
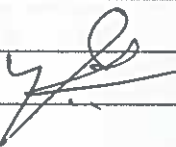

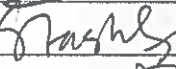



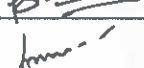



Minutes of Project Executive Board Meeting

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| Project Name: | Nepal Climate Change Support Program (NCCSP) | | |
| Date of Meeting: | 22 Feb 2017 | Time: | 11:30 – 13:00 |
| Chair: | Ram Prasad Lamsal, NPD/MoPE | Location: | Meeting Hall, MoPE |

Attendees

| Name | Title | Organization | Signature |
|-----------------------|-----------------------------|--------------|---|
| Dr. Ram Prasad Lamsal | NPD/Joint Secretary | MoPE |  |
| Naresh Sharma | NPM/Under Secretary | MoPE |  |
| Guru Subedi | Under Secretary | MoFALD | |
| Kaman S Khatri | Under Secretary (Accounts) | MoPE | |
| Ram Babu Rijal | Accounts Officer | MoPE | |
| Sophie Kemkhadze | Deputy Country Director | UNDP | |
| Vijaya Singh | Assistant Country Director | UNDP |  |
| Annika Olsson | Economic Adviser | DFID | |
| Pratima Ranjit | Programme Manager | DFID | |
| Ram Prasad Dhital | Executive Director | AEPC | |
| Anil Kumar KC | Deputy Programme Manager | NCCSP |  |
| Sita Shahi | Sr. Climate Change Expert | NCCSP |  |
| Durga Prasad Uprety | M&E Specialist | NCCSP |  |
| Kheema Subedi | Admin Finance Officer | NCCSP |  |
| Manoj Prasad Ojha | Climate Change Officer | NCCSP |  |
| Pragati Sharma | Climate Change Officer | NCCSP |  |
| Laxman Shrestha | Sr. Admin Finance Assistant | NCCSP |  |

Meeting Agenda

| Topic | Presented by |
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| 1. Presentation of NCCSP Progress Updates, workplan (2016/17), Updates on last PEB recommendations, Fund Status etc. | NPM/DPM |
| 2. Discussions/Decisions | All participants |
| 3. Concluding Remarks/wrap up | Partners/Chair |

Dr. Ram Prasad Lamsal, NPD/Joint Secretary (chair) welcomed the participants and asked for self-introduction of the participants. After the self-introduction of the participants, he asked Mr. Anil KC, Deputy Programme Manager/NCCSP to make presentation of progress updates, 2017 annual work plan for TA including financial status of the programme as per the agenda.

| Discussion/ Decision and Action | | |
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| Topic (Discussion) | Action (including time line to complete the recommended action)/ Decision | Responsible Person for action |
| <p>Agenda 1: Presentation of NCCSP Progress Updates, , Updates on last PEB recommendation, Learnings ,Workplan (2016/17) etc</p> <p>I. <u>LAPA Implementation</u></p> <ul style="list-style-type: none"> • A total of 2,303 (732 in 2016) adaptation actions (target 2,680) has been implemented during the three years (2013/14 to 2015/16) of LAPA implementation. More than 600 thousands of climate vulnerable people have benefitted from these interventions. • In terms of overall financial delivery of the programme, NRs 1,962.36 m has been spent up to FY 2015/16. All the total contribution of UK £7 m and € 7.6 m from DFID and EU respectively have been delivered during this period. • DFID has provided UK£ 3 m for the FY 2016/17. In this period, 324 adaptation actions are planned, and 177 has been implemented as of mid Feb 2017. NRs 173 m has been spent out of annual budget of NRs 424 m. • On the UNDP TA, US\$ 4.36 m has been spent up to 31 Dec 2016. In 2016, TA spent US\$ 1.09 m (99%) out of planned budget of US\$ 1.10 m. The TA budget for 2017 is US\$ 1.3 m | | |

II. Theme wise progress

- **Agriculture, Livestock and food security**

Livelihoods and food security improved through different activities such as irrigation measures, crop intensification, drought/drown resistant farming etc. Water management interventions (Irrigation canals (349 overall; 158 in 2016), rain water harvesting tanks/plastic ponds/normal water collection ponds (1,071 overall; 205 in 2016) have helped to irrigate additional 744 hectares of land. High value crops such as fresh vegetables were promoted near to market centres through micro irrigation schemes (2,385).

- **Alternative Energy**

Women's workload and indoor air pollution decreased through improved cooking stoves (15,829 overall; 1,510 in 2016); metallic stoves (2,377 overall; 890 in 2016); Biogas (448 overall; 36 in 2016).

People got access to LED lamps and communication support through micro solar units (3,203 overall; 1,388 in 2016). Off grid electricity generation supported in 6 locations to generate 51 kw energy which ultimately reduced work after implementation of such schemes. It was also reported that these activities improved health condition and less fuel wood consumption, which supported to maintain carbon stock for mitigating climate change.

The program results and impacts were reflected in (i) increased productivity and food security through different activities such as irrigation measures, crop intensification, drought/drown resistant farming etc. (ii) reduced drudgery of women and indoor air pollution through improved cooking stoves, metallic stoves and biogas, and (iii) increased safety due to different land protection measures.

- **Climate Induced Hazards and Physical infrastructures**

Communities are safer from climatic hazards through land protection measures such as protection walls (3,428 m overall; 2,048 m in 2016), gabion boxes (15,459 m over all; 6,124 m in 2016), check dams (1,697 m overall; 603 m in 2016) have protected 3,268 hectares of land. Similarly, improved access to safe drinking water to 11,344 HHs through drinking water taps (1,548 overall; 538 in 2016) and water tanks (675 overall; 225 in 2016) and improvement in community sanitation through elevated taps (161 overall; 34 in 2016); elevated toilets (29 overall; 10 in 2016) was reported after activity implementation. To justify the progress, we may look at the case of Likhu VDC, Dolpa where more than 500 children are now attending school regularly which was interrupted

due to risk from landslide, which has now been protected from landslide from our support and the children's are now attending the school regularly without fear.

III. Communication and Visibility

The project enhanced the communication and visibility of its work through following activities.

- Posters, flyers, diary, calendar, case study booklets vol I and II, stall exhibition, video documentary etc.
- National, regional and local media (success stories regularly carried out by media)
- Presentation of NCCSP case in International events (CoP, NAP Expo etc.)
- Recognitions (Best 5 projects among 170 submissions in CoP 21; People's Champion Award in AF Global Photo contest)
- Sharing Nepal's experience with international Visitors (Bangladesh visitors)

IV. TA progress updates – 2016

In 2016, the TA supported and completed the following activities in support of LAPA implementation, capacity development and fiduciary risk mitigation, among others.

- 690 reviews by District, M/Village EECC Coordination Committees conducted 690 reviews and 209 field monitoring visits.
- District team and LAPA Facilitators helped to organize 2929 meetings/orientations to Ward Citizen Forum for advocacy and mainstreaming CC into development plans
- All the 100 LAPA Facilitators (60% female) received refresher trainings (3 events) on community mobilization, Climate Change, field reporting, monitoring etc. They were also taken to nearby districts for exposure visits/learning from other projects.
- DDC officials and project staff (including orientation on field operational guidelines) received training (3 events) on financial management/fiduciary risk management.
- District stakeholders received training on CCA/GESI (64 events). This has completed all the remaining training to 14 districts, 87 VDCs and 9 municipalities.

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| <ul style="list-style-type: none">• The visibility of the programme is enhanced through various activities (Social media, websites, video, FM radio, success stories etc.)• The MIS data for all 3 years (up to 2016) has been updated.• The TA team supported DFID independent review, NCCSP design team (ongoing)• The project helped the ADBL in preparing/translating documents to apply for accreditation as National Implementing Entity to Adaptation Fund Board. ADBL has now uploaded all the document and information. | | |
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| <p>V. <u>PEB/PSC meeting issues/recommendations:</u></p> <p>MoPE and UNDP have completed recruitments in major key positions.</p> <ul style="list-style-type: none"> • UNDP and MoPE have filled in all vacant positions and staff deputed to the field stations with necessary orientations and trainings • Independent auditors were appointed to facilitate and settle audit issues of Dolpa (including other districts); Team is working. • NCCSP Operational Guidelines (for Red Book field Budget) has been tested with the DDC and project field staff through training events. They will be updated as required. • MIS has been updated for all three years and simplified. <p>VI. <u>Lessons/ Learnings</u></p> <p>Some of the lessons/learnings of the project are as follows:</p> <ul style="list-style-type: none"> • Effectiveness and equity aspect of the project is working well. There is a need to improve on efficiency and economy (Independent review) • Operation and maintenance of the completed climate resilient infrastructures should be strengthened through close monitoring, preparation of guidelines to be used by Users Groups. • There is a need to monitor and reduce the fiduciary risks through capacity development, safeguards, monitoring etc. • Areas like Karnali region need multiyear planning and implementation strategy. • Enhanced inputs for technical design, budget estimates, QA etc. is felt as this aspect is weak at the moment. | | |
| <p>TA Work Plan – 2017</p> | | |
| <p>The key highlights of 2017 TA work plan is as follows:</p> <ul style="list-style-type: none"> • Continued support to DDC in finalizing and implementing LAPA (RFP, selection of partners, contracts, review/monitoring • Continued reviews (83) and monitoring visits (74) by District, M/Village level Coordination Committees • Meeting with LDO on reflection/review of program strategies/progress • Sharing/learning with WCF members (96) and LF (84) • OM guidelines and orientations (14) | | |

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| <ul style="list-style-type: none"> • FR mitigation training/orientation to stakeholders/staff. Update field level operation guidelines (Red Book budget) • Training to DDC Technicians on Climate Change, M/E, GESI (1 event) • Continued communication and visibility actions • NCCSP closing workshop/learning sharing • TA final evaluation by UNDP | | |
| <p><u>Overall TA fund Status:</u></p> <ul style="list-style-type: none"> • Cost Sharing Agreement: US\$ 5.28 m • UNDP core: US\$ 0.32 m • Cumulative expenses up to Dec 2016: US\$ 4.36 m • Balance for 2017: US\$ 1.24 m • UNDP core 2017 : US\$ 0.10 • Total fund available for 2017 TA: US\$ 1.34 • Annual plan for 2017: US\$ 1.34 | | |
| <p><u>Key priorities for 2017</u></p> <ul style="list-style-type: none"> • Support to MoPE in planning and programming the adaptation actions for next fiscal year 2017/18 • Increased focus on establishing a strong fiduciary risk mitigation measures • Design of NCCSP II (including piloting of the LAPA review, urban LAPA and upstream/downstream adaptation actions in one selected district) • Closing of NCCSP I actions (Project Completion Report, workshops, review, asset management etc.) • Preparatory works for NCCSP II as required | | |
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Agenda 2: Summary of Discussion

The participants provided useful views on the programme that are summarised below.

DFID

Annika Olsson said that the restructuring of the local government and the holding of local election is very good. But it will have significant implications on the programme design and implementation. Issues such as delivery mechanism, capacity of the newly elected local government, fund flow mechanism, fiduciary risks, and role of DDCs are areas that need serious deliberation. There should be rethinking of how the programme will be adapted, managed and implemented under the changed context. She also suggested that the project will have to prepare a transitional plan to take into account the new realities and continue to implement the activities. On the final payment from EU, she informed that she is in touch with EU. She said that DFID supports the extension of TA until 31 Dec 2017. She informed that bids for technical assistance component of NCCSP II will go within a couple of months.

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| Prepare Transition Plan for NCCSP | NCCSP/MoPE |
| NCCSP II to be designed taking into consideration new governance structure | DFID/MoPE and Design Team |

UNDP

Sophie Kemkhadze appreciated the good work of the TA team, and said that the issue of government restructuring is bigger for all partners especially in the context of design of NCCSP II. She also raised the issue of international travel to participate in international events which is important to increase the capacity of GoN officials. However, she emphasized the need to comply with the established procedures particularly in case of international travel. All the partners should know about the travel plan supported by the project. She advised updating the project risks in the new context. She also informed that UNDP is in the process of formulating a 5 year Country Development Programme where Climate change and environment is one of major programmatic pillars. UNDP will always be supportive to address the issues of climate change and environment.

Vijaya Singh agreed with the views expressed by previous speakers. Merger of the local bodies and new governance structure will have implications on the programme implementation. There is a need to enhance the technical support to the climate resilient infrastructures which is poor at the moment. Designing of the infrastructure should be improved to adapt to climate change effects. This can be addressed through hiring of short term experts for now. NCCSP is supporting the GoN on several issues related to policies & strategies formulation such as NAP. However, any support to the NAP formulation process should be within the purview of the NCCSP, and reflected in the annual workplan with details on what kind of support will be provided. Likewise, support to international travel has been adhoc having no discussion with UNDP on what kind of travel is being supported. The project should make a plan for international travel which needs to be agreed upon in advance.

UNDP supports the extension of TA until 31 Dec 2017.

Enhanced technical support in areas of infrastructures

Details of Support to NAP & other policy initiatives. Agreement on international travel supported by the project

Extension of TA until 31 Dec 2017

NCCSP

NCCSP/MoPE

MoPE/UNDP

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| <p><u>MoFALD</u></p> <p>Guru Subedi thanked the NCCSP team for organizing this meeting and mentioned that he found NCCSP as a successful project having good modality. Responding to the issues on the restructuring of the local government raised by partners, he said that MoFALD has taken all the necessary measures including the drafting of the LG laws/by-laws, staffing arrangements to run the newly elected local government. GoN will soon announce an Executive Order to manage the affairs during transitional period. However, he cautioned that there could be some uncertainties especially at district level beyond July 2017 as the country moves into federal structures. DDC will have only a coordinating role. Local Government Unit will be increased to address the concerns of some political parties.</p> <p>He suggested that NCCSP should plan its activities accordingly. Project Steering Committee may have to be called again in July to address the emerging issues and take appropriate decision on the programme implementation. At the village level, there are social mobilisers under LGCDP. So, NCCSP and LGCDP should collaborate to implement the activities at the community level.</p> | <p>Monitor, plan and manage implementation until during the transitional period.</p> <p>Coordinate with LGCDP at village level</p> | <p>NCCSP</p> <p>NCCSP</p> |
| <p><u>AEPC</u></p> <p>Ram Prasad Dhital said that the issues raised by Annika are valid and must be seriously discussed to design and implement the programme. Our focus should be on strengthening the capacity of local government units, project delivery model at the local level and establishing some kind of coordinating mechanism including setting up of project structures at the provincial level. In the design of new programme, we should consider engaging constitutional expert for guidance from constitutional/legal context. District level institutions may not stand as they are now since their roles will be reduced.</p> | | |
| <p><u>MoPE</u></p> <p>Naresh Sharma informed that MoPE is in discussion with MoF on the release of T2 fund to the districts to continue to implement the programme. He proposed that TA should be extended until 31 Dec 2017 but considering the local level restructuring, a review of implementing modality should be conducted in the middle of year. The next PEB and PSC will provide opportunities to further review and discuss the emerging issues and take action to address them.</p> | | |

MoPE is committed to support the implementation of the programme even during the transition period.

Wrap up by Chair:

Dr. Ram Prasad Lamsal (Chair) thanked everyone for their presence and for providing valuable comments and suggestions to improve the programme implementation. He underlined that project target groups and beneficiaries will continue to be same despite changes in local government restructuring. The programme will adopt a cautious approach to accommodate the changes beyond its control including taking measures to reduce fiduciary risks. He highlighted that MoPE/GoN has allocated NRs 100 m cash contribution to next fiscal year programme. This shows that GoN has taken full ownership of the programme. The TA is extended up to 31 Dec 2017 to allow overlaps in the NCCSP I and II to continue to support the programme implementation uninterrupted.

2017 TA AWP is approved. TA extended until 31 Dec 2017.

MoPE and UNDP will sign 2017 AWP.

