iii) Why were 6 Regional Climate Change (RCC) Coordinators proposed for 4 Programme Regional Offices (PROs)?

Depending upon the remoteness and accessibility factors within a programme cluster, 6 coordinators are proposed for 4 programme clusters organized as programme regional offices. In case of Kailali, although only 3 districts of the Far-Western Region are covered under the project, 2 RCC Coordinators are proposed in light of extensive coordination and collaboration that need to be exercised with the regional offices and directorates. In case of Jumla, 2 RCC Coordinators are proposed given the vastness and remoteness of the Karnali Zone. In case of Dailekh and Dang, one RCC Coordinator to each district is proposed.

Mr. Gopi Nath Mainali (NPC) inquired if there will be a dedicated climate change officer in every district and climate change coordinator at the regional level. Other points raised by Mr. Mainali were:

¹ Some of the points were raised during the course of presentation whereas some were discussed post presentation.

- a) Whether the TA component will be “off-budget”.

Mr. Karki responded that it will be “off-budget” as UNDP TA activities will be directly implemented by UNDP.

- b) Referring to role of government agency in monitoring NCCSP results, Mr. Mainali suggested being specific and explicit in identifying the role of a particular government agency / ministry instead of just mentioning GoN.
The point was well taken by UNDP.

Mr. Prabhakar Pathak (MoAD) asked about explicit mention of the role of line agencies at the district/ local level in implementation of NCCSP.

Mr. Gurung responded that the role of district line agency was already outlined in the prodoc. He further explained that depending upon the type of activities to be implemented and actual capacities of the line agencies to deliver, line agencies are expected to contribute in the implementation of NCCSP based on contractual arrangements signed with them.

Mr. Bhattarai (Secretary, MoEST) reemphasized that UNDP’s role would be crucial in implementation of LAPA in 69 VDCs and 1 municipality through TA provided to MoEST and MoFALD. He reiterated the importance of UNDP’s specific role in management of TA and highlighted the purpose of the meeting and opened the floor for open discussion.

a) Follow up questions raised during the Open Floor Discussion:

Mr. Reshmi Pandey (MoFALD) appreciated the document for being positive and coming out of an intensive consultative process. He mentioned that, involvement of local governance unit in programme delivery, application of NIM modality for project implementation and fund flow through DDF are very positive aspects of the project. However, Mr. Pandey also made following suggestions:

- a) To follow the definition of social inclusion categories of the GoN comprising of women, Dalits, ethnic minorities, poorest people across all caste and ethnicities for defining beneficiaries of the programme (wherever applicable).

Suggestion was well taken and agreed to make necessary adjustments in the document.

- b) The knowledge, experience and expertise of district line agencies needed to be utilized appropriately wherever applicable during LAPA implementation.

Point was well noted. It was agreed that project will explore the strength of line agencies during annual, quarterly and trimestral work planning process.

- c) The independent auditing and M&E by DFID/ EU should be conducted in mutual understanding with the GoN to avoid any possible complications.

Point was well taken.

Mr. Chakra Pani Sharma (MoFALD) requested for the Annexes for better understanding of the project details including budget disbursement. He also raised the following points:

- a) The DEECC Section Operational Guidelines, which is still in draft version, should be approved for the smooth operation of the DEECC Sections.
- b) The sustainability of the tenure of the DEECC Section staff after the phase-out of the project should be taken into consideration.
- c) As far as possible, the existing village level Integrated Planning Committee should be strengthened and their roles extended to contribute during LAPA implementation.

Mr. Resham Dangi (MoFSC) congratulated the team for preparing the ProDoc and being able to capture the spirit of Climate Change Policy and NAPA. He proposed making a central institution which will have common objective rather than creating new ones. He remarked that the activities that the project was supposed to implement (as mentioned in the ProDoc) are apparently landuse based which might continue on long and medium term, hence the project should develop some mechanism to work with the government district offices mandated for implementing such activities to ensure sustainability.

Point was well noted. It was further explained that NCCSP primarily addresses the climate vulnerability issues covered under the Combined Profile 1 of NAPA. The programme will work through a local level coordination mechanism which will bring all the government partners onboard.

Responding to the question raised by Mr. Chakra Pani Sharma, **Mr. Govind Pokharel (AEPC)** explained about the operational mechanism of the existing DEECC Units and the support that AEPC has been providing to the units in terms of staff and programme. He emphasized on internalizing the DEECC Sections as an institution within DDC rather than just thinking about continuation of one or the other staff working under DEES.

Mr. Ranjan Shrestha (EU) raised a concern as to why different currencies were mentioned in the cover page.

In response Mr. Gurung explained that it was according to the recommendation of Result Oriented Monitoring (ROM) mission fielded by EU recently to avoid the discrepancies in the actual amount available attributed by the difference in exchange rates at different points of time.

Mr. Ranjan Shrestha also mentioned about the Financing Agreement with the Government of Nepal and Delegation Agreement with DFID and stressed that the provisions made in these two agreements must be respected during the implementation of the project activities. In this regard, he stressed that if EU funding is to be used for "Call for Proposal", then the EU procedure will have to be applied. He suggested that it would be useful to mention about the provisions associated with "Call for proposal" in the document, in order to avoid confusion and problems during later stages of implementation. Further, for more clarity, responsible body for management of services providers need to be highlighted in the document.

In addition, he suggested that the document should clearly mention about the different modes of procurement to be implemented by the responsible entities to manage the process. Moreover, he suggested that the principle of economy of scale (bulk) in procurement procedures (referring to procurement of goods) should be adopted to minimize transaction costs as well as avoid potential irregularities.

Mr. Prabhakar Pathak (MoAD) congratulated for good presentation and comprehensive document. He solicited clarification on the difference in roles and responsibilities of the PEB and PSC. He asked about the role and link of the regional government offices. He mentioned about the service providers and shared the challenges that MoAD was facing during the selection and retention of the NGOs as the service providers. He suggested NCCSP learn from MoAD's experience of procuring services through service providers.

Point was well taken.

Mr. Parshuram Upadhyaya (NAVIN) appreciated Mr. Secretary for acknowledging the spirit of decentralization in the NCCSP and thanked the team for capturing the essence and core of the decentralization in the ProDoc. He requested to build the linkage with the NAVIN members and enhance their capacities and help in institutionalization of existing rural energy, environment, and climate change units.

Point was well noted.

Mr. Simon Lucas (DFID) congratulated UNDP and GoN for successfully managing the various steps in project formulation and finally reaching to this point. In response to Mr. Shrestha's suggestion about use of EU funds, he suggested to split the funding between the EU and DFID's share so that any procurement through "Call of Proposal" is funded through DFID resources. He emphasized that this project has bigger responsibility to the wider international community and has to demonstrate the success of LAPA globally. He asked for everybody's support to the document so that the approval process is not further delayed and the team can go ahead with the next steps discussed during the presentation so that Nepal could present the progress in the COP 18 meeting.

Mr. Naresh Sharma (MoEST) questioned about the EU's procurement rules prevailing over the Public Procurement Act, 2007. **Mr. Shrestha** explained that this condition applies to only "Call for Proposal" category and mentioned that Mr. Lucas's suggestion could help to go by this condition. He also mentioned that this project has already received the high profile within the EU and reiterated that the success of this project can bring more climate change earmarked funds from the EU to Nepal.

Mr. Vijaya Singh and Tek Gurung (on behalf of UNDP) welcomed all inputs, comments and suggestions. Acknowledging that suggestions made and inputs provided will be helpful in improving the document, they assured the participants to incorporate the suggestions and inputs into the NCCSP programme document as appropriate.

Conclusion:

Ms. Shoko Noda confirmed UNDP's financing contributions for the NCCSP through its TRAC sources in addition to TA funds provisioned under the project from DFID and EU resources. She also mentioned that she was pleased with the outcome of the meeting and thanked all the participants for their valuable inputs and endorsement of the proposed NCCSP programme document.

Mr. Keshab Pd. Bhattarai, in his closing remarks, mentioned that this project was a flagship project not only for Nepal but also for the international audience. He echoed with Ms. Noda that the meeting was constructive. He thanked the participants for their pertinent comments and remarks, especially those concerned with the sustainability of the district level

institutions after the completion of the project. He thanked the team, donors and the partners from other ministries.

Finally, Mr. Bhattarai thanked all participants for their valuable contribution and **endorsement of the project**. He concluded that **the ProDoc was approved by this meeting** and requested UNDP team to incorporate the comments raised during the meeting to the extent possible in the final document.

The meeting adjourned at 14:45 hours.

Minutes signed on behalf of MoEST/GoN:



Mr. Keshab Bhattarai, Secretary

Date: 29 Nov 2012

Minutes signed on behalf of UNDP:



Ms. Shoko Noda, Country Director

Date: 29 Nov 2012