

2. Minutes of Meetings (M/M)

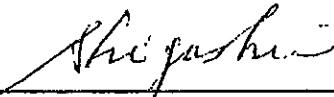
**MINUTES OF MEETING
BETWEEN THE PRE-EVALUATION STUDY TEAM
AND AUTHORITIES OF HIS MAJESTY'S GOVERNMENT OF NEPAL
FOR THE PROJECT ON STRENGTHENING THE MONITORING AND
EVALUATION SYSTEM IN NEPAL**

Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched the Pre-evaluation Study Team (hereinafter referred to as "the Team"), headed by Mr. Shinji YOSHIURA, to His Majesty's Government of Nepal (hereinafter referred to as "HMG/N") from September 18 to October 8, 2005 for the purpose of assessing the feasibility of the requested project entitled "Strengthening the Monitoring and Evaluation System in Nepal" (hereinafter referred to as "the Project").

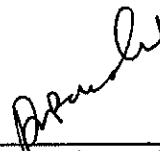
During its stay in Nepal, the Team had a series of discussions on the Project with the authorities and the stakeholders of Nepal.

As a result of the discussions, the Team and HMG/N agreed to the matters referred to in the document attached hereto.

Kathmandu, October 5, 2005



Shinji YOSHIURA
Leader,
The Pre-evaluation Study Team
Japan International Cooperation Agency



Balananda Paudel
Joint Secretary,
National Planning Commission Secretariat
His Majesty's Government of Nepal

THE ATTACHED DOCUMENT

1. The objective of the study

The study was conducted for the purpose of refining the Project framework, and giving concrete shape to the Project.

2. Japan's Technical Cooperation Scheme

HMG/N side understood the Japan's Technical Cooperation Scheme as explained by the Team.

Since the trainee, especially who attend the TOT training, selected by HMG/N should contribute to the Project directly or indirectly after the training are completed, it is essential to involve JICA Nepal Office in the selection process.

3. Summary of Discussion

The following items were discussed and agreed during the workshop, which was organized on September 29 and 30 (see Annex 4: attendants list), and meetings held within the study period. However, execution of the Project that has been envisaged herein as well as in the attached references was basically agreed by NPCS and JICA for the time being. In order to make these matters effective, HMG/N and JICA will sign Record of Discussions for the Project (hereinafter referred to as "RD") which is an official agreement between both parties to start and implement the Project (see "4. Future schedule of implementing the Project").

1) Project Design Matrix (hereinafter referred to as "PDM")

The participants of the workshop discussed about the contents of the Project based on PDM (0) prepared by HMG/N. Consequently, PDM (1) was finalized in the workshop (see Annex1). Inputs, activities, outputs and way of verification of the outputs were clarified practically and agreed among all participants. Contents of activities remain almost as same as in the previous version except described as follows:

- a) Combining concept of project/programme (to cope with programme approach for M&E) for project analysis training,
- b) Increasing number of attendant for training from 20 to 40 for aforesaid project/programme analysis course and reducing from 24 to 20 for PDM training course,
- c) Removing an objectively verifiable indicator regarding reporting time due to difficulty of evaluation, and setting some concrete targets for the other indicators against the Project purpose, and
- d) Adding steering committee meeting and baseline survey to the list of activities.

The objectively verifiable indicators regarding reporting time of project/programme completion which was dropped at PDM (1) will be reconsidered according to the result of the newly-introduced baseline survey activity.

2) Plan of Operation (hereinafter referred to as "PO")
The first version of PO was principally agreed in the workshop (see Annex 2).

3) Cost items and cost sharing

In principal, JICA will bear the cost of the following measures according to the normal procedures of its technical cooperation scheme.

- a) Dispatch of Japanese Experts
- b) Hiring Resource person or local consultants in Nepal (HMG/N staff would not be included)
- c) Provision of Machinery and Equipment, if necessary
- d) Training of Nepalese Personnel in Japan

In principal, HMG/N will bear the cost related to the project implementation generated in Nepal, but JICA will be able to bear part of the cost. The details are shown in Annex 3.

4) Reference cost estimation, and rules and regulations of HMG/N

Reference cost and rules/regulation of HMG/N to implement the Project were collected and analyzed. Those data and conditions will be compiled in accordance with PDM (1) and PO (0) for the purpose of official commitment by JICA accordingly.

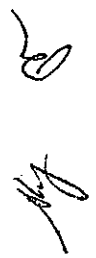
4. Future schedule for implementing the Project

- 1) According to the workshop result, project period of around 3 years is appropriate and commencement from April, 2006 (Japanese Fiscal year of 2006) was temporally agreed.
- 2) The Team will prepare pre-evaluation sheet and submit it to JICA headquarter to get its approval to implement the Project.
- 3) After authorization of the Project by JICA, JICA and HMG/N will make RD for the final confirmation to commence the Project.



Project Design Matrix (version 1) for M&E Strengthening Project, Nepal

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Risk & Assumption
<p>Goal:</p> <p>Results of M&E are reflected in the process of project formulation and implementation</p> <p>Purpose:</p> <p>M&E capabilities of NPC / Sectoral Ministries / Key Projects & Programs are strengthened</p>	<ul style="list-style-type: none"> - Periodic report at NPC level prepared within 5 weeks after each trimester/year - Periodic report at ministry level prepared within 3 weeks after each trimester/year - Complete Reporting of Project Increased by 25% - Non Reporting Project Decreased by 20% - Reported Projects with M&E results discussed during budget preparation*2 	<ul style="list-style-type: none"> - Progress reports - Tracking - Result of Baseline Survey and Analysis - Annual/Trimester project progress report - Supervision/field visit report - Observation 	<ul style="list-style-type: none"> - Adequate budget & logistics to M&E sections/divisions - Proper use of MIS results - Use of refined indicators in place - Project manager's performance links to M&E of projects
<p>Outputs:</p> <ul style="list-style-type: none"> - Human Resources in M&E Trained - Reporting Formats Revised - M&E Manual Prepared - PDM Manual Revised 	<ul style="list-style-type: none"> - Project/Programme Analysis 5*+40(20*2)*1 Person - Project Cycle Management 60 (20*3) Person - Project/Programme Management 7*+25 Person - Project M&E 175 (25*7) Person - PDM 20 (20*1)Person - Participatory M&E 60 (20*3) Person - MIS Processing & Reporting 25 Person - Analysis 3*+22 Person - Study on Reporting Formats Conducted - 2000 Copies of Comprehensive M&E Manual (New) Published - 2000 Copies of Comprehensive PDM Manual (Revised) Published 	<ul style="list-style-type: none"> - Personal Record - MIS*3 Database - Revised Formats - Manuals - Project Progress Report (Trimester Report) 	<ul style="list-style-type: none"> - Retention of Trained Personnel in M&E - M&E professionals available for continuous training chain



* training abroad

Activities:	Inputs (Japan):	Inputs (Nepal):	Assumptions
1) M&E Training • Project/Programme Analysis (3 Weeks) • Project Cycle Management (5 Days) • Project/Programme Management (1 Month) • Project M&E • PDM (12 Days) • Participatory M&E (5 Days) • MIS Processing & Reporting Skills (2-3 Weeks) • MIS Analysis Skills (2-3 Weeks) 2) Orientation Program (1 day session x 9) - Secretaries - Joint Secretaries - M&E Professional 3) Review of Reporting Formats (2-3 workshops, 1 study) 4) Prepare Manuals on - PDM - M&E 5) Seminar on some important issues (1-2 days) (ex. Policy evaluation) 6) Baseline Survey on M&E Current Situation 7) Steering Committee Meeting	TOT training in Japan • Project/Programme Analysis • Project Management • MIS Analysis Japanese experts • Coordinator of Japanese side (long-term) • Training Management and Development (short-term) • Policy evaluation (short-term) Nepali consultants • Facilitators of each training course / workshop • Monitoring system improvement specialist Facilities • Meeting / Training room (outside HMG) Equipments • Vehicle • Office basic equipment Local Cost • Printing/ Publishing costs • Resource person and reference material cost (outside HMG) • Other direct cost of training agreed	C/P of HMG • Chairperson of Steering Committee (Joint Secretary, NPCS) • Project Director (Under Secretary, PMD/NPCS) • C/P(NPC C/P and project members from line ministries by ad-hoc basis) Facilities • Project office • Utility cost • Meeting / Training room Local Cost (for government staff) • Administration cost, • Resource person and reference material cost • DSA*4 and other subsidies • Other miscellaneous cost Reporting and monitoring activity • Project Progress Report • Financial Statement	- Project budget approved by HMG - Sufficient budget Available on Time

Note: * 1: from 20(14 ministries (1 from 1) and 6 NPC) to 40(28 ministries (2 from 1) and 12 NPC/PMO, *2: Removal of an indicator for project purpose regarding reporting time was decided. Revival will be re-considered based on the result of the baseline survey, *3: Abbreviation of Management Information System, *4: Abbreviation of Daily Subsistence Allowance

Pian of Operation, Overall

Activities Proposed	Expected Outputs	2007			Responsible Section/Person	Staff	Input		Budget	Remarks
		i	ii	iii			Material			
0 Office & Vehicle 1 Office & Organization	Furniture & Equipment staffing and Counterpart 1 car, procurement 1 car, rental (ad-hoc, 1 year)				Project/JICA	JICA specialists, C/P, PMU		Procurement Cost (Project)		
2 Vehicle Arrangement	Office, training venue, com.& transportation, etc.				Project/JICA	JICA(Nepal, Specialist)	Stationary	Procurement Cost (Project)		
3 Project Management Work					Project/NPC	JICA specialists, C/P, PMU		Operation Cost (Project)		
1 M&E Training										
1.1 Project/Programme Analysis(TOT) (5 person, 3 Weeks, Japan)	Trainer trained in Japan and transfer knowledge continue				Project/NPC/JICA	Trainers & JICA (Specialist, Nepal and Tokyo)	Training Material & Stationary	Training Cost (Project)	Main training for TOT	
Project/Programme Analysis (20 person x 2, 3 Weeks, Centre)	Training given by the trainer trained in Japan				Project/NPC	Trainers & PMU, JICA (Specialist and Nepal)	Preparation of Handouts, Stationary	Training Cost (Project)		
1.2 Project Cycle Management (20 person x 3, 5 Days, District)	Person in charge of projects trained for PCM				Project/NPC/Ministry	Trainers & PMU, JICA specialist and District	Preparation of Handouts, Stationary	Training Cost (Project)		
1.3 Project/Programme Management (TOT) (7 person, 1 Month, Japan)	Trainer trained in Japan and transfer knowledge continue				Project/NPC/JICA	Trainers & JICA (Specialist, Nepal and Tokyo)	Training Material & Stationary	Training Cost (Project)	Main training for TOT	
Project/Programme Management (25 person, 1 Month, Centre)	Training given by the trainer trained in Japan				Project/NPC	Trainers & PMU, JICA (Specialist and Nepal)	Preparation of Handouts, Stationary	Training Cost (Project)		
1.4 Project M&E (25 person x 7, 2 days, District)	Person in charge of projects trained for PCM				Project/NPC/Ministry	Trainers & PMU, JICA specialist and District	Preparation of Handouts, Stationary	Training Cost (Project)		
1.5 PDM Training (20 person, 12 Days, Centre)	Trainer trained and transfer knowledge continue				Project/NPC	Trainers & PMU, JICA (Specialist and Nepal)	Preparation of Handouts, Stationary	Training Cost (Project)		
1.6 Participatory M&E (20 person x 3, 5 Days, District)	Person in charge of projects trained for PCM				Project/NPC/Ministry	Trainers & PMU, JICA specialist and District	Preparation of Handouts, Stationary	Training Cost (Project)		
1.7 MIS Processing & Reporting Skills (25 person, 2-3 Weeks, District)	Person in charge of monitoring/report trained				Project/NPC/Ministry	Trainers & PMU, JICA specialist and District	Preparation of Handouts, Stationary	Training Cost (Project)		
1.8 MIS Analysis Skills(TOT) (3 person, 2-3 Weeks, Japan)	Trainer trained in Japan and transfer knowledge continue				Project/NPC/JICA	Trainers & JICA (Specialist, Nepal and Tokyo)	Training Material & Stationary	Training Cost (Project)	Main training for TOT	
MIS Analysis Skills (22 person, 2-3 Weeks, Centre)	Training given by the trainer trained in Japan				Project/NPC	Trainers & PMU, JICA (Specialist and Nepal)	Preparation of Handouts, Stationary	Training Cost (Project)		
2 Orientation Program										
2.1 Secretaries (1 day x 2 for 25 persons)	Basic understanding acquired				NPC/Project	Attendants & PMU, JICA(Specialist, Nepal)	Training Material & Stationary	Training Cost (Project)		
2.2 Joint Secretaries (1 day x 3 for 35 persons)	Basic understanding acquired				NPC/Project	Attendants & PMU, JICA(Specialist, Nepal)	Training Material & Stationary	Training Cost (Project)		
2.3 M&E Professional (1 day x 4 for 50 persons)	Basic understanding acquired				NPC/Project	Attendants & PMU, JICA(Specialist, Nepal)	Training Material & Stationary	Training Cost (Project)		
3 Review of Reporting Formats (2 workshops, 1 study, 6 months)	Efficient formats for monitoring produced				Project/NPC	PMU, JICA specialist, C/P, Resource person of Ministry	Stationary, Print, Handouts, Computer	Workshop Cost, Staff and activity Cost (Project)		
4 Prepare Manuals on										
4.1 PDM (4 months)	Manual on PDM published				Project/NPC	PMU, JICA specialist, C/P, Resource person of Ministry	Stationary, Print, Handouts, Computer	Study Cost (Project) and Administration Cost		
4.2 M&E (4 months)	Manual on M&E published				Project/NPC	Attendants & PMU, Resource person of Ministry	Training Material & Stationary	Training Cost (Project)		
5 Seminar on some important issues (Policy Evaluation or so, 3 times)	Important topics explained for dissemination				Project/NPC	JICA(Specialist, Nepal)	Stationary	Study Cost (Project) and Administration Cost(HMG)		
6 Baseline Survey on M&E current situation and analysis (6 months)	Realization of current situation and decision of				Project/NPC	PMU, JICA specialist, C/P, Resource person of Ministry	Stationary, Print, Handouts, Computer	Study Cost (Project) and Administration Cost		
7 Steering Committee(Trimester) and Evaluation of Project at the end	Coordination on project execution achieved				NPC/Project/JICA	PMU and Steering committee members	Reports and Supporting Document	Meeting Cost (Project) and Administration Cost(HMG)		

LEGEND: — : Schedule of Continuous Activity ☆ : Schedule of Intermittent Activity ✨ : Rough Schedule of Short-term Activity ↓ : Sequence of implementation

Items and sharing of the cost generated in Nepal related to the Project

1) Reward for resource person or paper preparation

(Cost items)

Reward for resource person or paper preparation related to the project implementation

(Defrayer)

For HMG/N staff: HMG/N

For Non HMG/N staff: JICA

*HMG/N staff mean those persons who have status of a civil servants unless the persons are not taking leave officially without payment. In addition to that, a person who makes contract with HMG/N or under HMG/N's command (ex. a person hired by donors, but works for a government project) is regarded as a HMG/N staff.

(Criteria)

In accordance with the laws and regulations in force in HMG/N

2) Supplies expenses

(Cost items)

Stationary and so on related to the project implementation

(Defrayer)

JICA

(Criteria)

Market price

3) Travel cost and daily allowance

(Cost items 1: movement within the Kathmandu valley)

Travel cost and daily allowance related to the project implementation like for attendance of workshop or training

(Defrayer)

For HMG/N staffs: HMG/N

For Non HMG/N staffs: JICA

*HMG/N staff mean those persons who have status of a civil servants unless the persons are not taking leave officially without payment. In addition to that, a person who makes contract with HMG/N or under HMG/N's command (ex. a person hired by donors, but works for a government project) is regarded as a HMG/N staff.

(Criteria)

In accordance with the laws and regulations in force in HMG/N



(Cost items 2: movement to and from Kathmandu valley and to and from any places other than Kathmandu valley)

Travel cost and daily allowance related to the project implementation e.g. for attendance of workshop or training

(Defrayer)

For HMG/N staffs: HMG/N

For Non HMG/N staffs: JICA

*1 HMG/N staff mean those persons who have status of a civil servants unless the persons are not taking leave officially without payment. In addition to that, a person who makes contract with HMG/N or under HMG/N's command (ex. a person hired by donors, but works for a government project) is regarded as a HMG/N staff.

*2 JICA bear actual travel cost, such as air fare and bus fare, and provide accommodation (not cash) for participants and resource person (including HMG/N staff), if necessary.

*3 JICA will not bear daily allowance for HMG/N staffs at least. HMG/N will bear it.

(Criteria)

In accordance with the laws and regulations in force in HMG/N

4) Training hall and/or equipment rent

(Cost items)

Training hall and/or equipment rent related to the project implementation

(Defrayer)

JICA, in principle

*When the project use the government's venue or equipment, JICA will not bear the cost.

(Criteria)

Market price

5) Meeting cost

(Cost items)

Meeting cost such as light meal and drink related to the project implementation

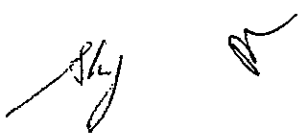
(Defrayer)

JICA, in principle

(Criteria)

Market price

*Procedure in accordance with the regulations of JICA Nepal Office is necessary in advance



6) Utility charges

(Cost items)

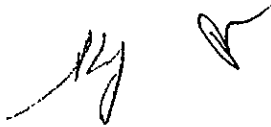
Utility charge for the Project office which HMG/N provides to the Project

(Defrayer)

HMG/N

(Criteria)

Actual Expense

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Attendant List of Workshop on Preparation of Project Design Matrix

Annex 4

Date: 29 & 30 September, 2005
Venue: NPC Training Hall (4th floor)

S. No.	Name	Designation	Office	Signature	
				29 September	30 September
1	Mr. Teertha Raj Dhakal	Program Director	NPCS		
2	Mr. Yam Nath Sharma	" "	"		
3	Mr. Jagannath Adhikari	" "	"		
4	Mr. Pradip Koirala	" "	"		
5	Mr. Ganesh Prasad Dhakal	Under Secretary	OPMCM		
6	Mr. Biju Kumar Shrestha	Program Director	NPCS		
7	Mr. Radha Krishna Pradhan	" "	"		
8	Mr. Shanti Raj Prasai	Planning Officer	"		
9	Mr. Pashupati Bhandari	" "	"		
10	Mr. Shyam Sundar Shrestha	Under Secretary (Tech.)	MoFSC		
11	Mr. Ram Raman Humagai	Section Officer	MoES		
12	Mr. Janardan Adhikari	Senior Agro-Economist	MoAC		
13	Mr. Prashanta Amatya	Agro-Economist	"		
14	Mr. Narendra Gurung	Senior Program Officer	JICA Nepal		
15	Mr. Yuvraj Adhikari	Section Officer	MoWPP MOPPN		
16	Ms Yumiko TANAKA	Regional Advisor	JICA Thailand		
17	Nagesh Sharma	Agriculture Extension	MoAC		
18					
19					
20					

3. 事前評価表

事業事前評価表（技術協力プロジェクト）プロジェクト評価計画担当者によるドラフト

作成日：平成 17 年 12 月 28 日

担当部・課：ネパール事務所

<p>1. 案件名 モニタリング・評価強化プロジェクト</p>
<p>2. 協力概要</p> <p>(1) プロジェクト目標とアウトプットを中心とした概要の記述 本件業務は、ネパールにおける貧困削減を中心課題とする各種開発事業の計画・実施にあたり、担当省庁が効率的かつ効果的に予算・事業運営監理を行うことができるようそのモニタリング・評価機能を強化することをプロジェクト目標とする。 この目標を達成するため、計画・審査から実施、評価に至るまでの一連のモニタリングおよび評価に携わる実務担当者の能力向上を図る訓練を実施するが、特に関係者の継続的訓練を可能とすべく研修講師の養成に力点を置く。また、マニュアル及びモニタリング書式や手法も併せて改良・整備する。</p> <p>(2) 協力期間 平成 18 年 4 月から 3 年間</p> <p>(3) 協力総額（日本側） 約 197 百万円</p> <p>(4) 協力相手先機関 National Planning Commission (NPC) の Poverty Monitoring Division (PMD) が実施を担当するとともに、関係省庁の M&E 部門が協力して実行にあたる。</p> <p>(5) 国内協力機関 本邦研修では、研修及び宿泊施設の面で JICA 国内機関の協力が必要。</p> <p>(6) 裨益対象者及び規模、等 直接訓練を受ける NPC を中心とする中央省庁スタッフは 442 人。また、M&E システムに関してマニュアルが整備され報告書書式等も改良されるので、研修を受けたスタッフによる継続的研修が地方組織及び事業単位で進むことが期待され、これによる間接的裨益対象者は、数千人規模となることが予想される。</p>
<p>3. 協力の必要性・位置付け</p> <p>(1) 現状及び問題点 M&E の概念・手法は 90 年代初めから政府・実施機関に導入されてはいるが、「ネ」国政府の制度・組織が未整備であること、政府幹部の理解不足、M&E の訓練を受けた職員の不足及び開発事業に関する情報の集積・分析や主要省庁間の情報伝達の不備等により、M&E に関する改善の取り組みが効果的に運用されるまでには至っていない。 M&E の機能が十分に発揮されていない現状では、実施中の開発事業の実情や問題点の適時把握が困難であり、過去の経験を新規事業の計画立案等へ反映できないということだけでなく、ネ国を支援するドナー等にとっても今後の支援政策立案及び評価が困難となっている。</p>

(2) 相手国政府国家政策上の位置付け

ネパール国（以下「ネ」国）政府は、「貧困削減」を至上課題とする第 10 次国家開発 5 年計画（以下「PRSP」）において、効果的な開発事業の実施や行政サービスの提供を目指し、“グッド・ガバナンス”を主要な戦略の一つと位置づけた。PRSP においては、“グッド・ガバナンス”の実現のため、意思決定や公費支出をより信頼性が高く、より透明性のあるシステムとするために、モニタリング・評価（以下「M&E」）を強化する政策が打ち出されている。「ネ」国政府は 2002 年度から、政府開発プロジェクト計画段階において貧困削減の観点から事前評価を行い、予算配分の重点化を図ろうとしている。実施段階においては、国家計画委員会（以下「NPC」）と開発事業担当省がモニタリングを行い、実績の上がらないものは予算を削減する等の取り組みを始めているが、M&E に関する上記取り組みが効果的に運用されるまでには至っていない。

(3) 我が国援助政策との関連、JICA 国別事業実施計画上の位置付け（プログラムにおける位置付け）

現行 JICA 国別事業実施計画ではガバナンスは重点分野外であるが、次回改訂時に重点分野として位置づけるべく検討中。

4. 協力の枠組み

[主な項目]

(1) 協力の目標（アウトカム）

①協力終了後の達成目標（プロジェクト目標）と指標・目標値

プロジェクト目標：

NPC、関係省庁及び主要事業におけるモニタリング・評価能力が強化される。

指標（指標・目標値はプロジェクト開始後のベースラインサーベイを経て見直し）：

- a) 各事業の中で報告書が作成・提出される割合が現状より 25%改善される。
- b) まったく報告があがってこない事業の数が現状より 20%減少する。
- c) 報告された事業、及びその M&E 結果が予算作成時に使用・議論される。

②協力終了後に達成が期待される目標（上位目標）と指標・目標値

プロジェクトの上位目標：

モニタリング・評価の結果が、事業計画及び実施に効果的に反映される。

指標：

- a) NPC における定期的報告書が各 4 ヶ月期及び各年度において 5 週間以内に作成される。
- b) 各省庁における定期的報告書が各 4 ヶ月期及び各年度において 3 週間以内に作成される。

(2) 活動及びその成果（アウトプット）

①第 1 の成果：モニタリング・評価に関わる職員等が訓練される。

主な活動：

1-1 M&E に関するトレーニングを実施する。

- 1) プロジェクト/プログラム分析に関する訓練
- 2) PCM に関する訓練
- 3) プロジェクト/プログラム運営に関する訓練
- 4) プロジェクトレベルの M&E に関する訓練
- 5) PDM に関する訓練
- 6) 参加型 M&E の訓練
- 7) MIS 実施・報告技術に関する訓練

8) MIS 分析技術に関する訓練

- 1-2 国家・省庁レベルの担当者に対してオリエンテーションを実施する。
- 1-3 政策分析等特定課題に関してセミナーを実施する。
- 1-4 初期 Baseline 調査を実施・分析して、その結果に基づいて成果確認指標等を見直し、プロジェクト実施方法についても再検討する。
- 1-5 定期的に意思決定のための会議 (Steering Committee) を開催し、プロジェクトの進捗・運営・問題点について討議・決定する。

指標:

- 1-1 M&E に関するトレーニングが下記計画にしたがって実施される。
 - 1) プロジェクト/プログラム分析、3 週間を予定 (日本での研修 1 回 5 名、ネパールでの研修 2 回各 20 名)
 - 2) PCM、5 日間を予定 (ネパールでの研修 3 回各 20 名)
 - 3) プロジェクト/プログラム運営、1 ヶ月を予定 (日本での研修 1 回 7 名、ネパールでの研修 1 回 25 名)
 - 4) プロジェクトレベル M&E、2 日間を予定 (ネパールでの研修 7 回各 25 名)
 - 5) PDM、12 日間を予定 (ネパールでの研修 1 回 20 名)
 - 6) 参加型 M&E、5 日間を予定 (ネパールでの研修 3 回各 20 人)
 - 7) MIS 実施・報告技術、2~3 週間を予定 (ネパールでの研修 1 回 25 名)
 - 8) MIS 分析技術に関する訓練、2~3 週間を予定 (日本での研修 1 回 3 名、ネパールでの研修 1 回 22 名)
- 1-2 国家・省庁レベルの担当者に対してオリエンテーションが下記計画にしたがって実施される。
 - 1) セクレタリ・レベル、1 日を予定 (ネパールでの開催 2 回合計 25 人)
 - 2) ジョイント・セクレタリ・レベル、1 日を予定 (ネパールでの開催 3 回合計 35 人)
 - 3) M&E 担当者レベル、1 日を予定 (ネパールでの開催 4 回合計 50 人)
- 1-3 政策分析等特定課題に関してセミナー、1~2 日程度 (ネパールでの開催 3 回)。
- 1-4 初期 Baseline 調査の実施・分析結果に基づく成果確認指標等見直し、及びプロジェクト実施方法についての再検討結果をとりまとめた技術報告書が作成される。
- 1-5 Steering Committee を Trimester (4 ヶ月) 毎に開催する。

②第 2 の成果: 報告書等の書式が改善される。

主な活動:

- 2-1 報告書書式を見直し、実情に応じた改定を行う。

指標:

- 2-1 改定された書式が提出・出版される。

③第 3 の成果: モニタリング・評価マニュアルが整備される。

主な活動:

- 3-1 モニタリング・評価マニュアルが整備される。いままでマニュアルが無かったので、実情について調査し、新たに作成する。

指標:

- 3-1 モニタリング・評価マニュアルが作成・出版 (2,000 部) される。

④第4の成果：PDM（事業ログ・フレーム）に関するマニュアルが整備される。

主な活動：

4-1 PDM（事業ログ・フレーム）に関するマニュアルが整備される。以前のマニュアルが既に発行されているので、実情に合わせて必要な改定を行う。

指標：

4-1 PDM（事業ログ・フレーム）に関するマニュアル作成・出版（2,000部）される。

（3）投入（インプット）

①日本側（総額約2億円）民活による外部発注形態を想定。

- a) 本邦研修：TOT研修の実施
- b) 専門家派遣：事業実施調整（長期）、訓練計画管理（短期）、及び政策評価等（短期）
- c) 現地専門家：M&Eシステム改善（長期）、及びファシリテーター等（短期）
- d) 資機材費：車両及び事務所必要機材購入費等
- e) 現地業務費：事業実施機関及び活動契約費用、会議訓練費用、交通費等

②ネパール側

- a) カウンターパート人件費
- b) プロジェクト事務所スペース及びUtility費用一式
- c) ミーティング及び訓練スペースの提供（可能な場合）
- d) その他会議・訓練等の活動を実施するために必要なAdministration費用等
- e) プロジェクトに関するネパール側定期報告書や税務指標出版に関する費用等

（4）外部要因（満たされるべき外部条件）

- ①プロジェクト実施のための予算が承認されること。
- ②プロジェクト実施担当者及び予算が必要時に手当てできること。

5. 評価5項目による評価結果

（1）妥当性

本案件は、以下の理由から妥当性は高いといえる。

第10次国家開発5カ年計画（以下「PRSP」）においては、“グッド・ガバナンス”の実現のため、意思決定や公費支出をより信頼性が高く、より透明性のあるシステムとするために、モニタリング・評価（以下「M&E」）を強化する政策が打ち出されている。「ネ」国政府は2002年度から、政府開発プロジェクト計画段階において貧困削減の観点から事前評価を行い、予算配分の重点化を図ろうとしている。実施段階においては、国家計画委員会（以下「NPC」）と開発事業担当省がモニタリングを行い、実績の上がらないものは予算を削減する等の取り組みを始めているが、M&Eに関する上記取り組みが効果的に運用されるまでには至っていない。

こうした背景の中で、プロジェクト成果のモニタリング結果に基づいて計画段階における事前評価を実施して効果的予算配分を可能とするために、M&Eに係わる実務関係者の能力向上を中心として、その機能を強化することは極めて妥当性が高いと判断できる。更に、報告書書式やマニュアル類の改善・改定に取り組むことでM&E活動の継続性とシステムとしての強化を狙っており、複合的アプローチによる妥当性の高いプロジェクトといえる。ただし、政府開発事業の事前評価の実施や評価結果に基づく予算配分の効率化が「ネ」国政府により継続して行われるためには、ネ国の政治情勢、現在死に体となっている地方行政機構の今後の状況、プロジェクトサイトでの治安状況など他の要素が与える影響も大きいので、中間及び終了時における妥当性評価では、それらの点に留意を要する。

(2) 有効性

本案件は、以下の理由から高い有効性が認められる。

M&E 機能強化事業では、関連する人間及び組織の訓練や経験とそれによって育成される能力が、その成功に大きく影響すると考えられる。本プロジェクトでは、1) 各プロジェクト／省庁からの報告が時間的・内容的に NPC にあげられ、2) それが予算配分協議に活用されることを目標に掲げており、訓練およびシステムの改善努力という活動から期待される成果が直接的に目標達成に貢献するように設定されているので、その有効性が非常に高いと判断できる。ただし、上記プロジェクト目標は、あくまでもベースライン調査に基づく現状からの一定の向上に留まっており、M&E がシステムとして継続的に上位目標へ貢献し続けるためには、プロジェクト活動で行われる訓練をうけた中央政府担当者が、職員訓練所での研修など継続的にその知識と経験を更に広めていくための仕組み作りが必要であろう。

(3) 効率性

本案件は、以下の理由から効率的な実施が見込める。

本プロジェクトでは、講師養成訓練 (TOT) をその中心的活動ととらえており、訓練された講師が他の関連職員などに対して訓練を実施していくため、その実施は費用負担が可能な限り容易に反復できる上に、講師側もその指導過程において経験を積むことができるので、費用対効果が高いと言える。

また、投入される資源は、そのほとんどが直接成果を生む活動に使用され、成果指標が明確であるため達成・評価しやすい点も効率性を高めている。

更に、プロジェクト実施機関を新たに設けるのではなく、既存の貧困モニタリング部 (PMD) が直接事業運営にかかわっていくことから、プロジェクト活動の展開により組織の強化及び経験の蓄積が期待でき費用対効果及び効率性ともに高いと判断できる。

(4) インパクト

本案件の実施によるインパクトは、以下の通り期待される。

上位目標の達成見込みについては、プロジェクト目標があくまでも現状の一定の改善にとどまっていることから、上位目標を達成するという観点から見れば、現段階の目標指標設定が十分ではない可能性がある懸念される。そのため、事業開始当初に実施予定のベースライン調査結果によりプロジェクト目標の設定を見直す必要が強いと判断する。また、妥当性のところでも述べたように上位目標達成にはその他の要素の影響が強いため、本プロジェクトの影響は限定されたものとなる可能性がある。

尚、本案件実施期間は3年であり、目標達成から上位目標達成までは、NPC 及び関連省庁による継続的な活動が実施されたと仮定しても更に長期間の努力が必要であろう。しかし、本案件により継続的な訓練活動を継続できる下地が形成されるならば、時間はかかっても上位目標の達成は可能であり、セクターを限定しない分全国的に正のインパクトはありと判断できる。本事業の活動による負のインパクトとして考えられるものとしては、研修者の極度な偏在があったり研修が政治活動に利用されたりした場合に M&E 活動そのものの効率性低下がありえるが、発生する可能性は低いと判断できる。

また、同分野では、UNDP 及び ADB による支援活動も展開される予定であり、相乗効果による上位目標達成可能性向上の可能性が期待できる。特に ADB は職員の能力向上のターゲットを地方組織及びプロジェクト自体に設定しており、機材支援のコンポーネントもあるので、JICA による中央での職員能力向上活動との相乗効果の期待は小さくない。

(5) 自立発展性

本案件の自立発展性は、以下の通り期待される。

ワークショップでも、M&Eの自立発展的改善は可能であるかという議論があり、訓練されたスタッフが他の分野へ異動しないような仕組みが必要である、または政策当局がM&Eの重要性をもっと認識してインセンティブを出す等の優遇策が必要であるという意見もあった。また、そうした待遇面の決定は、プロジェクトだけでなくNPCS担当者レベルでも対処不可能な側面であることも認識された。更に、TOTが十分に定着及び機能して継続的な訓練の輪ができるかどうかことが事業成功の鍵であるとともに予想が難しい部分でもあること、将来的に各省庁間の情報伝達システムや評価システムの改善も必要と判断されるが、本プロジェクトではそうした活動は含まれていないし、各プロジェクトレベルでの直接的M&E改善・強化訓練も同様である。

一方、現状で既に実施されているM&E活動の時間的、内容的な質の向上の面からは、プロジェクトによる一定の改善が期待できるとともに、事業終了後も策定された報告書書式やマニュアル類を使用しての継続的な改善努力も可能であることから、現在の枠組みの中での自立発展性をも否定するものではない。

結論として、限定的自立発展性は期待される可能性があるが、プロジェクトでは取り扱えない要素が大きくその活動範囲も限られていることから、十分な自立発展性を得るためには更なる支援やフォローアップ、または別の角度からのアプローチ（システムそのものの改良やハードウェアなど）も必要と思われる。

6. 貧困・ジェンダー・環境等への配慮

本案件はNPC貧困モニタリング部をC/P機関として実施されることから、プロジェクトは貧困削減を目標としているネパール国家開発計画に基づく各種事業の質の向上に貢献する。ジェンダー、環境等に対しても、ネパール政府が実施する事業がどのような影響を及ぼすのか、モニタリング項目を設定する際等において考慮すべき事項である。

7. 過去の類似案件からの教訓の活用

- 1) UNDPが2003年から、貧困削減のための事業インパクト調査を実施しており、そのためのモニタリング機能強化支援をおこなっているが、十分な教訓を得るにはいたっていない。
- 2) NPC自身も、地方部局へ出張してM&Eに関する実務者訓練を実施してはいるが、その活動に関して、十分な評価がなされていない。
- 3) 上記活動に関して、事業初期にこれらから得られる教訓について収集・検討する必要がある。

8. 今後の評価計画

- (1) RD協議にてPDM確定
- (2) 中間評価（2007年6月頃）
- (3) 終了時評価（2008年3月頃）
- (4) 事後評価（2010年3月頃）

List of Collected Data
The project for Strengthening M&E System in Nepal

No.	Title of Data	Contents	Source	Date
1	Organization chart	NPC's Organization	NPC	
2	Proposal for the project	The M&E project	NPC	Jun 03
3	PDM(0)	PDM(0) for the project	NPC	Jul 05
4	Result of the workshop	Schedule, Record of WS	Study team	Oct 05
5	Details for the training	TOT in Japan	NPC	Nov 05
6	Sample Training Cost Data	Item & Price of training cost	NPC	-
7	Principal Cost	Wage, goods & transport	Surveyed	-
8	Air Fare Table	Air Fare, Domestic	JICA	-
9	Poverty monitoring & Analysis System	Framework document	NPC	
10	Technical Assistance Report	Operationalization of managing for development result	ADB	Feb 06

Website of NPC

<http://www.npc.gov.np/>

http://www.npc.gov.np/tenthplan/the_tenth_plan.htm

Website of UNDP in Nepal

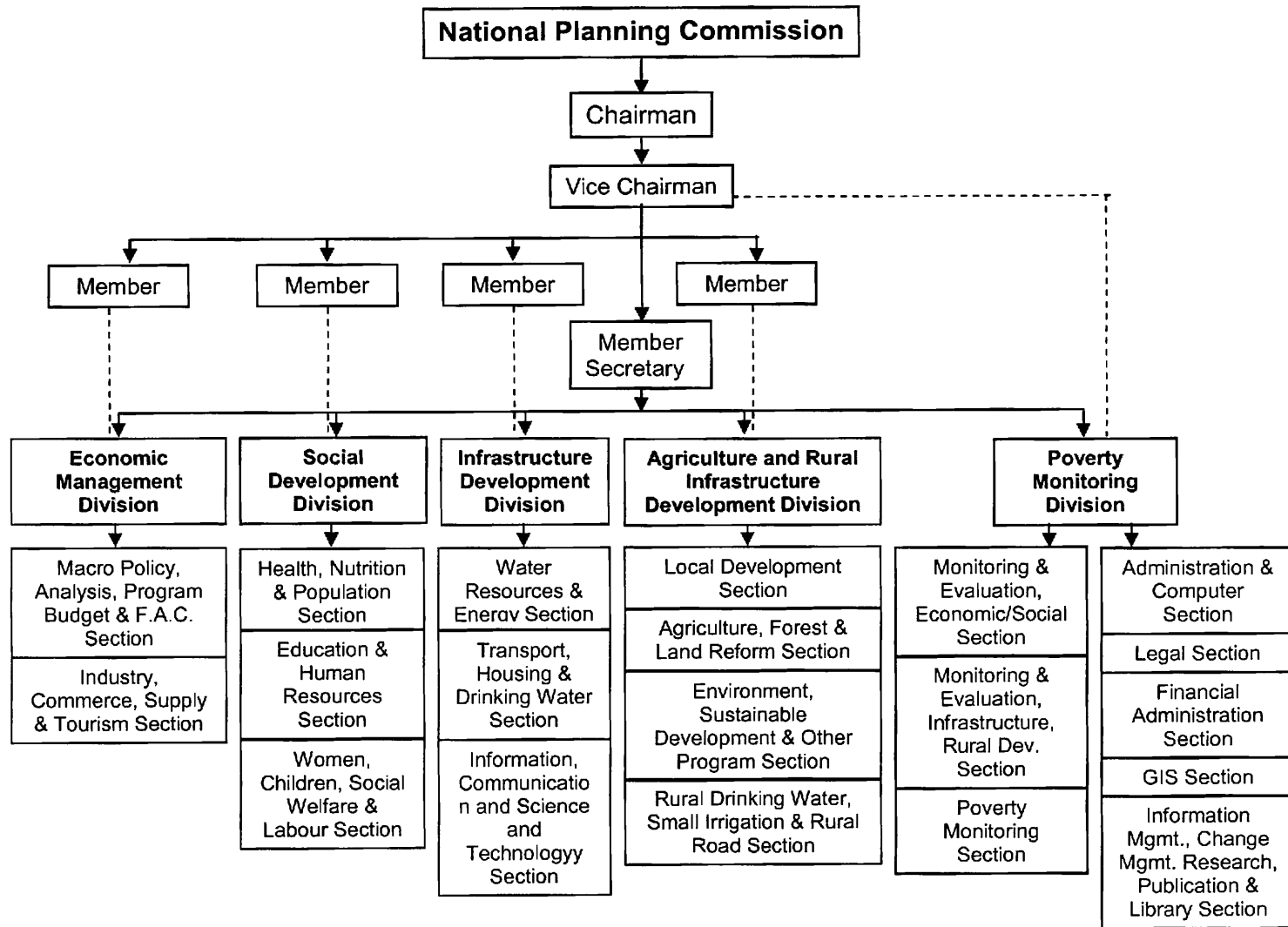
<http://www.undp.org.np/index.php>

<http://www.undp.org.np/poverty/projects/prsp/index.php?ProgramID=55>

Website of ADB in Nepal

<http://www.adb.org/Nepal/>

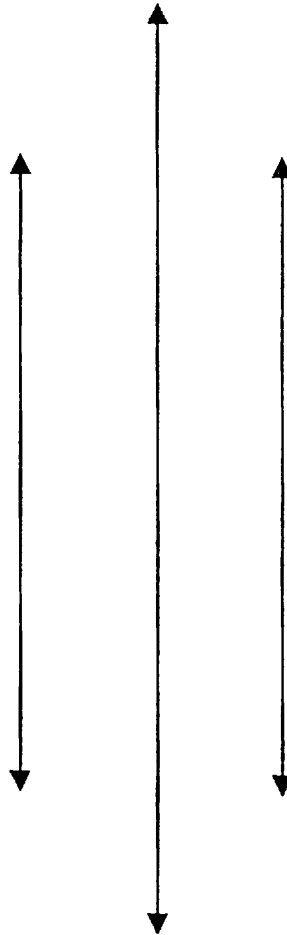
<http://www.adb.org/Documents/TARs/NEP/39107-NEP-TAR.pdf>



TC
NPC

No. 2

A Proposal
for
**Strengthening the Monitoring
&
Evaluation System in Nepal**



National Planning Commission Secretariat
Singhadurbar, Kathmandu,
June, 2003

List of Abbreviations

CMED -Central Monitoring and Evaluation Division

HMG/N- His Majesty's Government of Nepal

M&E - Monitoring and Evaluation

MDAC - Ministerial Development Action Committee

NDAC - National Development Action Committee

NPC - National Planning Commission

NPCS - National Planning Commission Secretariat

PMIS- Poverty Management Information System

PRSP- Poverty Reduction Strategy Paper

APPLICATION FORM FOR JAPAN'S TECHNICAL COOPERATION

1. **Date of Entry:** April 2004
2. **Applicant:** His Majesty's Government of Nepal
3. **Project Title:** Strengthening the Monitoring and Evaluation System in Nepal
4. **Implementing Agency:** National Planning Commission Secretariat
Address: Singha Durbar, Kathmandu
Contact Person: Mr. Yam Nath Sharma
Tel. No.: 977-1-4241675 **Fax No.** 977-1-4241660
977-1-4229069

E-Mail:

5. Background of the Project

After completion of the implementation of nine periodic plans, Nepal has embarked into the 10th Plan period (2002-07) with mixed experiences and results of the past endeavors. In social sector and infrastructure development, the result has been encouraging, whereas in the poverty reduction side, the results are far below expectation, as the level of poverty in Nepal is estimated at about 38 percent. Various policies and programs have been initiated to reduce poverty and raise the living standard of people. However, the outcomes remained well short of the anticipation, mainly attributed to poor implementation capacity. To ensure the effectiveness in implementation of the projects/programs directed towards the upliftment of the social & economic status of the people, timely monitoring of the projects/programs at the implementation level and the evaluation of the ongoing & completed projects/programs vis-à-vis their set goals are essential. In Nepal's development planning system, though mechanism has been set up for such monitoring at micro, meso and macro levels, the monitoring of the projects/programs has not been so effective as the methods for timely solving of problems arisen at the implementation level has been weak due to various reasons.

Recognizing the role of effective M&E system for timely & successful completion of the projects/programs and thereby achieving the objectives contained therein, National Planning Commission (NPC) has stressed for the development of such system.

His Majesty's Government of Nepal (HMG/N) has already made public the Tenth Plan/Poverty Reduction Strategy Paper (PRSP) of the Kingdom according top priority on its implementation in such a way that the target of reducing the poverty level from 38 percent to 30 percent in the Plan period would be accomplished without any hindrances. Since this plan, which has poverty reduction as its only objective, has been in implementation from the beginning of current fiscal year 2002/03, its smooth implementation for achieving the goals & targets set out would not only require an environment of peace and tranquility, but also an effective system of monitoring of the activities and also of their effects on the poverty level. The timely completion of the projects/programs would save the project/program costs, side- by-side meet the peoples' desire for faster development. For the purpose, an effective in-built system of monitoring and evaluation at both the central and local levels should be in place.

Even though Nepal has incorporated a well-defined M&E system in the planning process since early nineties and institutionalized it both at the central & implementation levels; but its effectiveness has always been questioned. Among others, weak institutional arrangements & capacities in monitoring and evaluation (M&E) units, inadequately trained manpower in M&E units, low level commitments of top management to M&E application, inadequate logistics & financial resources, lack of high morale of M&E personnel are some of the reasons, which have limited effectiveness of the M&E system in Nepal. Further, lack of modern information system at the projects/programs and ministry level and electronic linkage between the Central Monitoring and Evaluation Division (CMED) set up in the National Planning Commission Secretariat (NPCS) and M&E units in the sector-al ministries are other causes of poor functioning of the M&E system in Nepal.

Under a separate project, HMG/N has been designing a poverty-monitoring framework, which will take care of the institutional framework for poverty monitoring, develop poverty related indicators, identify the source of information and set up a Poverty Management Information System (PMIS) at the centre. In addition, impact evaluation of poverty related projects/programs and changes occurred in poverty scenario based on well-defined indicators are also being discussed under the proposed framework.

Besides this poverty monitoring framework, a separate mechanism for the monitoring and evaluation of the government funded projects/programs at central & district levels has already been in existence. At the central level, the CMED) at the NPC, M&E divisions in the key ministries such as Ministry of Agriculture and Cooperatives, Forest and Soil Conservation & M&E sections in different line ministries are presently engaged in the monitoring & evaluation activities. For monitoring purposes various reporting formats are in use. A system of four monthly reviews of the key projects/programs at the central level (National Development Action Committee, NDAC) under the chairmanship of Rt. Hon`ble Prime Minister and ministry level (Ministerial Development Action Committee, MDAC) under the chairmanship of the concerned ministers have been in place to solve the implementation problems. The NDAC deals with all cross cutting issues of implementation and policy related problems, whereas MDACs review implementation status and tries to sort out problems and issues of the programs / projects at the ministry level.

However, the system has been ineffective to meet today's development challenges due to the reasons stated in the foregone paragraphs. The timely and smooth flow of information from implementation level to central level has always been a problem due to untrained manpower and non-existence of electronic linkages between the projects/programs and the line ministries, CMED and monitoring units in different ministries.

Presently the NPC in close cooperation with the line ministries has been engaged in strengthening planning and monitoring & evaluation system including capacity building of M&E personnel at different levels, introducing electronic data processing system, redesigning the reporting formats, and organizing meetings at the central and local levels to solve the problems seen in projects/program implementation. The review of the M&E system in Nepal revealed some structural and functional deficiencies. Structurally though the system is in place, but its functions have been constrained by the deployment of untrained and non-performing employees, lack of incentives for employees, non-commitment of senior management to the system, lack of adequate funds, and poorly managed information system.

Against this backdrop, it has been realized that it would be extremely difficult to accomplish the national goal of poverty reduction unless an efficient and effective system

of monitoring of the programs/projects has been in place through the proper restructuring, re-strengthening & revitalizing the CMED at the NPCCS as well as the M&E units in the line ministries. As most of the projects/programs and other sectoral divisions included in the priority list are intertwined with the poverty reduction strategies, effective monitoring of such projects/programs would contribute significantly towards achieving the goals set in the Plan. The Tenth Plan/PRSP has also pointed out the need for strengthening the M&E system for timely attainment of goals set out in the plan .

For making the monitoring of the programs/projects at implementation level, HMG/N shall adopt two pronged and mutually non-exclusive approaches: (a) monitoring all priority one (P1) projects and programmes; (b) poverty monitoring to evaluate progress towards the key poverty reduction and human development indicators giving particular attention to the mainstreaming of women, socially excluded, marginalised and deprived groups.

The CMED, as a well equipped and effective central level monitoring unit, would guide the sector-al monitoring units on various issues relating to the monitoring & evaluation and also involves in developing the M&E professionals through the conduct of training & workshop programs. It will also supervise and support the initiatives taken by the sector-al M&E units to make M&E system more effective, organize workshop & seminars on M&E, arrange M&E training to the M&E staffs inside Nepal & abroad, establish and operate a central M&E information system at the CMED with computerised networking with related M&E Sections/Divisions of Ministries and sectoral divisions of NPCCS.

6. Outline of the Project

(i) Overall Goal

One of the oft-cited reasons for the less than expected performance of the periodic plans in Nepal is weak monitoring and evaluation system. As result of the lukewarm performance of the plans, the Government has not been able to enhance the living standard of the majority of people and hence to reduce the number of people living below the poverty line. Therefore, the overall objective of the Project is to contribute towards the goal of poverty reduction through the strengthened and institutionalized monitoring and evaluation system.

(ii) Project Purpose

One the headways of the on-going Tenth Plan as compared to other plans is its strong commitment to and provisions for institutionalized and strengthened monitoring and evaluation system in order to ensure timely and effective implementation of the Plan. In view of this, the purpose the Project is to institutionalize and strengthen the monitoring and evaluation system of the Governments Project and Program.

(iii) Outputs

The Project will have the following outputs after its implementation:

- Well equipped monitoring and evaluation divisions/units in terms of skilled and trained manpower,
- The M&E Divisions/ Sections equipped with computers and other equipment.
- Consistent flow of information between NPC and line ministries through electronic networking system,
- Separate manuals for monitoring and evaluation of government projects and programs prepared,
- A system of timely collation^{ee} and analysis of information for monitoring and evaluating government programs and projects will be in place.
- Performance indicators of the various sectors in place.
- Timely reporting to the Prime Minister's Office, NPC and NDAC.

(iv) Project Activities

- **Human Resources Development:** Develop and undertake both in-country and overseas training programs to upgrade the professional understanding, level of skill and capabilities of the personnel working in M&E units. In addition, a series of workshops/seminars will be conducted to facilitate sharing of ideas among the M&E staff, to update the knowledge and skills and enhance functional capabilities of M&E personnel.
- **Provision of Equipment and Computer Facilities:** Under this component, each M&E unit at the ministry level shall be provided at least 2 set of computers, one printer, photocopy machine and a fax machine. Similarly,

sectoral divisions of the NPCCS will be provided with a computer and one printer. Also, the CMED will receive five desktop computers (including one server) and two laptops, two printers, one copier and one multimedia projector.

- **Establishment of Information Networking System:** Under this component, information system will be established in the CMED, sectoral divisions and M&E divisions/sections in eight line ministries, namely Ministry of Health, Ministry of Finance, Ministry of Education & Sports, Ministry of Housing & Physical Planning, Ministry of Water Resources, Ministry of Forest and Soil Conservation, Ministry of Local Development and Ministry of Agriculture & Co-operatives, through the provisioning software and hardware. M&E divisions/sections of the line ministries and sectoral divisions of the NPCCS will be linked with the CMED at the NPCCS through the establishment of electronic linkage.
- **Development of Performance Indicators:** As a part of the Project, separate sets of performance indicators will be developed for different sectors like road, drinking water, education, health etc. and concerned officials will be trained in the proper use of such formats.
- **Local Consultancy for Technical Audit:** Under this component short term consulting services for monitoring & evaluation of the technical aspects of the projects/programs, each of less than three months in the field of agriculture, infrastructures (road, telecommunication, hydropower), housing, social sector (health, education, gender etc), natural resources management and so on shall be procured as and when required.
- **Carrying Out Research and Publications:** Some Research and publications works will be carried out as a part of the Project. One research will be carried out about the existing monitoring practices of the Government. Similarly two manuals will be prepared one about monitoring of public sector projects and programs and other about commissioning evaluation of ongoing and completed projects and programs.

(v) Input from the His Majesty's Government of Nepal

- Project Staff:
 - Project Manager: CMED
 - Project Officer:
 - Project Assistant Officer:
 - Assistant Clerk:
- Facilities, Furniture and Utility:
 - Separate room space for project
 - Exclusive telephone line
 - Necessary furniture

(vi) Input from the Japanese Government

- Expert Dispatching
 - One long term expert on Monitoring and Evaluation with good theoretical and practical knowledge of monitoring and evaluation of government projects and programs.
 - One long term Project Coordinator who is familiar with JICA technical cooperation
 - Short term experts: Number and subjects will be decided according to final project design.
- Training in Japan, Third Country and in-country Training
 - Training in Japan and/or third country (Annex-1)
 - In-country training (ditto)
 - workshop (ditto)
- Equipment Supply :
 - Computer and other equipment (Annex -2)
 - Necessary equipment and materials for networking (Annex -3)
 - Vehicles and motorbikes for project sites monitoring (Annex-6)
- Expenses for Local Consultant Hiring:
 - Development of performance Indicators Activities (Annex -4)
 - Local consultancy for technical audit (Annex-5)

- Expenses for Project Infrastructure Improvement:
 - Necessary expenses for networking (Annex -3)
- Expenses for Publication, Research Activities etc. (Annex -7)

Project amount: 457,333 US \$ (excluding the cost of Japanese experts dispatching) for training and workshop, computer and equipment, networking, development of performance indicators, local consultancy, vehicles, publication, research and other cost. (see annex -1)
training (in Japan and in-country) courses, seminars and workshops, equipment, etc.)
(see annex-1)

7. Implementation Schedule

Month 04, Year 2004~ Month 03, Year 2006

8. Implementing Agency

National Planning Commission Secretariat

Organization chart of the CMED attached.

Budget: Rs. 1,807,000 (FY 2002-03)

9. Beneficiaries

In a broader sense all the populace particularly rural people will be benefited by the successful implementation of the Project as it will help ensure correct implementation of the Tenth Plan.

10. Security Conditions

As most of the project activities will be carried out in NPCCS and selected line ministries security will not be a concern to a significant extent. However, the data to be fed into the database has to be generated from projects and programs located throughout the Kingdom, security situation will impact upon the performance of the Project once the implementation of which has been completed.

LOGICAL FRAMEWORK

Strengthening the M&E Divisions/Sections of Some Line Agencies

<i>Narrative Summary</i>	<i>Objectively Verifiable Indicators (OVI)</i>	<i>Means of Verification (MOV)</i>	<i>Assumptions and Risks</i>
Goal Achievement of PRSP objectives and targets	Below poverty line people reduced to 30 %	National level surveys and PRSP progress reports	
Purpose Effective monitoring and evaluation performances within the government system	<ul style="list-style-type: none"> Project completion rate increased by 25 % by the end of the project. Devt. exp. rate increased by 10% 	<ul style="list-style-type: none"> Economic Surveys Annual progress report of PRSP 	<ul style="list-style-type: none"> Ownership & high level of commitment on the part of NPC and line ministries' leadership to implement the system continuously and correctly
Outputs <ul style="list-style-type: none"> Trained and skilled manpower in the M&E Div/Sections M&E Div/Sections equipped with computers and equipment Consistent flow of information between NPCS and ministries 	<ul style="list-style-type: none"> At least 2 new computer sets a photocopier and a fax machine available to CMED and 15 ministries Networking established in NPCS with 15 development Related ministries with NPCS Trained staff in M&E DIV/Sec 	<ul style="list-style-type: none"> Annual progress reports of the ministries NDAC/MDAC reports 	<ul style="list-style-type: none"> motivation and retention of skilled staff in M&E divisions/section
Activities <ul style="list-style-type: none"> Training, and workshops Computer facilities and equipment Information networking system Technical audit, and Research and Publications 	Inputs <ul style="list-style-type: none"> Expert dispatching training programs and workshops Equipment supply and networking Local consultants Research and publications expenses . . 	<ul style="list-style-type: none"> Records of NPCS and line ministries 	<ul style="list-style-type: none"> budget available on time

Cost Estimates and Financing Plan

(US\$)

S.No.	Particulars	Total Cost
1.	Training and Workshops (Annex 1)	168,130
	In-country Training	14,860
	Overseas Training	145,200
	Workshops	8,070
2.	Computer and other equipment (Annex 2)	77,422
	Computer 23 sets *	45,242
	Printers 10	5,463
	Photocopy machines 19	19,612
	Fax machines 9	1,992
	Multimedia Projector -1	5,113
3.	Networking the major ministries with the NPCCS (Annex-3)	72,322
4.	Development of Performance Indicators (Annex 4)	14,240
5.	Local Consultancy (Annex 5)	31,100
6.	Vehicles (1 Jeep & 3 Motorbikes) (Annex 6)	36,990
7.	Publications and Research (Annex 7)	15,554
8.	Contingencies	41,575
	Total	457,333

Domestic Training

S. No.	Name of Training	Duration	No of Participants	Cost		
				Tuition Fee	DSA	miscellaneous
1.	Project Analysis	5 week	25	6,400	-	1,800
2.	Project/Program Monitoring & Evaluation	2 week	25	3,900	1,750	350
	Subtotal		50	10,300	1,750	2,150
	Total			14,200		

MIS Training

S. No.	Name of Training	Duration	No of Participants	Cost
1.	MIS Training for Monitoring Officials.	2 week	24	660
	Total			660

International Training

S. No.	Name of Training	Duration	No of Participants	Cost		
				Tuition	Ticketing	DSA and other
1.	Project Analysis	4 week	12	30,000	5,000	36,000
2.	Project/Program Monitoring & Evaluation	3 week	12	25,000	9,600	39,600
	Sub Total			55,000	14,600	75,600
	Total			145,200		

NATIONAL AND REGIONAL WORKSHOPS

S. No.	Level of Workshop	No. of Workshop	No. of Participants	Cost		
				Hotel accommodation	Lunch and Dinner	Miscellaneous
1.	National	2	80	-	640	200
2.	Regional	5	200	2,600	3,630	1,000
	Sub. total			2,600	4,270	1,200
	Total			8070		

Annex -2

Breakdown of IT Equipment

S. No.	Description	Unit Price Rs.	No.	Total	US Dollar
1.	Desktop Computer	98,000	28	2646000	34252
2.	Server	400,000	1	400,000	5178
3.	Laptop Computer	224,500	2	449,000	5812
4.	Printer	24,000	15	360000	4660
	Printer	31,000	2	62,000	803
5.	Copier	1,60,000	8	1280000	16570
	Copier	235,000	1	235,000	3042
6.	Fax	15,550	8	124,400	1610
	Fax	29,500	1	29500	382
7.	Multi-media Projector	395,000	1	395,000	5113
	Total	1,452,500		5,980,500	77,422

Annex-3

Details of Networking Expenses

S. No.	Particulars	Unit price (Rs)	No.(s)	Total price (Rs.)	US \$
1.	Radio modem	200,000	9	1,800,000	23,300
2.	Networking (Line ministries)	4,000	8	32,000	414
3.	Networking (CMED)	50,000	1	50,000	647
	Total			1,882,000	24,361

Details of Software Purchase & Programming

S. No.	Particulars	Unit price	No.(s)	Total price (Rs.)	US \$
1.	Oracle Enterprise server		1		20,000
2.	Programming	2,000,000	1	2,000,000	25,890
3.	Training	40,000	4	160,000	2,071
	Total			2,160,000	47,961

Annex 4

Development of Performance Indicators

S. No.	Particular	Person month	Cost per person month	Total Cost Rs.	Total Cost USD
1.	Road, Irrigation drinking water /power	1	200,000	200,000	2,589
2.	Agriculture	1	200,000	200,000	2,589
3.	Forestry	½	200,000	100,000	1,295
4.	Health	1	200,000	100,000	2,589
5.	Education	1	200,000	200,000	2,589
6.	Miscellaneous	1	200,000	200,000	2,589
	Total			1,100,000	14,240

Annex 5

Local Consultancy

S. No.	Type of Consultant	Person month	Remuneration per month.	Total Remuneration	Remuneration (US\$)
1.	Civil Engineer	3	200,000	600,000	7,769
2.	Agriculture	3	200,000	600,000	7,769
3.	Architect engineer	1	200,000	200,000	2,589
4.	Educationist	3	200,000	600,000	7,769
5.	Sociologist	2	200,000	400,000	5,177
	Total				31,073

Annex 6

Vehicles

S. No.	Particulars	No.	Cost per unit Rs.	Total (Rs)	US \$
1.	4 WD Jeep	1	2,503,126	2,503,126	33,000
1.	Motorbikes	3	100,000	300,000	3,990
	Total				36,990

Annex 7

Publications and Research

S. No.	Particulars	No.	Cost per unit	Total (Rs.)	US \$
1.	Publication of Monitoring & Evaluation Manuals	1000	200	200,000	2,600
2.	Research about M&E system	-	1,000,000	1,000,000	12,944
	Total				15,554

Logical Framework for Capacity Building of M&E in National/Sectoral Level (Programs/Projects)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Risk & Assumption
<p>Goal:</p> <p>Results of M&E are reflected in the process of project formulation and implementation</p>	<ul style="list-style-type: none"> - Periodic report at NPC level prepared within 5 weeks after each trimester/year - Periodic report at ministry level prepared within 3 weeks after each trimester/year 	<ul style="list-style-type: none"> - Progress reports - Tracking 	
<p>Purpose:</p> <p>M&E capabilities of NPC / Sectoral Ministries / Key Projects & Programs are strengthened</p>	<ul style="list-style-type: none"> - Reporting Time Reduced fromdays to ...days - Complete Reporting of Project Increased from ... % to % - Non Reporting Project Decreased from ...% to % -no. of Projects with M&E results discussed during budget preparation 	<ul style="list-style-type: none"> - Annual/Trimester progress report - Inspection/field visit report - Observation 	<ul style="list-style-type: none"> - Adequate budget & logistics to M&E sections/divisions - Proper use of MIS results - Use of refined indicators in place - Project manager's performance links to M&E of projects
<p>Outputs:</p> <ul style="list-style-type: none"> - Human Resources in M&E Trained - Reporting Formats Revisited - M&E Manual Prepared - PDM Manual Revised 	<ul style="list-style-type: none"> - Project Analysis 5*+20 Person - Project Cycle Management 60 (20*3) Person - Project Management 7*+25 Person - Project M&E 175 (25*7) Person - TOT (PDM) 24 (12*2)Person - Participatory M&E 60 (20*3) Person - MIS Processing & Reporting 25 Person - Analysis 3*+22 Person - Study on Reporting Formats Conducted - 2000 Copies of M&E Manual Published - 2000 Copies of PDM Manual Published 	<ul style="list-style-type: none"> - Personal Record - MIS Database - Revised Formats - Manuals 	<p>Retention of Trained Personnel in M&E</p>

* training abroad

<p>Activities:</p> <p>M&E Training</p> <ul style="list-style-type: none"> • Project Analysis (3 Weeks) • Project Cycle Management (5 Days) • Project Management (1 Month) • Project M&E • TOT (PDM) (10-12 Days) • Participatory M&E (5 Days) • MIS Processing & Reporting Skills (2-3 Weeks) • MIS Analysis Skills (2-3 Weeks) <p>Orientation Program</p> <ul style="list-style-type: none"> - Secretaries - Joint Secretaries - M&E Professional <p>Review of Reporting Formats (2-3 workshops, 1 study)</p> <p>Prepare Manuals on</p> <ul style="list-style-type: none"> - PDM - M&E <p>Seminar on some important issues (ex. Policy evaluation)</p>	<p>Inputs:</p> <p>C/P of HMG</p> <ul style="list-style-type: none"> • Project manager (Joint Secretary) • Project coordinator of Nepali side (Under Secretary) • Project members (Under Secretaries, Section Officers) <p>TOT training in Japan</p> <ul style="list-style-type: none"> • Project Analysis • Project Management • MIS Analysis <p>Japanese experts</p> <ul style="list-style-type: none"> • Coordinator of Japanese side (long-term) • Training Management and Development (short-term) • Policy evaluation (short-term) <p>Nepali consultants</p> <ul style="list-style-type: none"> • Facilitators of each training course / workshop • Preparing manuals • Revising formats • Advising reporting procedures <p>Facilities</p> <ul style="list-style-type: none"> • Project office • Meeting / Training room <p>Equipments</p> <p>Local Cost</p> <ul style="list-style-type: none"> • Printing costs • Administration or other necessary costs 	<p>Project Progress Report</p> <p>Financial Statement</p>	<ul style="list-style-type: none"> - Sufficient Budget Available on Time - M&E Professionals Spared for Training
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List of Personnel who were involved preparing the Project Design Matrix at NPCS in Different times.

S.No.	Name	Designation	Office
1	Mr. Teertha Raj Dhakal	Program Director	NPCS
2	Mr. Yam Nath Sharma	" "	"
3	Mr. Jagannath Adhikari	" "	"
4	Mr. Radha Krishna Pradhan	" "	"
5	Mr. Gyanendra Kumar Shrestha	" "	"
6	Mr. Bishow Prakash Subedi	" "	"
7	Mrs. Radha Shrestha	" "	"
8	Mrs. Mandira Paudel	" "	"
9	Mr. Pushpa Lal Shrestha	" "	"
10	Mr. Shashi Shekhar Shrestha	" "	"
11	Mr. Biju Kumar Shrestha	" "	"
12	Mr. Ram Bahadur Ghimire	Under Secretary	CBS
13	Mr. Pashupati Prasad Bhandari	Planning Officer	NPCS
14	Mr. Shekhar Babu Karki	" "	"
15	Mr. Chakra Pani Acharya	" "	"
16	Mr. Shanti Raj Prasai	" "	"
17	Mr. Krishna Bahadur Raut	" "	"
18	Mr. Sundar Shyam Shrestha	Senior Divivisional Engineer	MoWR
19	Mr. Shyam Sundar Shrestha	Under Secretary (Tech.)	MoFSC
20	Mrs. Shashi Aryal	Section Officer	MoES
21	Mr. Janardan Adhikari	Senior Agro-Economist	MoAC
22	Mr. Prashanta Amatya	Agro-Economist	"
23	Mr. Mahendra Prasad Khanal	Agriculture Officer	"
24	Mr. Naresh Khatiwada	Statistical Officer	MoHP

Tentative Schedule of Workshop

- 1) Full two(2) days workshop is proposed,
- 2) Afternoon session may not be essential for the original purpose of the workshop
- 3) Cost of workshop is planned to be covered by JICA except allowance/transportation expense of attendants
- 4) Those who participated to the previous workshop and are in execution position of M&E are encouraged to participate.
- 5) Total number of attendants are supposed to be; 14 (Nepal side)+ 1(JICA) + 2(facilitator)=17
- 6) Name of attendants shall be informed (1 day-advance) to prepare name card
- 7) Each attendance will receive revised PDM(Drafted by JICA) and requested to pre-study it.

Day	Time	Programme (details/steps)	Who presents ?	What expected here !
1	10:00	No.1 Greeings 1) Admission and namecard distribution 2) Self-introduction (Game 1, 30 min.) 3) Welcome and Explanation of workshop programme - short speech by JICA/NPC - programme explanation by facilitator 1) assignment of volunteers ! 2) tools and presentation rule ! 3) evaluation of the workshop ! 4) What to do ? (Game 2, 10 min.) - Card 1 (own view on this workshop)	All/facilitator All NPC/JICA Facilitator All	to know each other ! JICA/NPC/facilitator to make the purpose clear !
	11:00	No.2 Discussion 1) Presentation on PDM (by NPC side with a computer and projector 2) Topics 1: Preliminary Discussion (Verification of PDM by logic) - All attendants discussion and personal presentation - Tentative Summary Grouping arrangement (Even, random grouping !, self-move !) 3) Topics 2: Role and responsibility on execution - Group discussion and presentation - Tentative Summary (Figure drawing !)	All Group leader Chairman	to assign presentation colour ! to find out shortcomings to list up requirement of decision
	13:00	- Break (light food and drink, 30 min.) -	Helper	relaxation and free-discussion
	13:30	No.3 Discussion 1) Topics 3: Verification indicator - Group discussion and presentation - Tentative Summary - Short Break (Game 3, 20 min.) - fighting for chair game? One left standing entertain others	Group leader Chairman All	to find out shortcomings to list up requirement of decision to energize yourself again !
	14:30	No. 4 Discussion 1) Topics 4: Sustainability of the project (TOT, staffing) - Group discussion and presentation - Tentative Summary 2) Topics 5: Plan of operation - Group discussion and presentation	Group leader Chairman Group leader	to find out shortcomings to list up requirement of decision to find out shortcomings

		- Tentative Summary	Chairman	to list up requirement of decision
	16:00	Closing session 1) Summary of discussion today (list up items) 2) What to discuss more tomorrow (list up topics) 3) Evaluation of today's sessions (game 4, 10 min.)	Chairman Chairman All	to understang what discussed to plan tomorrow's session to learn by workshop
2	10:00	No.1 Resuming 1) What to do today (game 5) 2) Decision of topics today	All Chairman	to make purpose clear ! to plan today's sesseion
	10:30	No. 5 Discussion 1) Topics 6 (to be decided) - Group discussion and presentation - Conclusion and understanding 1) Topics 7 (to be decided) - Group discussion and presentation - Conclusion and understanding	Group leader Chairman Group leader Chairman	to reach conclusion/action to understand what to do now to reach conclusion/action to understand what to do now
	12:00	- Break (light food and drink, 30 min.) -	Helper	relaxation and free-discussion
	12:30	Closing session 1) Joint preparation of presentation material, 30 min.) Target 1: Project Organization, Role and responsibility Target 2: Project Activity, monitoring and evaluation Target 3: Plan of Operation 2) Final Presentation (10 min. per each group) 3) Presentation of discussion record 4) Selt-evaluation (Game 6, 15 min.) 5) Closing and Farewell statement, etc. (10 min.)	All Group leader Record Taker All JICA/NPC	to make understandings visual ! to understand all discussed ! to remind something forgot ! to learn ! to plan from now on !
	14:00	1) Collection of namecard and good bye 2) Closing of facilities and papers	All/Facilitator All/Facilitator	to share workshop

List of presentation board

- Board 1 Overall programme schedule
- Board 2 What to do board (first day topics, first day conclusion, second day topics)
- Board 3 Evaluation board (first day self-evaluation and second day self-evaluation)
- Board 4-10 Topics board (detail items to discuss and results, 1 for each topics)
- Board 11- Conclusion board (1 for each group, or 1 for all)

Other material

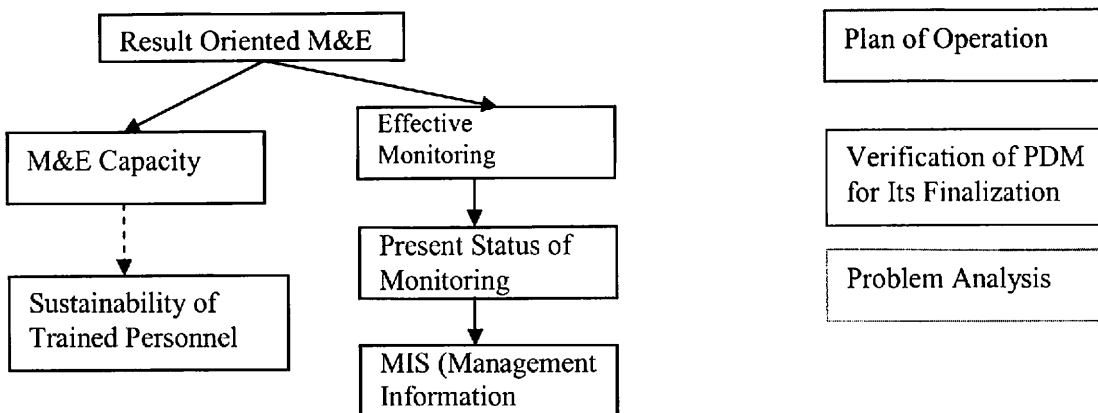
- 1) Name card
- 2) List of attendants
- 3) Chairperson mark, group leader mark
- 4) Helper and record taker mark

Volunteers

- Chairperson, first day
- Charperson, second day
- Group leader, first day (3 persons)
- Group leader, second day (3 persons)
- Helper of food and drink, first day (3 persons)
- Helper of food and drink, second day (3 persons)
- Record Taker, 1 person throughout
- Helper for closing (all person)

BOARD 2 (WHAT TO DO BOARD)

What to do? (Topics First Day)



Conclusion, First Day

- Topic 1: Verification of Revised PDM
 - The presentation by NPC gave a clear picture of program.
- Topic 2: Roles and Responsibility on Execution
 - SC (Chaired by JC-NPCS)
 - Program Director (PDM)
- Topic 3: Verification Indicators
 - Indicators are discussed and some are changed.
- Topic 4: Sustainability of Project
 - No frequent transfer
 - Regular training
 - Separate M&E cadre
- Topic 5: Plan of Operation
 - Activity sequence identified.

What to do? (Topics Second Day)

- Summary of Yesterday's Discussion
- Plan of Operation Finalized
- Finalized PDM
- Log Frame Finalized
- Conclude the workshop
- Ready to take off

BOARD 3 (EVALUATION BOARD)

Item	QUALITY OF DISCUSSION (Did you state your idea and hear good)	EFFECTIVENESS OF DISCUSSION (Do you think the discussion contribute to)	REVIEW AND OPION TO IMPROVE (Do you have any opinion to improve workshop for future?)
Intermediate Evaluation (at the end of the first day)	<ul style="list-style-type: none"> • Good (3 persons) • Live • Warm • Moderate • Participatory (2 persons) & fruitful • Very good 	<ul style="list-style-type: none"> • Very effective (4 persons) • Praise worthy • Effective (3 persons) • Moderate • Need more discussion 	<ul style="list-style-type: none"> • More discussion needed. • Be on time (2 persons). • Assiduous. • Should be made even more participatory (3 persons). • More time needed. • Should be more participated org. (representation from other organization)
Final Evaluation (at the end of the workshop)	<ul style="list-style-type: none"> • Very good. • Good • Moderate • Participative • Participatory & Fruitful 	<ul style="list-style-type: none"> • Highly efficient • Effective • Good • Helped to draw conclusion 	<ul style="list-style-type: none"> • Regular monitoring is essential for improvement of the project • Should be more participants. • Review is not needed • Time Management • Should be selective

BOARD 4 (TOPICS 1: Verification of the revised PDM)

Ideas/Sample for the Topics for reference!

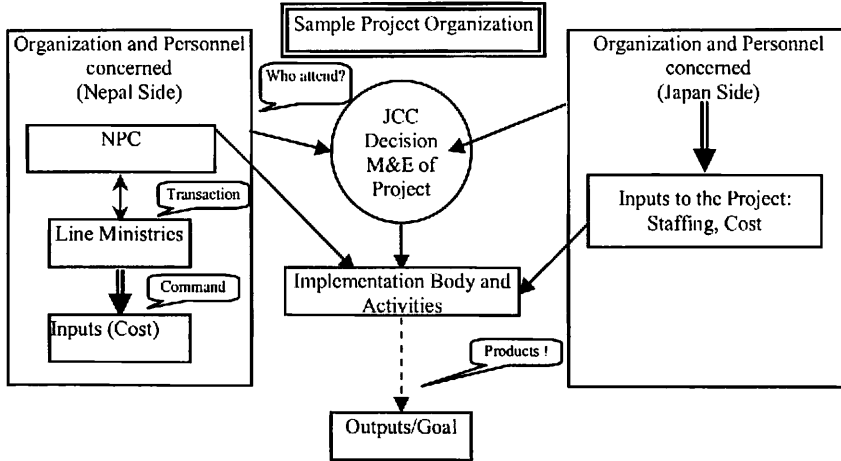
Logic (Starting from right bottom column: first assumption and confirming logical chain up to goal of the project)
Context (Required contents are there stated correspondingly? Such as among activities, inputs and outputs)
Accountability (Can the activities produce the outputs? Can the outputs guarantee project purpose? Can the project purpose move toward Goal?)
Other Opinion to be defined by the attendants!

Conclusion for the Topics

JICA comments: Mainstreaming of gender in M&E must be considered and NPC could utilize particular Japanese experts for policy evaluation or so for improvement of project effectiveness.
MoA comments: Different concept for project and programme shall be incorporated into project activity. Attendants reached an conclusion that training course shall be changed form project analysis to project/programme analysis.
NPC comments:

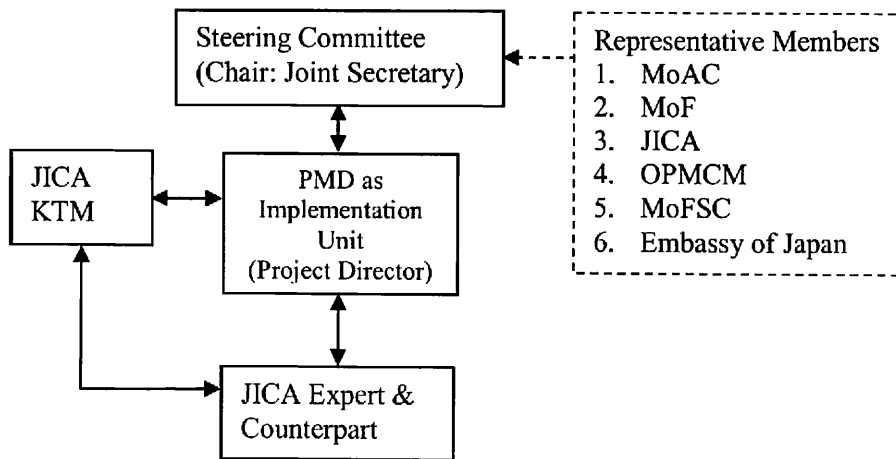
BOARD 5 (TOPICS 2 : Role and Responsibility on Execution)

Idea/Sample for the Topics for reference!



- Organization involved be defined!
 - Personnel (JCC or Execution body)
 - Relation between the organizations
 - Role of JCC be defined !
- Use different shape and line to explain!

Conclusion of the Topics



BOARD 6 (TOPICS 3: Verification Indicators)

<p>Idea/Sample for the Topics for reference</p>	<p>Logic (Indicators and their means of verification are practical or not?)</p> <p>Data Collection (Who and how to collect data, how frequently?)</p> <p>Evaluation (How to evaluate the collected data to verify the indicators?)</p> <p>Other points to be defined by the attendants?</p>
<p>Conclusion of the Topics</p>	<p>1. Output</p> <p>Corrections to be made in Objectively Verifiable Indicators:</p> <ul style="list-style-type: none"> • Project/Program • Project Analysis 5 + 40 persons • PDM 20 persons <p>Addition/Correction to be made in Means of Verification:</p> <ul style="list-style-type: none"> • Project Progress Report (every four months - responsible: Program Director) • New & comprehensive M&E Manual • Revised PDM <p>2. Purpose</p> <p>Correction to be made in Objectively Verifiable Indicators:</p> <ul style="list-style-type: none"> • Delete "Reporting Time Reduced from days to days" • Complete Reporting of Project increased by 25%. • Non Reporting Project decreased by 20%. • Reported Projects with M&E results discussed during budget preparation. <p>Correction to be made in Means of Verification:</p> <ul style="list-style-type: none"> • "Inspection" replaced by "Supervision". <p>3. Goal</p> <p>No comments from all 3 groups.</p>

BOARD 7 (TOPICS 4: Sustainability of the Project)

Idea/Sample for the Topics for reference

Contents (Items of training sufficient and realistic to acquire project purpose)

Retain of trained staff (How to utilize the trained staff for the purpose?)

TOT (How to make TOT effective for continuous chain of transfer knowledge?)

Other points to be defined by the attendants?

Conclusion of the Topics

- Policy of separate M&E cadre (Trained M&E personnel should stay within M&E field)
- Demand from M&E result should be strong (pre-assumption PDM)
- Making EPC effective (similar to M&E cadre)
- Partial need of Central M&E.
- Build M&E as a system
- Trained staff should not be transferred at least one year.
- M&E staff be offered extra incentives.
- Retention of the trained (M&E) staff for 2 years.
- Trained personnel be strictly retained for two years.
- Trainer to be re-trained frequently.
- Recognition of M&E as a important sector by higher authorities.

• Retention of the trained (M&E) staff for 2 years.

• Trained personnel be strictly retained for two years.

• Trained staff should not be transferred at least one year.

Partial need of Central M&E.

Trainer to be re-trained frequently.

Recognition of M&E as a important sector by higher authorities.

- Build M&E as a system
- Policy of separate M&E cadre (Trained M&E personnel should stay within M&E field)
- Making EPC effective (similar to M&E cadre)

M&E staff be offered extra incentives.

BOARD 8 (TOPICS 5: Plan of Operation)

Idea/Sample for the Topics for reference	<p>Chronology (Flow of training and expected outputs are time-wise reasonable and practical?)</p> <p>Burden of operation (Training schedule shall be organized well and scattered ideally considering burden of project operation)</p> <p>Responsibility and input (Each activities shall be well planned for execution)</p> <p>Other points to be defined by the attendants?</p>
Conclusion of the Topics	<p>Addition/Corrections to be made:</p> <ul style="list-style-type: none"> • 1.1 Project/Program • 5. Seminar - Omit. • Omit TOT from PDM • Add Base Line Survey <p>Sequencing:</p> <ol style="list-style-type: none"> 1. Base Line Survey 2. Project/Program Analysis (Japan) 3. Project/Program Management (Japan) 4. MIS Analysis Skills (Japan) 5. Orientation to Secretaries 6. Orientation to Joint Secretaries 7. M&E Professional 8. Project/Program Analysis (Local - 2 times) 9. Project/Program Management (Local) 10. MIS Analysis Skill (Local) 11. Review of Reporting Formats 12. PDM Manual 13. M&E Manual 14. Project Cycle Management (3 times) 15. PDM (10-12 days) 16. Project M&E (7 times) 17. Participatory M&E (3 times) 18. MIS Processing and Reporting Skills 19. Progress Review Meeting

Conclusion Remark from the Record Taker:

I would like to thank you all for providing me this opportunity to recapitulate what we had done yesterday and this morning. I will try to be as brief as possible. I would like to request you to add on if I miss any point.

In fact, we had four practical sessions yesterday and one session this morning. A brief inauguration and welcome session in the morning was followed by three discussion sessions.

Inaugurating the program last morning, respective Mr. Balananda Poudel, Joint Secretary of PMD, highlighted the importance of this workshop in design and implementation of PDM for capacity development of M&E professionals at NPCS. Mr. Kobayashi, PRR-JICA expressed his happiness and commitment to support initiatives of NPC towards this noble cause.

During the first discussion session, Mr. Yam Nath Shalma, under secretary, PMD, presented the PDM that was developed after revise of discussion few months back. Discussions were carried out regarding verification of PDM by logic. Basically, there was an agreement among all the participants on the version of PDM. At the same time issue was raised to treat program and project separately as it appears.

In the logical framework, TOT (PDM) Training program which was previously scheduled for 2 weeks was removed from activities list, instead a PDM training has been enlisted. Similarly, a TOT training Program in Japan has been considered as an integral input to the project in the field of not only Project Analysis, but Project/Program Analysis and Project/Program Management.

Regarding roles and responsibilities on execution there was general agreement that one Steering Committee for the overall policy guidance and supervision of the project under the Chairpersonship of the Joint Secretary, PMD represented by class I officers of different line ministries. The composition of the Steering Committee was decided to keep flexible in order to accommodate more participation. PMD will be the implementing agency of the project, Program Director of PMD responsible for day to day activities.

On OVI and MOV, indicators were accepted with some modification, for example, training for Project/Program Analysis which was originally intended for 20 person is now doubled and 40 person are targeted to receive this training, whereas (PDM) training has been slashed to 1 batch with 20 person in place of 2 batches of 12 persons each.

In addition to the given means of verification, Program Report as well as new/revised/and comprehensive manuals were considered as MOV.

There was an intensive discussion on OVI at purpose level and it was agreed that Baseline Survey for "Reporting Lag" of different development project and receipt of complete reporting by NPC could be added as new activities, otherwise not envisaged in the original Plan of Operation. Indicator of Reporting time was omitted while rest of the three indicators were intact with some precision. The Goal level indicators were accepted with "no comments".

Sustainability of the Project was discussed in length and agreed that M&E should be built as a system rather than one time business, be it the formation of separate cadre, or retention of M&E professional with less frequent transfer. However, regular training should be the integral component of the project.

Finally, Plan of Operation was discussed and rearranged based on its critical path of activities. The human resources is also taken into consideration while allocating time to the specific activities. Activity level milestones are depicted in one PIP. Indicators for Immediate Objective will be monitored at the end of the project period and at annual basis thereafter.

For activity sustainability, internalization as well as institutionalization of the M&E process is very much vital. To ensure the sustainability of the results of the project upon completion of the project, PMD should continuously monitor the purpose or immediate objective of the project. Various indicators are identified for this purpose. Similarly, approved Plan of Operation should be implemented and monitored regularly in continuous basis. To carry out these activities "PMD" should be allocated and strengthened with sufficient manpower aid resources.

Attendant List of Workshop on Preparation of Project Design Matrix

Date: 29 & 30 September, 2005

Venue: NPC Training Hall (4th floor)

S. No.	Name	Designation	Office	Signature	
				29 September	30 September
1	Mr. Teertha Raj Dhakal	Program Director	NPCS		
2	Mr. Yam Nath Sharma	" "	"		
3	Mr. Jagannath Adhikari	" "	"		
4	Mr. Pradip Koirala	" "	"		
5	Mr. Ganesh Prasad Dhakal	Under Secretary	OPMCS		
6	Mr. Biju Kumar Shrestha	Program Director	NPCS		
7	Mr. Radha Krishna Pradhan	" "	"		
8	Mr. Shanti Raj Prasai	Planning Officer	"		
9	Mr. Pashupati Bhandari	" "	"		
10	Mr. Shyam Sundar Shrestha	Under Secretary (Tech.)	MoFSC		
11	Mr. Ram Raman Humagai	Section Officer	MoES		
12	Mr. Janardan Adhikari	Senior Agro- Economist	MoAC		
13	Mr. Prashanta Amatya	Agro-Economist	"		
14	Mr. Narendra Gurung	Senior Program Officer	JICA Nepal		
15	Mr. Yuvraj Adhikari	Section Officer	MoWPP		
16					
17					
18					
19					
20					

Group Division

	Group A	Office	
1	Mr. Teertha Raj Dhakal	NPCS	
	Mr. Pradip Koirala	"	New
	Mr. Shanti Raj Prasai	"	
	Mr. Shyam Sundar Shrestha	MoFSC	
	Mr. Prashanta Amatya	MoAC	
	Group B		
2	Mr. Yam Nath Sharma	NPCS	
	Mr. Radha Krishna Pradhan	"	New-
	Mr. Ganesh Prasad Dhakal	OPMCS	
	Mr. Ram Raman Humagai	MoES	New
	Mr. Narendra Gurung	JICA Nepal	
	Group C		
3	Mr. Jagannath Adhikari	NPCS	
	Mr. Biju Kumar Shrestha	"	
	Mr. Pashupati Bhandari	"	
	Mr. Janardan Adhikari	MoAC	
	Mr. Yuvraj Adhikari	MoWPP	New

Tentative Course Content for TOT in Japan

Project/Program Analysis (3 weeks)

- 1) Introduction to project/program analysis
- 2) Introduction to Program approach
 - ◇ Similarities and differences between the project and program management
 - ◇ The linkage between project, program and policy
 - ◇ Need for move from Project to Program Management and sector wide approach (SWAP)
- 3) Planning skill of project/program management
 - ◇ Project Design Matrix (PDM) within the context of project and program management
 - ◇ Policy and program level indicators
- 4) Project/Program Analysis:
 - ◇ Feasibility study
 - ◇ Environment analysis
 - ◇ Financial analysis
 - ◇ Social analysis
 - ◇ Economic analysis
 - ◇ Cost effectiveness analysis
 - ◇ Risk and sensitivity Analysis

Project/Program Management (1 month)

- 1) Introduction to project/program management
- 2) Project planning
 - ◇ Introduction to PCM
 - ◇ Participatory planning skill
 - Stakeholder analysis
 - Problem analysis
 - Objective analysis
 - Formulating PDM
 - Formulating PO
 - ◇ Tips for planning
 - Introduction to project and program analysis
 - PERT, CPM, Gantt Chart and other networking techniques
 - Use of information and communication technology (ICT) in project management
- 3) Project and program management
 - ◇ Relation management among concerned parties
 - ◇ Resource management
 - ◇ Risk management
 - ◇ Quality management
 - ◇ Monitoring and control
 - ◇ Communication
- 4) Project monitoring and evaluation
 - ◇ Designing monitoring system
 - ◇ Preparing performance indicators

- ✧ Tools and techniques of monitoring
- ✧ Crucial points for project evaluation
- ✧ Types and techniques of evaluation
- ✧ Use of monitoring information

Management Information System (MIS) (2-3 weeks)

- 1) Introduction of MIS
- 2) Information system
 - ✧ Organizations, management and technology
- 3) Contemporary approaches to information systems
- 4) Basic concept of networking
- 5) Key System application in the organization
- 6) Data entry and administration
- 7) Reporting System
- 8) Data Analysis
- 9) Preparing reports by using supporting tool (ex PC software)
- 10) MIS and decision making
- 11) Decision support system and executive support system
- 12) Computer based information system
 - ✧ Back end and front end tools and their usage
 - ✧ Use of ICT in project monitoring
- 13) Challenges of information system

Tentative Course Content in Nepal

Project cycle management

- ✧ Introduction to project cycle management method

Project Design Matrix (PDM)

- ✧ Lecture and exercises in order to formulate PDM by using participatory planning method

Project M&E/Participatory M&E

- ✧ Lecture and exercises for monitoring and evaluation projects by using participatory planning method

Cost items of M & E related Training and orientation workshops (in Nepal)

S.N	Title of Training/ orientation	Duration of training/ orientation	Number of Participants	Cost Items						Travel cost & daily allowance	Lunch, tea & snacks	Miscellaneous	Total	
				Stationary		Resource persons /paper preparation		Training hall & equipment rent						
				For participants: writing pad, ball pen, pencil & bag	For Trainers: chart paper, marker pen etc	Paper preparation	Resource person	Training hall rent	Equipment rent					
1	Project Analysis	3 weeks	20 person											
2	Project management training	1 month	25 person											
3	MIS analysis	15 days	22 person											
4	Participatory M&E (District)	5 days x3	60 persons											
5	Project M&E (District)	2 days x7	175 persons	25*150=3750	1000	3*2*800=4800	3*2*700=4200	2*4000=8000	2*1000=2000	30*4000=120000 (Average)	30*450*4=54000	30*350=10500	5000	213250
6	Project Cycle Management (District)	5 days x3	60 persons											
7	(PDM) (Centre)	12 days x2	24 persons	12*150=1800	3000	3*12*1000=36000	3*12*1000=36000	0 (free training hall if food supplied by hotel)	2000*12=24000	6*6000=36000	6*450*15=40500	17*12*450=91800	5000	274100
8	MIS processing & reporting (Centre)	15 days x5	25 persons											

List of Principal Price/Wage

S.#	Particulars	Cost in Nepalese Rs.			Remarks
		Minimum	Moderate	Maximum	
1.	Unskilled Labour	100.00	125.00	200.00	One way.
2.	Skilled Labour	250.00	275.00	300.00	
3.	Office Worker	7,000.00	10,000.00	15,000.00	
4.	Manager	20,000.00	25,000.00	40,000.00	
5.	Service Persons	4,000.00	6,000.00	8,000.00	
6.	Facilitator (daily basis)	3,000.00	5,000.00	7,000.00	
7.	Long Term Consultant	30,000.00	40,000.00	60,000.00	
8.	Paid Volunteers (monthly)	4,000.00	5,000.00	6,000.00	
9.	Transportation (bus) (passenger basis)	8.00	15.00	20.00	
10.	Lodging	50.00	150.00	300.00	
11.	Food/Lunch Pack (Vegetarian)	50.00	100.00	200.00	
12.	Food/Lunch Pack (Non Vegetarian)	100.00	125.00	200.00	
13.	Stationery/person	25.00	50.00	90.00	
14.	Tea & Snacks	15.00	35.00	50.00	
15.	Photocopy	1.00	1.50	2.00	
16.	Printing (laser)	3.00	5.00	10.00	
17.	Venue Rent	300.00	700.00	1,500.00	With foods, available free of cost in some places.
18.	Renting a Car	2,000.00	3,000.00	3,500.00	Hourly basis (9 hours)
19.	Training Aids (Overhead, Multimedia, computer etc.)	500.00	1,000.00	1,500.00	Per day basis.
20.	New Telephone Line	8,000.00	12,000.00	15,000.00	Telecom & private.
21.	Internet Provider's Cost (Annual)	10,000.00	15,000.00	20,000.00	Depending upon the service package.
22.	LAN Setting	1,500.00	2,000.00	3,000.00	Depends on quality and follow up services.
23.	Computer P4 (Desk Top)	27,000.00	35,000.00	50,000.00	Depends on assoceries.
24.	Printer (Inkjet)	2,500.00	3,500.00	4,500.00	Depend on brand.
25.	Printer (laser)	18,000.00	25,000.00	30,000.00	Depends on brand & quality
26.	Photocopy Machine	45,000.00	75,000.00	200,000.00	Depends on speed / optional assoceries
27.	Fax Machine	10,000.00	18,000.00	40,000.00	
28.	Domestic Telephone Call Rate (Average)	2.00	3.00	5.00	
29.	Long Distance Call	6.00	15.00		
30.	Mineral Water (Jar)	60.00	70.00	85.00	Depends on brand.
31.	Mineral Water (Bottle)	15.00	15.00	15.00	

Domestic Fares Effective 14 Feb' 06				
S.No.	Sector	NPR Fare	RES Fare	USD Fare
1	Kathmandu-Mountain or V.V	5200	-	124
2	Kathmandu-Pokhara or V.V	2420	4235	76
3	Kathmandu-Biratnagar or V.V	3660	6405	96
4	Kathmandu-Bhairahawa or V.V	3140	5495	90
5	Kathmandu-Nepalgunj or V.V	4700	8225	122
6	Kathmandu-Bhadrapur or V.V	4200	7350	122
7	Kathmandu-Janakpur or V.V	1960	3430	76
8	Kathmandu-Simara or V.V	1370	2398	64
9	Kathmandu-Bharatpur or V.V	1635	2861	69

Above fares are inclusive of Insurance and Fuel Surcharge

Residential foreign passenger fare is now 1.75 of the normal local fare.

33% discount will be allowed to the child fare.

10% fare will be charged for infant in normal fare.

**POVERTY MONITORING AND ANALYSIS
SYSTEM (PMAS)
FRAMEWORK DOCUMENT**

**His Majesty's Government
National Planning Commission**

December 2003

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Acronyms and Abbreviations

ADB	Asian Development Bank
ADB	Asian Development Bank Nepal
BCHIMES	Between Census Household Information, Monitoring and Evaluation System
CBS	Central Bureau of Statistics
CCA	Common Country Assessment
DDC	District Development Committee
HMG	His Majesty's Government of Nepal
IPRSP	Interim Poverty Reduction Strategy Paper
LGSP	Local Governance Strengthening Programme
MIMAP	Microeconomic Impacts of Macro-economic and Adjustment Policies Project
MoH	Ministry of Health
MTEF	Medium Term Expenditure Framework
NER	National/Ecological/Regional
NERGS	National/Ecological/Regional/Gender/Social Groups
NERS	National/Ecological/Regional/ Social Groups
NERUGS	National/Ecological/Regional/Urban/Rural/Gender/Social Groups
NERU	National/Ecological/Regional/Urban/Rural
NERUS	National/Ecological/Regional/Urban/Rural/Social Groups
NLSS	Nepal Living Standards Survey
NPC	National Planning Commission
PDDP	Participatory District Development Programme
PER	Public Expenditure Review
PETS	Public Expenditure Tracking Survey
PMAS	Poverty Monitoring and Assessment System
PMD	Poverty Monitoring Division
PMO	Prime Minister's Office
PPA	Participatory Poverty Assessment

PPEM	Participatory Public Expenditure Management
PRSP	Poverty Reduction Strategy Paper
PSIA	Poverty and Social Impact Analysis
SER	Sectoral Expenditure Review
UNDP	United Nations Development Programme
VDC	Village Development Committee
CAAN	Civil Aviation Authority of Nepal
CDC	
CIAA	Commission for Investigation and Abuse of Authority
CTEVT	Centre for Technical Education and Vocational Training
DOA	Department of Agriculture
DOE	Department of Education
DOF	Department of Forest
DOH	Department of Health
DOI	Department of Irrigation
DOLEP	Department of Labour and Employment Promotion
DONP	
DOR	Department of Road
DPS	
DR	Development Region
DSCWM	
DWSS	Department of Drinking Water and Sanitation Service
EPC	Environment Protection Council
ER	Ecological Region
GSM	Global System Mobile
HRPC	Human Rights Promotion Centre
MFCS	
MLD	Ministry of Local Development
MOAC	Ministry of Agriculture and Cooperative
MOCTCA	Ministry of Culture, Tourism and Civil Aviation
MOES	Ministry of Education and Sports
MOF	Ministry of Finance

MOGA	Ministry of General Administration
MOH	Ministry of Health
MOHA	Ministry of Home Affairs
MOIC	Ministry of Information and Communication
MOICS	Ministry of Industry, Commerce and Supply
MOLT	Ministry of Labor and Transportation
MOLTM	Ministry of Labor and Transportation Management
MOPPW	Ministry of Physical Planning and Works
MOWCSW	Ministry of Women Children and Social Welfare
MOWR	Ministry of Water Resources
NARC	National Agriculture Resource Council
NCED	National Council for Educational Development
NEA	Nepal Electricity Authority
NFC	Nepal Food Corporation
NOC	Nepal Oil Corporation
NRB	Nepal Rastra Bank
NTB	Nepal Tourism Board
NWSC	Nepal Water Supply Corporation
OPMCM	Office of the Prime minister and Council of Ministers
PAF	Poverty Alleviation Fund
PSC	Public Service Commission
RARCS	
RMDC	Rural Micro-Credit Development Centre
RTS	Rural Telecommunication Service
SWC	Social Welfare Council
TPC	Trade Promotion Centre
TSC	

Chapter 1 – Introduction

1.1 Poverty Reduction Strategy Paper (PRSP): An Overview

The overriding objective of development efforts in Nepal is poverty alleviation. In spite of noticeable progress achieved over the past decade, there is still widespread poverty. The PRSP/Tenth Plan (2002 – 2007) represents a commitment to strategic intervention by His Majesty's Government of Nepal to achieve this all-important task. The sole objective is to realise a remarkable and sustainable reduction in the income poverty level and improve human development indicators.

The Plan¹ sets forth a four-pillar strategy, calling for: (i) high, sustainable and broad-based economic growth; (ii) social sector and rural infrastructure development; (iii) targeted programmes for the ultra poor, vulnerable and deprived groups; and (iv) good governance. In implementing the four-pillar strategy, the Plan also stresses strategic cross-cutting approaches with regard to: (i) redefining the role of the state and limiting public interventions; (ii) promoting private sector development; (iii) promoting community participation; and (iv) accelerating the decentralisation process.

Furthermore, the Tenth Plan highlights the importance of effective implementation in order to deliver basic services and infrastructure to the poor, to enhance their quality of life and promote economic and social inclusion of backward communities and regions. Accordingly, the Plan places strong emphasis on monitoring progress towards the attainment of key poverty reduction goals including the Millennium Development Goals (MDGs), and ensuring that the feedback received from intended beneficiaries and target groups is effectively utilized for improving poverty interventions.

The Tenth Plan has outlined strategies for ensuring effective monitoring, including the need to establish an integrated poverty monitoring system within the government which will be more comprehensive than project/programme monitoring, and to develop a framework for systematically monitoring progress towards poverty reduction and human development goals. The present document expands on these strategies, and outlines the framework for a national Poverty Monitoring and Analysis System (PMAS), which will support the implementation of the PRSP.

1.2 Poverty Monitoring – Concepts and Coverage

“Poverty monitoring” encompasses many different aspects of monitoring. Traditionally, monitoring of development activities in Nepal has focused largely on expenditure or input monitoring only, with attempts to monitor physical progress and results, or output monitoring. The first household survey conducted with the express goal of estimating poverty

¹ The Tenth plan and PRSP has been used interchangeably, because government has adopted a single window of strategy and policy.

incidence was the Nepal Living Standard Survey (NLSS) 1996. The second NLSS is underway, and will provide the first comparable trend data on poverty for Nepal.²

However, monitoring poverty is about more than measuring and tracking income poverty through the development of poverty lines. Poverty is a complex and multi-dimensional phenomenon. Poverty is no longer thought of exclusively as having a material component expressed in monetary value. Instead, it also consists of non-material components such as social indicators, environmental and gender issues, accountability and vulnerability. All such facets are inextricably linked to one another.

Poverty monitoring therefore means more than tracking income levels and poverty lines. Large income and expenditure surveys, which are the important part of any poverty monitoring system, must share the bill with light, rapid monitoring surveys focusing on human poverty, and with participatory poverty assessments and accountability mechanisms.

Poverty monitoring must not be an isolated or academic exercise. It must be linked to pro-poor policymaking and the development and adjustment of poverty reduction strategies. The most important question poverty monitoring can help answer is whether and to what extent policies are having an impact on poverty. A poverty monitoring system, providing timely and relevant feedback to policy makers, is an essential component of a viable poverty reduction strategy.

Hence, poverty monitoring therefore implies more than expenditure tracking, or monitoring income poverty statistics. Poverty monitoring involves tracking of inputs and outputs of programmes and projects, such as those in the PRSP, monitoring indicators of well-being, or outcome and impact indicators, as well as assessing the impacts of specific policies on poverty. Each of these types of monitoring will be discussed in more detail in the pages that follow.

1.3 Poverty and Poverty Monitoring in Nepal

The first household survey conducted with a view to estimating poverty, the Nepal Living Standard Survey (NLSS) 1996, revealed that 42% of the population lived below the poverty line. Wide variation in poverty incidence throughout the country was noted, ranging from 41% in the hills to as high as 56% in the mountains, and overall 44% in the rural areas and 23% in the urban areas. Estimates based on secondary data showed a decrease to 38% by 2001/02. New data from the second NLSS will soon be available.

Poverty monitoring is thus not new to Nepal, however there are a number of areas which require attention in order for poverty monitoring to become even more effective. First, there is a need to streamline survey systems in order to avoid duplication and inconsistency, as well as to improve feedback to policy makers. Similarly, there is a need for improved

² Different household surveys were conducted in Nepal, but without proper planning and sequencing. Many of them were on social aspects, and few on the economic aspect because of the higher resources required in economic measurement, among others. Again those few economic surveys, which included economic aspects, were performed for different purposes and therefore had employed different methodologies, leaving little room for comparison across them on economic indicators including poverty incidence.

coordination, as a great deal of recent data collection, including national level household surveys, has been externally driven to meet requirements of donors or other institutional actors. Data quality has also raised concerns at the national and particularly the district level. Finally, one of the most fundamental problems of poverty monitoring to date has been the lack of systematic feedback to and use for policy purposes, at both the national and sub-national levels. Many reports indicate that the policy relevance of data collected is not well understood, particularly at the district level.

1.4 Nepal's Poverty Monitoring and Analysis System Framework

– An Overview

Poverty monitoring is complex, and requires the use of many different tools by many different institutions. It is therefore necessary to establish a Poverty Monitoring and Analysis System (PMAS) to coordinate, consolidate, harmonize and analyse data from existing, as well as new, poverty monitoring mechanisms, and communicate results in order to feed back into the policy making process. The following chapter outlines the necessary components for such a system, beginning with input and output (implementation) monitoring, which requires coordination between line ministries, district level agencies, and the Central Monitoring and Evaluation Division (CMED) of the NPC. The second component of the system focuses on outcome or well-being monitoring, which will include survey data from the Central Bureau of Statistics as well as other sources. The third component addresses the need for and tools to be used in impact assessment. The fourth and fifth components refer to the management and communication of poverty related information so that it will serve policy makers as well as citizens. The third chapter sets out the institutional framework as well as necessary structures and linkages for poverty monitoring in Nepal, with a focus on the Poverty Monitoring Section of the NPC, which will be the central point in the system. Chapter Four details the implementation work plan for the PMAS, and the appendices include supplementary information.

This framework has been developed through a number of consultations with different government stakeholders and builds on several studies conducted by independent researchers including an analysis of the appropriate institutional framework for Nepal's PMAS, a review of existing surveys and studies on poverty and resultant poverty monitoring information, a diagnostic study of performance monitoring, a proposal for a poverty management information system, and for a district level PMAS. With respect to the development and refinement of indicators, Annex A builds on the intermediate indicators identified during the preparation of the PRSP document itself. Focal groups in each ministry have worked intensively to further revise the indicators. Similarly, the indicators in Table 1 have been refined to better reflect the expected outcomes of the PRSP policy matrix and include key MDG indicators. Some further refinement of indicators is expected as the PRSP is implemented, and the PMAS becomes fully functional, as this is part of a dynamic process.

1.5 District Poverty Monitoring and Analysis System

As the PMAS is institutionalised, improved feedback from the district level to all concerned to achieve the PRSP/Tenth Plan's goal to reduce poverty will be critical. A model District Poverty Monitoring and Analysis System (DPMAS) has been designed, along with an implementation strategy, following an assessment of existing monitoring systems in six districts. The draft DPMAS Framework will be circulated to all districts for comments and suggestions, and further consultations undertaken in order to refine the framework and the implementation strategy, in order to meet the objective of having a functioning poverty monitoring system in each of the 75 districts. Linkages between the PMAS and DPMAS are still to be developed.

Chapter 2 - The Poverty Monitoring and Analysis System (PMAS)

This chapter presents the Poverty Monitoring and Analysis System (PMAS), first outlining the objectives, components and features of the PMAS, and then describing each component in detail with reference to existing mechanisms as well as the vision for the coming years.

2.1 Objectives, Components and Features of the PMAS

The primary objective of the PMAS is to coordinate, consolidate, harmonize and analyse data from existing poverty monitoring systems and to communicate results in ways which feedback into the policy process. It seeks to accomplish this through five key functions:

- Implementation (or input/output) monitoring;
- Outcome or well-being monitoring;
- Impact assessment;
- Poverty management information system;
- Communication/Advocacy.

Figure 1: Overview of the Poverty Monitoring and Analysis System

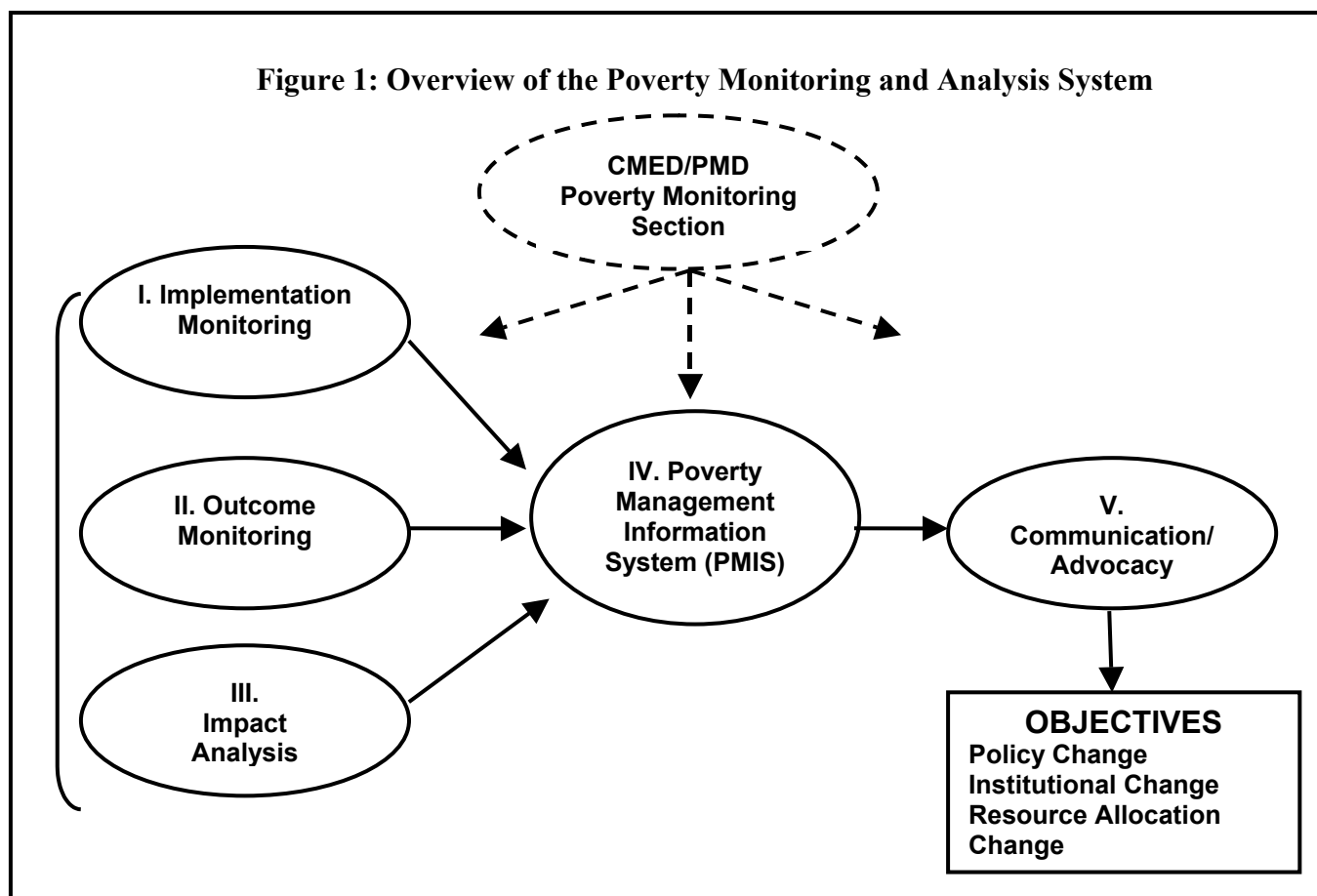


Figure 1 schematically depicts the functions and objectives of the Poverty Monitoring and Analysis System, which are discussed in the following sections of this chapter.

The formulation and subsequent operationalisation of the PMAS consists of the following features:

National Ownership/Appropriation

The PMAS will not work in the absence of 'buy-in' from data users within and outside government. The *process* of data collection, analysis *and* use is likely to be as, or more, important than the physical outputs generated (indicators, data, etc.). Therefore, the Poverty Monitoring Section (PMS) of the National Planning Commission (NPC) will make concerted efforts to actively involve stakeholders in processes of data collection, analysis, dissemination and review. The communication/advocacy function of the Section will be critical for its success.

Participation

There are a number of reasons why widespread participation of a range of stakeholders in the operation of the PMAS is likely to be instrumental to its success. Moreover, genuine participation will help build broad-based national ownership, a key ingredient in sustainable poverty reduction and human development strategies.

Nepal's PRSP evolved through participation and involvement of various stakeholders ranging from government ministries and departments to civil society including academia. While preparing this PMAS framework, especially while finalizing intermediate and final indicators, implementing ministries were highly involved and a sense of ownership has been developed. The NPC will further provide opportunities to involve different stakeholders including civil society in the process of monitoring.

Collaborative Engagement

The PMS will form partnerships with persons and organisations engaged in poverty monitoring or other analytical work related to poverty (see Chapter 3 on the Institutional Framework). This includes governmental agencies, civil society organisation and the international community. A major rationale of this policy framework document is to provide a mechanism to build partnerships with a view to improve coordination in poverty monitoring.

Harmonisation/Consolidation

As mentioned above, there is a great deal of data on poverty in Nepal as well as a wide range of policies and programmes whose central objective is to reduce it. A core function of the PMS will be to synthesize existing studies on poverty and store/consolidate the many types of data, which bear on it. This provides the rationale for putting in place a Poverty Management Information System (PMIS). Part of the work of the PMS will consist of coordinating and

harmonizing the many different systems of poverty monitoring in the country, as well as coordinating efforts to monitoring the PRSP, the MDGs, and the Sustainable Development Agenda for Nepal (SDAN).

2.2 Implementation Monitoring

Implementation monitoring tracks indicators of policies, programmes and projects such as those included in the PRSP. It relies primarily on input and output indicators, or others, which are closely related, specifically, cost-effectiveness, process or intermediate output indicators. This component has three objectives:

- Monitoring budget allocations to core programmes and policies;
- Monitoring process/activity indicators of those policies and programmes;
- Monitoring the level of achievement of the output targets of core policies and programmes within the PRSP.

Implementation monitoring ensures better management of public expenditure. Public expenditure management (PEM) can be described as a cyclical process that entails four stages: budget formulation, budget review, budget/expenditure tracking, and performance monitoring. Budget formulation and review are supported by the implementation of Medium Term Expenditure Framework in Nepal. There is scope to increase accountability of public institutions to the poor and disadvantaged groups/areas in all these four stages. Civic engagement in Participatory PEM cycle can facilitate the institutionalisation of participatory processes into the decision making of public institutions and lead to more sustainable poverty reduction outcomes.

Implementation monitoring consists of two types of monitoring in Nepal: (i) Public Expenditure Tracking (PET), and (ii) Performance Monitoring. The PET consists of public expenditure tracking survey of programmes and projects. Performance monitoring consists of performance monitoring of programme and projects; performance monitoring of intermediate indicators of PRSP; and special monitoring of targeted programme and projects.

Public Expenditure Tracking of Programme and Projects

To examine the authenticity of public expenditure, in the past HMG/N adopted three methods: (i) internal auditing, (ii) monitoring and evaluation, and (iii) final auditing. Realizing that public expenditure needs to be monitored in detail, arrangements have been made as such that Financial Comptroller General's Office (FCGO) now conduct at least one expenditure tracking survey annually. The most recent survey tracked educational grants to school in the last three years, in a sample of 65 primary and secondary schools. Public expenditure tracking will be further expanded and institutionalised.

Performance Monitoring

Performance Monitoring of Programme and Projects

With the implementation of the MTEF, HMGN has introduced performance monitoring based on performance indicators identified by line ministries. This process requires the implementing agencies to prepare detailed work plans/programmes on a quarterly basis, including performance of indicators for all Priority 1 (P1) programme/projects. Fund release is tied up with the performance of the programmes/projects measured in terms of those indicators.

Performance Monitoring of Intermediate Indicators of PRSP

The PRSP requires annual monitoring of intermediate and some outcome indicators. Following the publication of the Tenth Plan, the intermediate indicators have been further refined by the sectoral ministries, with the assistance of NPC, through the following process: (i) conducting a separate work shop for each of the concerned ministries; (ii) forming a technical core/focal group among the workshop participants to further work on the indicators presented in the workshop, and (iii) conducting focussed meetings of the core group of the ministries in the presence of NPC officials. Thus, the procedure adopted have built in the ownership and accountability of the ministries for monitoring and reporting on those indicators. The revised list of intermediate indicators is presented in Annex A. The list also specifies the responsible agency, the level of analysis/disaggregation, frequency of collection and sources of the data for each indicator.

Performance monitoring based on intermediate indicators will be performed annually and will be the basis for the major part of the analysis in the annual progress report of the PRSP. The sources of information for the intermediate indicators are the management information systems of the sectoral ministries. In addition to the MIS data, the PMS will make arrangements to include data from participatory poverty assessments along with other qualitative information in the analysis for progress reports as and when deemed necessary.

Special Monitoring of Targeted Programmes

In addition to the regular implementation monitoring of programmes/projects, the government will develop and implement a strong mechanism to monitor poverty-targeted programmes. This mechanism will focus on input, process and outputs to ensure that programmes and resources really reach the intended beneficiaries and are producing the anticipated outputs. Thus, this new performance monitoring mechanism will determine: (i) whether the budget spent on the targeted programmes and projects reaches to the final service delivery institutions, and (ii) whether the output and services of such programmes and projects reach to disadvantaged areas/groups of population, including women and Dalits. This monitoring mechanism will include at least two principal tools: Public expenditure tracking surveys (PETS) and service delivery surveys (SDS) for the targeted programmes. This special mechanism will complement the existing public expenditure tracking and performance monitoring systems.

2.3 Outcome Monitoring

Implementation monitoring monitors intermediate indicators, whereas outcome monitoring tracks final indicators. Outcome monitoring tracks changes in well-being outcomes or impacts over time. It does not attempt to attribute these outcomes to specific programmes or policies. It focuses on outcome and impact indicators, or a subset of closely related indicators. There are a number of objectives of well-being monitoring:

- to assess the overall country performance with respect to living conditions;
- to assess the relative performance of different geographical regions, districts, VDCs and socio-economic groups;
- to raise 'red flags' for more in-depth inquiry if troubling trends are revealed;
- to facilitate resource allocation decisions between regions, districts or VDCs;
- to suggest policy responses in those cases where causal factors and pathways generating outcomes are known or not necessary to formulate a policy response;
- to facilitate analysis of the determinants of changes in poverty, i.e. the reasons why poverty is increasing or decreasing; or facilitate analysis of the dynamics of poverty, i.e. the flows of households into and out of poverty.

Outcome indicators developed during the PRSP process and revised through additional consultations are identified in the last column of the policy matrixes in Annex A. Based on the intermediate and outcome indicators of the policy matrixes, a core set of indicators of different levels of objectives is given in Table 1 below (this is a revised version of the summary list of indicators appearing in Table 18 of the PRSP document).

Table 1: Key Output/Outcome/Impact and Process Indicators

Strategy/sector	Indicators/Key Actions	Levels of Analysis/ Desegregation	Frequency of Collection	Sources	Responsible Agency	
Poverty Incidence and Employment	Poverty Incidence, Intensity and Severity (poverty threshold, \$/day, consumption basket etc.)	NERUS	5-6 years	NLSS	CBS	
	Household Distribution by Consumption Deciles and Share of Poorest Quintile	NUR	2-3 years	Household Survey	CBS	
	Ginni Coefficient of Income	NERUR	5-6 years	NLSS	CBS	
	Labour Participation Rates	NERG	5-6 years	Labour Force Survey	CBS	
	Unemployment/Underemployment rates	NERGS	5-6 years	NLSS	CBS	
Broad-based (pro-poor) Economic Growth	GDP and Per Capita Income Growth	NERS	2-4 years/Annual	NLSS/HH Survey	CBS	
	Agriculture GDP and Per Capita Agricultural Income Growth	NERS	2-4 years/Annual	NLSS/HH Survey	CBS	
	Provision of Key Inputs for Agriculture (fertilizer, extension, irrigation)	NER	Annual	MIS	DOA/DOI	
	Access to Institutional/Micro Credit	NERUS	2-4 years/Annual	HH Survey/MIS	CBS/NRB	
	Tourists' Arrivals	National	Annual	MIS	DOI	
	Gross/Net Nepali Workers Going Abroad	National	Annual	MIS	CBS	
	Employment- Number of Jobs Created	National	Annual	MIS	CBS	
	Human Development and Infrastructure	Human Development Indicator	NER	2 years	Survey	UNDP
	Literacy Rates (adults and total)	NERUGS	2-4 years Annual	NLSS/HH Survey	CBS	
	Net Enrolment Rates (primary/secondary)	NERUGS	2-4 years Annual	NLSS/HH Survey	CBS/DoE	
Repetition/Failure Rates in Primary and secondary Levels	NERUGS	2-4 years Annual	NLSS/HH Survey	CBS/DoE		
Time Taken to Reach a Primary School	NERU	2-4 years	NLSS/HH Survey	CBS		
Student Teacher Ratio	NER	Annual	MIS	CBS		
Proportion of Trained Teachers in Primary School	NERU	Annual	MIS	CBS		
Proportion of Students in Primary school Getting Scholarship	NERUGS	Annual	MIS	CBS		
Life Expectancy at Birth	NEUG	5 years	NLSS	CBS		
Mortality Rates (infant, child, under 5 and maternal)	NERUGS	5-6 years	HH Survey/MIS	DoHS/CBS		
Time Taken to Reach the Nearest Health Facility	NERU	2-4 years	NLSS/HH Survey	CBS		
One Year Olds (%) fully Immunized Against Target Diseases	NERU	2-4 years Annual	NLSS/HH Survey	CBS/MoHS		
Diseases Incidence (TB, malaria, HIV/AIDS)	NERUGS	5-6 years	HH Survey	DoHS/CBS		
Births (%) Attended by Skilled Health Personnel	NERUS	2-4 years/Annual	HH Survey	CBS/MoHS		
Access to Antenatal Care During Pregnancy	HERUS	2-4 years/Annual	HH Survey	CBS/MoHS		
Contraceptive Prevalence Rate	NERUS	2-4 years/Annual	HH Survey	CBS		
Access to Improved Drinking Water Sources	NERUS	2-4 years/Annual	NLSS/HH Survey/MIS	CBS/DWSS		
Access to Adequate Sanitation Facilities	NERUS	2-4 years/Annual	NLSS/HH Survey/MIS	CBS/DWSS		
Access to Motorable All Weather Roads	NER	2-4 years/Annual	HH Survey/MIS	CBS/DoR		
Rural Roads Constructed-Kms	NER	2-4 years/Annual	HH Survey/MIS	CBS/DoR		
Percentage Served by Electricity	NERUS	2-4 years/Annual	HH Survey/MIS	CBS/NEA		
Social Inclusion And Targeted Programmes	Ratio of Female Literacy to Male Literacy Rate	NERUS	2-4 years	NLSS/HH Survey	CBS	
	Ratio of Girls' Enrolment to Boys' Enrolment Rate (primary and secondary)	NERUS	2-4 years/Annual	NLSS/HH Survey/MIS	CBS/DoE	

Strategy/sector	Indicators/Key Actions	Levels of Analysis/ Desegregation	Frequency of Collection	Sources	Responsible Agency
Governance	Proportion of Female School Teachers	NER	Annual	MIS	DoE
	Percentage of Women in Civil Service	National	Annual	MIS	MoGA
	Percentage of Women in political Positions	National Local	2-4 years	MIS	MoPA /MoLD
	Number of Community/Leasehold Forestry UG's formed	NERS	2-4 years/Annual	HH Survey/MIS	CBS/MoF
	Expenditure and Number of People Receiving Skill Training	NERUGS	2-4 years/Annual	HH Survey/MIS	CBS/MoL
	Proportion and budget of Students From Disadvantaged Groups Awarded Scholarships	NERGS	Annual	MIS	MoE
	Number of Mobile Health Camps in Disadvantaged Groups/Areas	NERS	Annual	MIS	MoH
	Implementation of Development Action Plan for CFAA and CPAR (financial accountability, procurement, civil service reform)	National	Annual	MIS	MOF, FCGO and AGO
	Implementation of Decentralization (education, health, agri. extension, rural roads, fiscal devolution)	National	Annual	MIS	MoLD, NPC
	Implementation of Anti-Corruption Agenda	National	Annual	MIS	MoF, NPC, MoGA
Civil Service Reform	Improvement in recruitment and promotion system	National	2-4 years	MIS	MGA,PSC
	Reduce political interference in civil service functioning	National	Annual	MIS	MOGA, PMO
Environmental Management	Proportion of Land Area Covered by Forest	National Regional	Annual	MIS	MOF
	Land Area Protected for Biodiversity	National	Annual	MIS	DNPWC
	Carbon dioxide Emission Per Capita	National	Annual	MIS	DoHM
Macroeconomic Stability	Gross national Savings and Investment (percent of GDP)	National	Annual	National Accounts	CBS
	Government Expenditure (regular/dev, current/capital) Percent of GDP	National	Annual	Economic Survey	MoF
	Revenue (percent of GDP)	National	Annual	Economic Survey	CBS/MoF
	Fiscal Deficit as Percent of GDP	National	Annual	Economic Survey	CBS/MoF
	Domestic Borrowing as Percent of GDP	National	Annual	Economic Survey	CBS/NRB
	External Assistance as Percent of GDP	National	Annual	Economic Survey	CBS/MoF
	Balance of Payments (exports, imports, C/A, gross reserves)	National	Annual	Economic Survey	CBS/NRB
	Price Inflation	NER	Annual	MIS, Price data	NRB/CBS
	Monetary Growth (broad money, credit to private sector)	National	Annual	MIS	NRB
	Functional/Economic Classification of Allocations and Expenditures (by sector)	NR	Annual	MIS	FCGO/MoF
Fiscal/Financial Management and Monitoring	MTEF-Pro-Poor Expenditures (P1s) Allocations and expenditures by programme/activity and type of expenditures	National	Trimesterly, Annual	MIS	NPC/MoF/FCGO
	Mid Year Review of The Budget	National	Annual	MIS	MoF/FCGO
Structural Reforms and Overall progress	Govt. Review of Implementation Progress (to be shared with Dev. Partners)	NR	Trimesterly/Annual	MIS	NDAC, MDAC, NPC/MoF, ministries
	Review by Auditor General and Public Account Committee	National	Annual	AGO/FCGO Reports	AGG/PAC
	Review of IAP and Reform Agenda	National	Annual	MIS	MoF, NPC, Line Ministries
Note:	NERUS: National/Ecological/Regional/urban/Rural/Social Groups NERUR: National/Ecological/Regional/Urban/Rural NERGS: National/Ecological/Regional/Gender/Social Groups	NERUGS: National/Ecological/Regional/Urban/Rural/Gender and Social Groups NERS: National/Ecological/Regional/Social Groups NER: National/Ecological/Regional			

Table – 2: Poverty Monitoring Indicators

Sector/Theme	Intermediate Indicators	Outcome/Impact Indicators
Macro Economic Stability	<ul style="list-style-type: none"> <input type="checkbox"/> Number of tax payers with PAN. <input type="checkbox"/> Domestic credit. <input type="checkbox"/> Share of private sector credit <input type="checkbox"/> Overdraft <input type="checkbox"/> Fiscal deficit <input type="checkbox"/> Inflow of remittances through formal system <input type="checkbox"/> Growth rate of broad money supply <input type="checkbox"/> Real exchange rate. <input type="checkbox"/> Capital adequacy ratio. <input type="checkbox"/> Privatisation process <input type="checkbox"/> Accounting and auditing standards. 	<ul style="list-style-type: none"> <input type="checkbox"/> Inflation rate <input type="checkbox"/> Revenue-GDP ratio <input type="checkbox"/> Tax arrears <input type="checkbox"/> Efficiency of public spending <input type="checkbox"/> Balance of payments situation
Education	<ul style="list-style-type: none"> <input type="checkbox"/> Number of schools transferred to communities <input type="checkbox"/> Number of teachers certified <input type="checkbox"/> Number of primary/secondary teachers trained <input type="checkbox"/> School mapping annually updated <input type="checkbox"/> Number of community learning centres <input type="checkbox"/> Schools having separate latrines for girls <input type="checkbox"/> Absenteeism of teachers <input type="checkbox"/> Share of female teachers in primary schools. <input type="checkbox"/> Education Expenditure at all level/types <input type="checkbox"/> Number of girls and dalits students receiving scholarship <input type="checkbox"/> Number of schools having annex programmes 	<ul style="list-style-type: none"> <input type="checkbox"/> Net primary enrolment rate <input type="checkbox"/> Percentage of pupil completing primary level <input type="checkbox"/> Adult literacy rates (15+) <input type="checkbox"/> Female adult literacy rate (15+) <input type="checkbox"/> Ratio of girls enrolment rate to of boys
Health	<ul style="list-style-type: none"> <input type="checkbox"/> Percentage of vacant positions in remote areas <input type="checkbox"/> Percentage of women receiving at least 4 ANC visits <input type="checkbox"/> Percentage of births by skill attendants <input type="checkbox"/> Number of health facilities where 15 of the most essential drugs available <input type="checkbox"/> Percentage of one year olds receiving DPT3 against target diseases <input type="checkbox"/> Proportion of TB and Malaria cases detection and treatment <input type="checkbox"/> Condom use by 15-49 year olds <input type="checkbox"/> Proportion of population more than one hour's walk to health facilities/outreach clinics <input type="checkbox"/> Contraceptive prevalence rate <input type="checkbox"/> Health expenditure <input type="checkbox"/> Health budget to low HDI districts <input type="checkbox"/> Proportion of malnourished among growth monitored children <input type="checkbox"/> Percentage of pregnant women receiving iron tablets <input type="checkbox"/> Number of health centres, PHC and hospitals upgraded. 	<ul style="list-style-type: none"> <input type="checkbox"/> Infant mortality rate <input type="checkbox"/> Child mortality rate <input type="checkbox"/> Maternal mortality rate <input type="checkbox"/> Life expectancy at birth <input type="checkbox"/> Incidence of TB/Malaria <input type="checkbox"/> Incidence of anaemic cases
Road	<ul style="list-style-type: none"> <input type="checkbox"/> Length of additional road constructed <input type="checkbox"/> Number of additional district HQs connected <input type="checkbox"/> Road Board operational 	<ul style="list-style-type: none"> <input type="checkbox"/> Increased road access <input type="checkbox"/> Reduced transport costs

Sector/Theme	Intermediate Indicators	Outcome/Impact Indicators
Power	<ul style="list-style-type: none"> <input type="checkbox"/> BOT projects <input type="checkbox"/> Percentage of system losses <input type="checkbox"/> Percentage of outstanding arrears <input type="checkbox"/> Proportion of rural electricity consumption for productive purposes <input type="checkbox"/> Increase in installed capacity 	<ul style="list-style-type: none"> <input type="checkbox"/> Percentage of population with electricity services. <input type="checkbox"/> Average per capita consumption rate
Drinking Water and Sanitation	<ul style="list-style-type: none"> <input type="checkbox"/> Proportion of water supply schemes under community driven approach <input type="checkbox"/> Number of households with latrines in new rural schemes/existing schemes <input type="checkbox"/> Proportion of urban and semi-urban households with proper sanitation facilities <input type="checkbox"/> Reduce unaccounted for water 	<ul style="list-style-type: none"> <input type="checkbox"/> Access to safe and sustainable drinking water <input type="checkbox"/> Incidence of water-borne and water washed diseases
Information and Communication	<ul style="list-style-type: none"> <input type="checkbox"/> Restructure NTC under Company Act <input type="checkbox"/> Extension of radio and television services 	<ul style="list-style-type: none"> <input type="checkbox"/> Telephone penetration per thousand inhabitants <input type="checkbox"/> Access of radio/TV services
Targeted programmes	<ul style="list-style-type: none"> <input type="checkbox"/> Budget allocation for deprived communities/ areas <input type="checkbox"/> Grants allocation to local bodies with poverty based formula <input type="checkbox"/> Number of NGOs/CBOs supported by PAF <input type="checkbox"/> Mapping/profiling of I/NGO and CBO activities <input type="checkbox"/> Number of women and Dalits receiving scholarship for higher education <input type="checkbox"/> Number and volume of loan awarded to women <input type="checkbox"/> Number of trained midwives, ANM and nurses <input type="checkbox"/> Number of scholarship for girls and women <input type="checkbox"/> Number of women and Dalits in teaching and public agencies <input type="checkbox"/> Number of Dalits, deprived and Janajati groups benefited from scholarship and training <input type="checkbox"/> Amount of development budget allocated to deprived communities/areas 	<ul style="list-style-type: none"> <input type="checkbox"/> HDI of Far-West and Mid-West development regions and deprived communities. <input type="checkbox"/> Literacy rates of women and dalit <input type="checkbox"/> Life expectancy of dalits, deprived communities/ regions <input type="checkbox"/> Proportion of women, dalits in political activities and public positions <input type="checkbox"/> Proportion of dalits and deprived communities below poverty lines
Governance		
1. Civil Service Reform	<ul style="list-style-type: none"> <input type="checkbox"/> A full-fledged PIS operational <input type="checkbox"/> Proportion of applications from women, ethnic and disadvantaged groups 	<ul style="list-style-type: none"> <input type="checkbox"/> Merit-based recruitment and promotion <input type="checkbox"/> Percentage of women, ethnic and disadvantaged groups in civil service
2. Anti-corruption	<ul style="list-style-type: none"> <input type="checkbox"/> Number of public construction works as per prescribed standards <input type="checkbox"/> Number of corruption cases registered, prosecuted and convicted <input type="checkbox"/> Implementation of procurement Act. 	<ul style="list-style-type: none"> <input type="checkbox"/> Corruption cases <input type="checkbox"/> Effective service delivery

Sector/Theme	Intermediate Indicators	Outcome/Impact Indicators
3. Decentralisation	<ul style="list-style-type: none"> <input type="checkbox"/> Number of service delivery institution transferred to local bodies <input type="checkbox"/> Length of urban / rural roads transferred to local bodies <input type="checkbox"/> Number of districts completing and updating DPPs <input type="checkbox"/> Number of local body officials trained <input type="checkbox"/> Share of local revenue in local budget expenditure <input type="checkbox"/> Local body arrears <input type="checkbox"/> Amount of fiscal arrears from previous years <input type="checkbox"/> Number of local bodies completing timely audit <input type="checkbox"/> Number of districts with citizen charter 	<ul style="list-style-type: none"> <input type="checkbox"/> Improved service delivery <input type="checkbox"/> Increased share of local revenue in budget
Agriculture	<ul style="list-style-type: none"> <input type="checkbox"/> No. of functioning farmers groups <input type="checkbox"/> Number of rural credit outlets <input type="checkbox"/> Number of STWs and WUAs/WUGs <input type="checkbox"/> Area of improved seeds/breeds <input type="checkbox"/> Number of NGOs/CBOs/Local bodies/private sector in extension service delivery <input type="checkbox"/> Length of agricultural road <input type="checkbox"/> Number of rural households with electrification <input type="checkbox"/> Number of market infrastructures 	<ul style="list-style-type: none"> <input type="checkbox"/> Food security situation <input type="checkbox"/> Overall agriculture growth <input type="checkbox"/> Crop production <input type="checkbox"/> Livestock production
Irrigation	<ul style="list-style-type: none"> <input type="checkbox"/> Number of rehabilitated and handed over schemes <input type="checkbox"/> Number and hectare of STW, DTW and surface irrigation schemes <input type="checkbox"/> Number and hectares of new schemes developed and managed by NGOs and private sector 	<ul style="list-style-type: none"> <input type="checkbox"/> Area of year round irrigation facilities. <input type="checkbox"/> Management transfer to WUAs.
Forest and Soil Conservation	<ul style="list-style-type: none"> <input type="checkbox"/> Number of resource/user groups under community and leasehold forests <input type="checkbox"/> Number of forest based enterprises <input type="checkbox"/> Area and number of households covered under community and leasehold forests <input type="checkbox"/> Area of degraded land rehabilitated <input type="checkbox"/> Number of households involved in income oriented conservation practices. 	<ul style="list-style-type: none"> <input type="checkbox"/> Area under forest coverage <input type="checkbox"/> Increased employment and income generating activities <input type="checkbox"/> Increased supply of forest products
Industry, Trade and Supplies	<ul style="list-style-type: none"> <input type="checkbox"/> New foreign investment policy. <input type="checkbox"/> Tariff rates <input type="checkbox"/> Number of training/trainees <input type="checkbox"/> Number of trade and industrial fairs <input type="checkbox"/> Number of <input type="checkbox"/> days lost due to strikes <input type="checkbox"/> Supply and distribution of food in remote areas <input type="checkbox"/> Price tuned to Indian markets <input type="checkbox"/> Act / Rules reformed as per WTO/SAPTA norms <input type="checkbox"/> Status of EPZ 	<ul style="list-style-type: none"> <input type="checkbox"/> Contribution to GDP <input type="checkbox"/> Expansion of industrial production <input type="checkbox"/> Additional employment in SMES <input type="checkbox"/> Food security in remote areas. <input type="checkbox"/> Price of petroleum products <input type="checkbox"/> Trade-GDP ratio
Labour	<ul style="list-style-type: none"> <input type="checkbox"/> Number of labourers employed overseas <input type="checkbox"/> Proportion of skilled migrant workers <input type="checkbox"/> Number of child workers rescued and rehabilitated 	<ul style="list-style-type: none"> <input type="checkbox"/> Underemployment and unemployment rate. <input type="checkbox"/> Remittances <input type="checkbox"/> Reduced child labour
Tourism	<ul style="list-style-type: none"> <input type="checkbox"/> Number of promotional activities 	<ul style="list-style-type: none"> <input type="checkbox"/> Number of tourists arrivals

Sector/Theme	Intermediate Indicators	Outcome/Impact Indicators
	<input type="checkbox"/> Number of improved infrastructure and physical structure <input type="checkbox"/> Number of national heritage <input type="checkbox"/> Number of village tourism sites <input type="checkbox"/> Air safety standard <input type="checkbox"/> Number of international flights to Kathmandu	<input type="checkbox"/> Length of stay of tourists <input type="checkbox"/> Contribution of tourism in the economy
Human Rights	<input type="checkbox"/> Human rights action plan <input type="checkbox"/> Number of human rights violation investigation cases <input type="checkbox"/> Number of promotional activities	<input type="checkbox"/> Human rights violation cases
Integrated Security Development Programme	<input type="checkbox"/> Number of big projects provided with security <input type="checkbox"/> Internal security in strategic and violence affected areas <input type="checkbox"/> Number of victims rehabilitated	<input type="checkbox"/> Peace and security

2.4 The System of Household Surveys

One of the key sources of data for poverty monitoring are surveys. Household surveys conducted in Nepal in the past are not regular and there is some duplication in terms of their timing and indicators used. So, there is a need to streamline those surveys and prepare a new coherent national household survey system which provides surveys data and information for effective poverty monitoring and preparing the periodic progress reports of the PRSP. In this connection, National Planning Commission organized a national consultative meeting on streamlining household surveys on January 8, 2004 inviting major stakeholders who are involved in or taking interest in this process. The consultative meeting discussed different options and finally suggested a survey list as, (i) Nepal Living Standards Survey (NLSS) – conduct in every 5 years, (ii) Consolidated Social Survey (can be renamed) – conduct in every 5 years (this survey can be NDGS with education modules) and (iii) Expenditure Tracking and/or Service Delivery Surveys ET & (SDSs) (whether combine it or do separately) – conduct annually selecting particular sector or area. The sequencing of these surveys will be as in table 2.

Table 2 : Sequencing of Surveys

	2003	2004	2005	2006	2007	2008
1. National Living Standards Survey (NLSS)	x	-	-	-	-	x
2. Consolidated Social Survey	-	-	-	x	-	-
3. Expenditure Tracking and/or Service Delivery Surveys	-	x	x	x	x	x
4. Labour Force Survey	-	-	-	x	-	-
5. Agricultural Survey	-	x	-	x	-	x

In order to suggest the technical aspects and modalities of Expenditure Tracking and/or Service Delivery Surveys (ET & SDSs) (whether combine it or do separately) a Technical Committee will be formed including representatives from NPC, MOF, CBS, World Bank, USAID, DFID, UNDP and UNICEF. Further, the Technical Committee will also suggest the linkages of the two major surveys (NLSS and CSS) with the ET & SDSs. NLSS & CSS mostly focus on the outcome and impact level indicators whereas the ET & SDSs will focus on selected intermediate indicators related with public expenditure, and access to, use of and satisfaction with the public service delivery. Moreover, ET & SDS, will be mostly perception-based.

CBS will be the focal point for conducting the household surveys for poverty monitoring. Thus, attention will be paid to enhancing the capacity of the CBS in order to make it enable to attest the quality of surveys and also harmonizing the survey results.

2.5 Impact Analysis

Impact analysis establishes a link between the outcomes/impacts analysed in the outcome monitoring and the programmes in the Implementation Monitoring. It uses a range of analytical techniques to attribute outcome and impact indicators to specific policies or programmes. Impact analysis has two main objectives:

- to assess the effect of a specific policy, programme and project on poverty or some other well-being outcome;
- to assess the efficiency of different policies or programmes in achieving a given well-being outcome, i.e. could other policies or programmes have improved well-being at lower cost?

Priority Projects, Programme and Policies (PPPs) for Impact Assessment

There are more than 400 programmes and projects under operation by HMG/N and some additional projects implemented by INGOs and other stakeholders. In order to conduct impact evaluation, there is a need for selecting programmes and projects based on some criteria/considerations such as the following ones: (i) strategy/policy relevance, (ii) cost effectiveness, (iii) partnerships, and (iv) Participation. The proposed policy, programme and projects (PPPs) for the impact evaluation are given in Table 3.

Table 3: Proposed Priority PPPs for Impact Evaluation

Year	Priority PPPs	Identified PPPs (To be identified later)	Methods
2003/04	Impact Evaluation of the projects operating under different modality within one to two districts.		A comparative evaluation of similar projects/ programmes operated by GOs and I/NGOs in one to two districts.
2004	Impact evaluation of one to two targeted programmes		Evaluation of a programme/project with a larger geographical coverage focusing on different aspects of poverty.
2005	Impact evaluation of macro economic policy of the government		Use of secondary data and some primary data for measuring the impact of macroeconomic policy.

There is a need for further specifying the PPPs for conducting the assessment. Among the macro policies, the two areas which could be of concern for evaluating their impact on the poverty are as follows: (i) impact of changes on public spending so as to find out how

implementation of targeted programmes or increased allocation in social sector is affecting poor, and (ii) impact of some structural reforms such as liberalisation policy on the poor.

The impact studies are to be conducted in such a time that their lessons could help policy makers to revise PPPs. The timing for the impact studies will be matched as such that they contribute to prepare periodic progress reports or the mid-term or final evaluation of the 10th plan.

The participatory tools, qualitative information and traditional household surveys have different strengths, and the findings from one reinforce the findings of the other. Therefore, arrangements will be made to complement each other. The following section explains as to what participatory tools could be used in the different components of PMAS.

2.6 Participatory Monitoring and Evaluation

Participatory Monitoring and Evaluation (PM&E) will complement in each of the components of poverty monitoring. The expected outcomes from the PM&E are: (i) development of feedback mechanism and participatory monitoring system which enables citizens and stakeholders within the government to monitor key poverty actions, public actions and outcomes as part of PRS formulation and implementation; and (ii) citizens report card on PRS performance and implementation and mechanism to incorporate citizen feedback in adaptation and improvement of the PRS. Feedback and information generated from one round of PM&E process will be incorporated into future rounds of decision-making and programme implementation. Some of the ways that participatory monitoring can figure in the national level poverty monitoring and analysis system are in the following ways:

Implementation Monitoring

Use of Citizen's Report Cards/beneficiary assessments for service delivery review, social audits for expenditure tracking, budget review by civil society organisations, parliamentary review of programme/policy performance, etc.

Outcome Monitoring

Use of PPAs³ to help develop correlates of poverty or to inform discussion of poverty trends and dynamics (though there are a lot of caveats because of the limited coverage of these exercises and lack of comparability in poverty definitions between sites).

Impact Analysis

Use of participatory techniques whereby the views of programme beneficiaries are canvassed.

³ PPAs conducted in Nepal have different objectives, and many of them have been conducted to feed some specific information of a particular sector or of a particular agency. These PPAs were not linked with any household surveys focusing on poverty. Thus, like the household surveys in the past the information generated from those PPAs is not much useful either for poverty diagnosis or for monitoring poverty. To be meaningful, the PPAs need to be tied up with the NLSS so that it can complement the NLSS information on poverty.

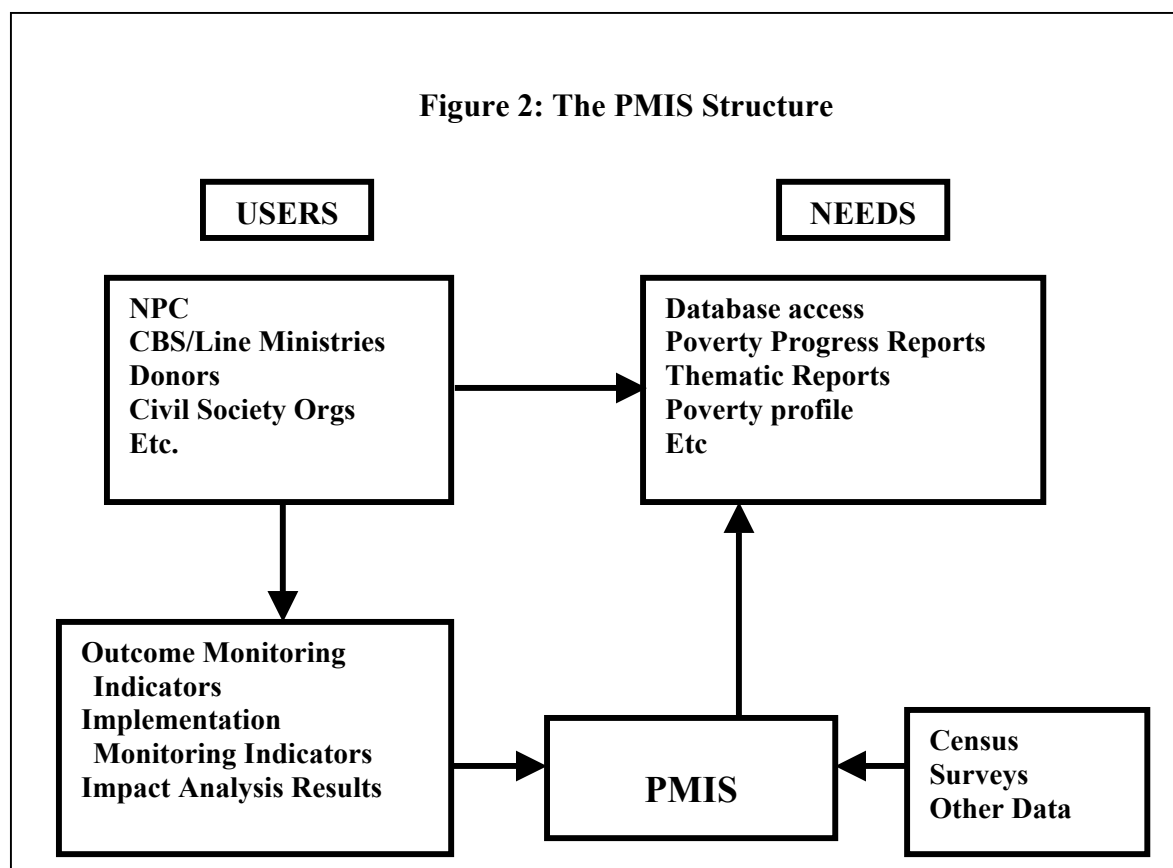
Communication

Here participation is central in that the objective is to involve different CBOs with a view to disseminate results and elicit feedback. Different techniques can be used including public forums, village assemblies, etc.

2.7 Poverty Management Information System (PMIS)⁴

A major function of the PMAS is to consolidate and serve as a repository for existing data on poverty to facilitate its analysis and use by various stakeholders. An effective means of accomplishing this task is to establish an integrated and user-friendly Poverty Management Information System (PMIS), which would serve as a data warehouse, linking major databases relevant to poverty monitoring.

The PMIS's overarching objective is to become the foundation of PMA decision-making with the administration and in the process constitute a **decision support system**. It strives to accomplish this objective through the following activities: (i) providing instant access to relevant, clearly defined poverty information; (ii) making existing information coherent, compatible and consistent; (iii) constituting a flexible and evolving vehicle for data storage and analysis; and (iv) ensuring data access while securing data resources through control and monitoring functions. A provisional sketch of the PMIS structure is presented in Figure 2.



⁴ A PMIS is an electronic system linking a core set of databases relevant for poverty monitoring. It comprises four interacting elements: (i) *users* who make decisions when performing their usual work; (ii) *data/information* for decision-making; (iii) *rules* guiding interactions between users and data; and (iv) *information technology* for collecting, analysing, storing and disseminating data.

The Government intends to have a PMIS in the long term, which is usable and cost effective, and evolve gradually with limited data and indicators built in Nepal Info. CBS is in the process of preparing Nepal Info⁵, which has already incorporated some of the poverty related indicators, and will expand in the future with the inclusion of additional poverty related indicators.

2.8 Communication/Advocacy

HMG/Nepal is planning to scale up and institutionalise its communication outreach and participatory processes in the implementation and monitoring of the PRSP. The PMS will have a direct role to play, as the communication/advocacy function of the PMAS entails much more than simple dissemination of poverty-related information. There will be a two-way process of information flow, which will contribute to generate a consensus among key stakeholders about the direction of the national poverty strategy. In practice, this implies close collaboration with the media, parliament, NGOs, community-based organizations, and other important stakeholders. Diverse communication activities related to poverty monitoring and assessment will be undertaken in order to pursue the following core objectives:

- to create awareness of poverty reduction goals and activities;
- to facilitate participation and enhance trust among stakeholders;
- to create consensus and build domestic constituencies to support and sustain poverty reduction efforts;
- to incorporate the oversight function of civil society organizations including the media, advocacy groups, etc.; and
- to manage expectations with respect to the poverty reduction process.

In order to systematically undertake the function of communication/advocacy, communication strategy and action plan will be elaborated for the PMS. The communication plan will outline and/or review the following:

Overall Purpose: the general objective of the communication plan;

Goals/Specific Objectives: concrete objectives linked to the more general objectives;

Analysis of the Public Environment: analysis of perceived strengths, weaknesses, opportunities and threats of the poverty reduction process by key stakeholders to reinforce positive perceptions and correct negative ones;

Target Groups: identification of primary and secondary target groups for the communication plan.

Messages: determination of core and secondary messages and tools for delivery.

Activities: identification of operational activities such as press conferences, traditional fora, information campaigns, etc.

Communication Tools: selection of appropriate tools corresponding to activities such as theatre, songs, radio, television, print media, etc.

The Plan will be developed in early 2004 and implementation initiated. One of the activities in this regard will be to train facilitators, media professionals and government officials to effectively disseminate information on poverty and poverty monitoring.

⁵ Nepal Info is a database software tool that features a comprehensive set of social development indicators selected to monitor the MDGs, CCA and other key development parameters, and is available in CD Rom.

Chapter 3 - Institutional Framework

3.1 Overview

The PMAS institutional framework will include three kinds of structures: (i) a national technical structure to provide key analytical skills and strategic planning policy making recommendations at the central level, and decentralized technical structures at the district level that will provide regional and micro quality technical analyses in a coordinated way; (ii) a consultative structure to provide an opportunity for all stakeholders to be informed of the results of the technical structures analyses and reflect upon their policy recommendations; and (iii) an executive political structure that makes decisions on the basis of the recommendations of the national technical and consultative structures.

3.2 Structural Linkages

HMGN has already formed a Poverty Monitoring Section within the NPC as the key institution responsible for poverty monitoring. It will be structured under the CMED/PMD as a separate section dealing with poverty monitoring activities. It has to maintain technical, consultative and executive political linkages with other institutions as following.

Technical Linkages

With respect to implementation monitoring, there are five key actors with whom the PMS will forge close links: the other two sections of the CMED; the Office of the Prime Minister and Council of Ministers; the Macro-Economic Division (NPC); M&E Divisions/Sections within line Ministries; District Development Committees (DDCs). At present, monitoring of priority one (P1) projects is conducted centrally by the CMED, which reviews progress reports sent from the field. Monitoring of district level projects is conducted by the DDCs, though in practice there are lapses. Line Ministries have their own M&E Divisions/Sections responsible for monitoring sector-specific activities.

In Implementation Monitoring PMS concentrates on monitoring the intermediate indicators (as per Annex A) as developed to monitor the sectoral activities of the PRSP whereas other two sections under CMED/PMD will be involved in monitoring the periodic progress of the performance indicators of the programmes and projects under implementation.

With respect to Outcome (well-being) Monitoring and Impact Analysis, the PMS will establish close ties with the CBS and with national organisations (research institutes, universities, NGOs, consultancy firms, etc.) who have the capacity to conduct poverty-related analysis. In terms of impact analysis the role of the PMS will be to facilitate, coordinate, oversee and provide input into aspects of data collection and analysis (but not to directly conduct impact analysis itself).

The Government shall form a high level committee, headed by the Vice-Chairman of the NPC, and comprising Secretaries of relevant line ministries, representatives from civil society, and the donor community to oversee monitoring of the PRSP/Tenth Plan. This committee will form as necessary steering and/or technical committees to oversee specific poverty monitoring activities.

Consultative Linkages

It is important that the NPC submit the periodic progress reports of the PRSP to the National Development Council meeting for review and acquire guidance and comments in order to strengthen the implementation and monitoring process of the PRSP. Moreover consultative linkages are very closely related to the Communication/Advocacy functions of the PMS. Here, close links will be forged with civil society groups including, the media, NGOs, community-based organisations, social marketing firms with a view to jointly elaborate and implement a strategic communication plan.

Executive Political Linkages

It is critical that information on poverty monitoring reach the highest levels of the political process to ensure a feedback mechanism to policy. As such, it is important to ensure that the poverty progress reports, as well as periodic briefs are submitted to the Office of the Prime Minister and Council of Ministers for review. The information must be rigorous and available at the right time and in a usable form for it to be useful and feed back into the policy process.

Figure 3 at the end of the Section, provides a schematic overview of the institutional framework.

3.3 Composition of the CMED/PMD

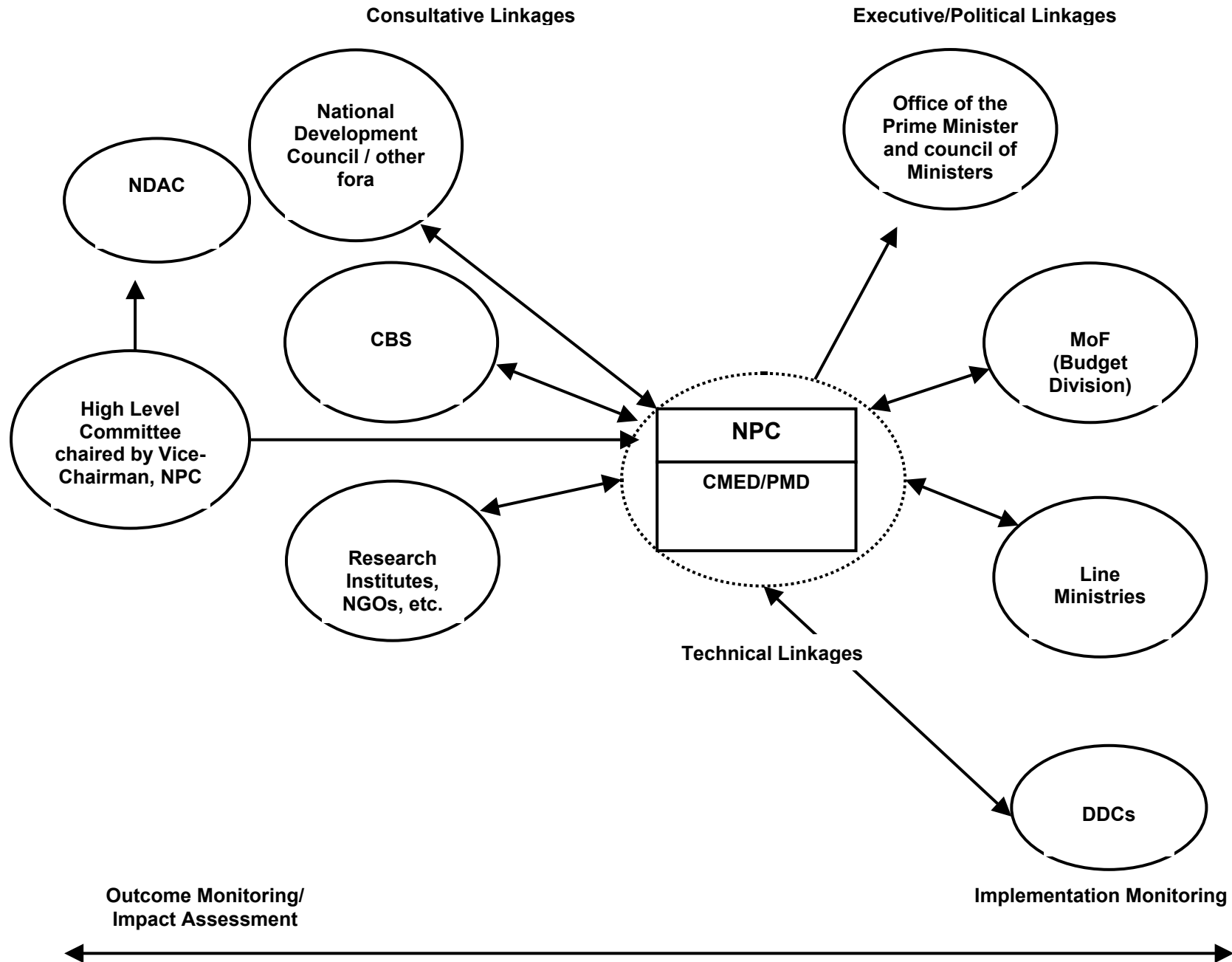
As indicated in the previous Chapter, the activities of the PMAS revolve around five core functions: implementation monitoring; outcome monitoring; impact assessment; information management; communication/advocacy. These functions should determine in large measure the leadership of the Division Chief of the CMED/PMD and the composition of the Poverty Monitoring Section, which is outlined in Table 4.

Table 4 :CMED/PMD chief and PMS Staff Qualifications and Skills		
	Professional Qualification& Background	Key Skills
1. Joint-Secretary (Division chief CMED/PMD)	Postgraduate in Social Sciences and at least 12 years experience at senior level working on social policy / programme management issues.	Strong policy analysis, policy formulation, competence in budgeting and financial management. Creative, entrepreneurial management skills.
2. Under Secretary	Postgraduate and at least 10 years experience in a Planning and M&E policy unit in government. Background in pro-poor social policy or development effectiveness issues.	Skills in: Monitoring and evaluation, impact analysis, leading research teams; project managing research contracts and designing and delivering training courses/workshops.
3. Two Senior Researchers (Implementation Monitoring, Outcome Monitoring, and Impact Assessment)	Postgraduate and sound grounding in statistics, economics or applied social sciences. At least 3 years experience in a relevant research programme working on pro-poor social policy or development effectiveness issues.	Skills in: (i) Outcome Monitoring (ii)Implementation Monitoring, and (iii)Impact Assessment Research methodological skills, either or in both quantitative and qualitative approaches to poverty analysis and monitoring. Creative approach to training, communications & advocacy work.
4. Data Administrator	Undergraduate in Computer Sciences or equivalent training. Experience in project management, object-oriented data modelling, data flow analysis, relational databases and programming languages	Information management abilities including database management, PMIS development and maintenance, etc.

Note: Other technical people will be hired as and when required.

In addition to the PMS there will be two more sections under CMED/PMD mainly to deal with implementation monitoring of programmes/projects.

Figure 3 : PMAS Institutional Framework



Chapter 4 - Work Plan for Implementation of the PMAS

The work plan identifies a number of core activities required to operationalise the PMAS. It includes activities in support of the institutional framework as well as activities corresponding to the five core functions of the PMAS. All proposed activities reflect the key PMS objective to coordinate, consolidate, harmonize and analyse data from existing poverty monitoring systems and communicate results in ways, which feed back into the policy process.

Table 4: Work Plan for the Implementation of PMAS

Key Components	Activities	Expected Time	Responsible Agency
Institutional Framework/ Institutional Development	<ul style="list-style-type: none"> ▪ Structure Poverty Monitoring Division under a Joint Secretary in NPC. ▪ Conduct training on impact assessment. 	2003/04 2003/04	NPC NPC
	<ul style="list-style-type: none"> ▪ Develop a capacity building plan for government staff involved in Poverty Monitoring. ▪ Structure Poverty Unit in CBS. 	2004 2004	NPC NPC/CBS
	Conduct training on policy level decision makers	2004/05	NPC
	Conduct training for CBS staff	2004/05	NPC/CBS
	Conduct trainings for division chiefs of NPC and line ministries	2004 – 2005	NPC
	Conduct training for professional staff of NPC and line ministries	2004 – 2005	NPC
	Form a separate Planning, M&E cadre.	2005	MOGA/MOF
Establish networking of database among the ministries.	2005/06	NPC/MOF/concerned line ministries	
Implementation Monitoring	Refine intermediate indicators.	2003	NPC, line ministries
	Refine performance indicators. (Ongoing)	-	NPC, line ministries
	Mechanism for monitoring targeted programmes developed	2003/04	NPC, MLD
	Mechanism for monitoring targeted programmes implemented	2004	NPC, MLD

Key Components	Activities	Expected Time	Responsible Agency
Outcome Monitoring	Conduct NLSS	2003/04	CBS
	Identify data gaps	2003/04	NPC, line ministries
	Organise national level workshop on participatory poverty monitoring	2003/04	NPC
	Conduct national level stakeholder workshop on streamlining household surveys.	2004	NPC
	Adapt household survey system	2004	NPC/CBS
Develop light household survey	2004	NPC/CBS	
Conduct light household survey	2004/05	NPC/CBS	
Conduct participatory and/or qualitative poverty monitoring studies/surveys	2004 - 05	NPC	
Impact Assessment	Develop action plan for key priority impact assessments	2003	NPC
	Conduct key priority impact assessment annually	2004 - 05	NPC
Poverty Management Information System	Incorporate poverty monitoring indicators in Nepal Info. (Ongoing)	-	NPC/CBS
	Conduct training on Nepal Info for government staff and representatives from civil societies.	2004 - 05	NPC/CBS
Communication and Advocacy	Develop communication strategy and action plan	2003/04	NPC
	Train facilitators, media professionals and government officials to disseminate information on poverty monitoring	2004	NPC
	Develop concept of radio programme on poverty/poverty monitoring	2004	NPC
Reporting	Prepare annual poverty baseline report	2003	NPC
	Prepare annual poverty progress report	2004 -05	NPC
District Poverty Monitoring and Analysis System	Disseminate DPMAS report	2003/04	NPC, MLD, ADDCN
	Develop implementation plan	2004/05	NPC, MLD, ADDCN



Technical Assistance Report

Project Number: 39107
February 2006

Technical Assistance
Kingdom of Nepal: Operationalization of Managing for
Development Results
(Financed by the Support of Managing for Development Results
Cooperation Fund)

CURRENCY EQUIVALENTS

(as of 16 January 2006)

Currency Unit	–	Nepalese rupee/s (NRe/NRs)
NRe1.00	=	\$0.01
\$1.00	=	NRs71.11

ABBREVIATIONS

ADB	–	Asian Development Bank
CSP	–	country strategy and program
DDC	–	district development committee
DPMAS	–	district poverty monitoring and analysis system
EA	–	executing agency
IAP	–	immediate action plan
M&E	–	monitoring and evaluation
MfDR	–	managing for development results
MLD	–	Ministry of Local Development
MPPW	–	Ministry of Physical Planning and Works
MTEF	–	medium-term expenditure framework
NPC	–	National Planning Commission
NRM	–	Nepal Resident Mission
PMAS	–	poverty monitoring and analysis system
PPIS	–	project performance information system
PRS	–	poverty reduction strategy
TA	–	technical assistance

TECHNICAL ASSISTANCE CLASSIFICATION

Targeting Classification	–	General intervention
Sectors	–	Multisector (law, economic management, and public policy; transport and communications; water supply, sanitation, and waste management)
Themes	–	Capacity development, sustainable economic growth, governance
Subthemes	–	Policy, institutional, legal, regulatory reforms; fostering physical infrastructure development; public governance

NOTES

- (i) The fiscal year (FY) of the Government and agencies ends on 15 July. FY before a calendar year denotes the year in which the fiscal year ends, e.g., FY2005 ends on 15 July 2005.
- (ii) In this report, "\$" refers to US dollars.

Vice President	L. Jin, Operations Group 1
Director General	K. Senga, South Asia Department (SARD)
Director	S. Hafeez Rahman, Country Director, SARD
Team leader	B. D. Pant, Principal Regional Cooperation Specialist, SARD
Team member	Md. Shahid Parwez, Programs/Project Implementation Officer, SARD

I. INTRODUCTION

1. His Majesty's Government of Nepal (the Government) is implementing the Tenth Plan (FY2003–FY2007), which is also the Government's poverty reduction strategy (PRS). Its objectives are to reduce chronic poverty and social exclusion. The plan is based on (i) broad-based and higher economic growth, (ii) social development, (iii) targeted programs for excluded groups, and (iv) good governance. The plan's implementation presents major challenges for the Government because of the ongoing conflict and political instability. Together with other development partners, the Asian Development Bank (ADB) is helping the Government implement the plan through a country strategy and program (CSP, 2005–2009)¹, which is ADB's first pilot results-based CSP (RB-CSP). The CSP clearly links the strategic priorities of the plan, ADB's operations to support the priorities, and the results (outputs or outcomes) expected during CSP implementation. These links reflect a results chain and are presented in a matrix. The matrix represents the core of the managing for development results (MfDR) framework. Since the Government also expressed strong commitment to implement MfDR at the Marrakech and Paris high-level forums, it requested ADB to provide technical assistance (TA) to develop the capacity of government institutions to operationalize MfDR. The request was appropriate in light of ADB's pilot RB-CSP. ADB therefore agreed to include an advisory TA in its 2005 country program, during the Country Program Confirmation Mission in December 2004.

2. The objectives, scope, financing, and implementation arrangements of the TA² were discussed with the Government and other key stakeholders during the Fact-Finding Mission³ on 19–28 September 2005.

II. ISSUES

3. Aid harmonization, alignment, and development effectiveness (of which MfDR is a component) are central themes emerging from the Monterrey and Marrakech meetings and the successive Paris high-level forums. The international community and donors, including ADB, are fully committed to these themes. The Paris Declaration envisages developing member countries assuming ownership of their development strategies and associated operations frameworks. However, MfDR is a new concept and tool to enhance the impact and effectiveness of development and poverty reduction programs, and the Government does not have adequate experience in this area.

4. The need to manage for better development results has come to the forefront of the global development agenda since the Monterrey Conference on Financing for Development in 2002, and the Marrakech Round Table on MfDR in 2004. These conferences called on developing countries to increase their commitment to policies and actions that promote economic growth and reduce poverty. Despite several decades of external assistance, social indicators in large parts of the developing world have remained poor. Clearly, development assistance needs to be made more effective and aid flows enhanced to reduce poverty and achieve the Millennium Development Goals. With the high-level forums in Paris and the adoption of the Paris Declaration on Aid Effectiveness in March 2005, MfDR is progressing in developing countries. The planning and implementation of national plans, budgets, and

¹ ADB. 2004. *Country Strategy and Program (2005–2009): Nepal*. Manila.

² The TA first appeared in *ADB Business Opportunities* on 15 August 2005.

³ The Mission comprised mission leader B. Pant, principal regional cooperation specialist and results monitoring advisor, Nepal Resident Mission (NRM); S. Ra, senior country programs specialist, NRM; S. Shrestha, senior governance and capacity building officer, NRM; and Md. Shahid Parwez, programs/project implementation officer, NRM. S. Hafeez Rahman, country director, NRM provided overall guidance.

antipoverty strategies are becoming increasingly results-oriented. With the MfDR process, developing countries are now more responsible for coordinating donor assistance programs. Different donor agencies have been providing support to the Government in different forms and various magnitudes to implement MfDR. MfDR is a major change initiative, requiring a change in management strategy. The gradual institutionalization of results management would help government agencies to more systematically approach strategy development, planning, resource allocation, and project and program implementation and monitoring. This would allow enhanced harmonization and alignment, and thus the delivery of more flexible and relevant forms of development assistance from the donor community.

5. The Government, despite the complex political and security context, has taken steps to develop some core elements of MfDR. It has established an MfDR framework and mechanisms that link planning, budgeting, project and/or program implementation, and monitoring to development results (outputs and outcomes). While the PRS provides a medium-term development strategy and priorities to reduce poverty, the medium-term expenditure framework (MTEF) provides an important basis to link the PRS to the annual budget by prioritizing available resources. The immediate action plan (IAP) has institutionalized an annual process to implement the priority reforms of PRS. A national poverty monitoring and analysis system (PMAS) has been developed, sector-specific business plans are being prepared, public service delivery is being devolved in 14 pilot districts, and a district poverty monitoring and analysis system (DPMAS) has been created to introduce and streamline MfDR at different Government tiers. A project performance information system (PPIS)—a tool to monitor physical and financial progress of projects and programs—has also been developed and is now operational in the National Planning Commission (NPC). The DPMAS, PRS, IAP, MTEF, PMAS, and PPIS are core elements of the Government's MfDR process. However, these elements are yet to be systematized and need to be streamlined with logical links in an MfDR framework at all Government levels. A clearly spelled-out MfDR approach would create greater acceptance of the structures and systems already in place.

6. These Government initiatives, while laudable, are challenging to sustain and institutionalize because of the capacity constraints of the various government agencies. Significant capacity building of key government institutions will be needed to implement the pilot RB-CSP of Nepal, which is also its priority. The challenge of building MfDR capacity in Nepal is much larger, more demanding, and more resource-intensive than in other countries. Development of capacity to strengthen performance includes the gamut of skills, from monitoring, evaluation, financial management, specialized analytical and technical skills, as well as management's ability to make decisions based on monitoring information. ADB has been working with key government agencies to promote understanding and use of MfDR.

7. Given that MfDR is a new way of doing business and shifts the emphasis from inputs and processes to outputs, outcomes, and impacts, long-term sustained capacity building of multiple government agencies will be required. In particular, management practices and systems and staff competencies will require major strengthening. However, building such capacity needs to be carefully prioritized and focused to avoid an across-the-board attempt to reorient and reskill systems and staff in too many agencies and areas. Thus, prioritization, focus, and sequencing will be crucial to the TA's success.

8. Nepal's monitoring and analysis systems have historically treated input monitoring as a standard administrative task of line ministries and the NPC. Making the transition to MfDR has been an ongoing challenge given the institutional and technical limitations of government agencies. MfDR is resource-intensive, requiring a significant amount of consultations,

participatory processes, and iterative learning. The transition from a traditional input and output approach to focusing on outcomes is critical in implementing MfDR. Macro, meso, and micro initiatives need to be linked in the results-based planning and implementation. MfDR can provide a powerful reporting mechanism that can improve accountability of organizations and the rigor of the oversight function.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

9. The overall objective of the TA is to help the Government operationalize and institutionalize MfDR to implement ADB's pilot MfDR CSP (2005–2009) approved in October 2004. The TA will help the Government; (i) institutionalize MfDR approaches within NPC, selected line ministries, and district development committees (DDCs), (ii) develop sector-wide results frameworks and action plans, and (iii) strengthen monitoring and evaluation (M&E) systems in MfDR, including establishing focal points for results management in line ministries and selected DDCs.

10. The TA will (i) introduce a culture of MfDR in government agencies; (ii) facilitate the realization of specific outputs, outcomes, and impacts in development work; and (iii) establish a measure of accountability in implementing development activities. The specific TA outputs are; (i) enhanced MfDR capacity of government agencies, mainly NPC, Ministry of Physical Planning and Works (MPPW), Ministry of Local Development (MLD), and three DDCs (in Jhapa, Dang, and Jumla); (ii) development of results frameworks and actions plans for the selected line ministries, and identification of relevant output and outcome indicators at the national and district levels; (iii) development of methodologies and operational tools for MfDR; (iv) institutionalization of MfDR by building on existing DMPAS in the selected three districts; (v) replication of PPIS in two line ministries; and (vi) strengthened institutional mechanism for implementing MfDR in selected national and district government agencies. The two line ministries⁴ and three DDCs were selected based on their capacity to implement MfDR approaches and relevance of ADB operation. The three selected DDCs are among 14 districts where the Government has launched full devolution. Jhapa, Dang, and Jumla are in the eastern, western and mid-western development regions, respectively, each with unique physical, economic, and sociocultural characteristics. The TA framework is in Appendix 1.

B. Methodology and Key Activities

11. **Institutionalization of MfDR.** MfDR's success depends on organizations' ability to create a management culture focused on results. The TA will help the Government operationalize MfDR in NPC, MPPW, MLD, and the selected three districts. Operationalizing MfDR will include (i) assessing the existing institutional arrangements by identifying the constraints and needs for the effective implementation of an MfDR process; (ii) developing and adopting methodologies, mechanisms, and systems to mainstream MfDR; (iii) helping the Government pilot MfDR practices and systems; (iv) enhancing the capacity of staff and institutions in specific areas needed to mainstream MfDR through learning institutions and networking; and (v) creating Government awareness and ownership by organizing workshops, seminars, and sharing information with a wider audience.

⁴ MPPW and MLD participated actively and effectively during the Results Framework Review Mission. MLD also participated in ADB. 2005. *Study on Capacity Development in South Asia*. Manila.

12. **Development of a Sector-Specific Results Framework.** The results framework presents a logical relationship among outputs, outcomes, and strategic development goals. Key to its success is stakeholder involvement throughout the management cycle in defining realistic expected results, assessing risk, monitoring progress, reporting on performance, and integrating lessons learned in management decision making. Through its first pilot results-based CSP, ADB will help the Government and donor community (i) think through the country's development agenda, (ii) increase selectivity and focus, and (iii) more clearly define expected outcomes. The TA will help the Government strengthen the development framework by developing a sector-specific MfDR strategy to be implemented nationally and locally. The sector-specific strategies will help achieve the broader objectives of the overall development framework.

13. **Strengthening M&E.** The Government's M&E systems are linked to various planning and budgeting processes. The M&E system needs to be strengthened and to be extended to national and local outcomes and outputs. This requires capacity-building initiatives to be tailored to the country's institutional context, and M&E dimensions to be fed back into program design. The TA will help the Government establish such a link in the existing M&E divisions/units of the selected line ministries and DDCs in monitoring and providing critical real-time feedback on delivery of development results. A detailed implementation and monitoring action plan will be developed to monitor the results framework. The TA aims to improve the institutional capacity of DDCs to pilot the MfDR-selected districts by providing training. The PPIS has been developed to monitor physical and financial progress of projects and is now operational in NPC; it will be institutionalized in the selected line ministries to give more results focus to government initiatives.

C. Cost and Financing

14. The total cost of the proposed TA will be \$500,000. ADB will provide \$400,000 on a grant basis from ADB's Support of Managing for Development Results Cooperation Fund and the Government will contribute counterpart funding of \$100,000. The TA will finance the services of international and domestic consultants, procurement of equipment, international and local short-term training for the staff of NPC, selected line ministries and DDCs, and partial support for organizing workshops. Cost estimates for these are in Appendix 2.

D. Implementation Arrangements

15. The TA will be implemented by NPC, which will also be the Executing Agency (EA). NPC will implement the TA through MLD, MPPW, and DDCs. A focal point specially tasked to implement activities under the TA will be established within the M&E divisions of MLD, MPPW, and three selected DDCs. The Under Secretary, Poverty Monitoring Division, will be the project director, and be responsible for monitoring project implementation activities, supervising consultants, and reviewing their outputs. The line ministries and DDCs will also appoint senior officials for project implementation and coordination with NPC in their agencies.

16. The Government will establish a steering committee chaired by the NPC vice chair. The members will be MLD secretaries concerned, MPPW, representatives of the selected DDCs, and the project director. The steering committee will guide TA implementation. The project director will function as the member secretary of the steering committee. The steering committee will be assisted by technical committees, to be formed as needed.

17. The TA will be implemented over 2 years, from March 2006 to February 2008. The TA will have a total of 35 person-months of consultancy (5 person-months' international and 30 person-months' domestic). All consultants will have extensive experience in MfDR. A consulting firm will be hired to provide the services. The consultants will be selected and engaged in accordance with the *Guidelines on the Use of Consultants by ADB and its Borrowers* and other arrangements satisfactory to ADB for the selection and engagement of domestic consultants. Domestic consultants with sector-specific knowledge and experience in results management will be recruited. The international consultant will be employed on an intermittent basis and will be responsible for recruiting the domestic consultants and organizing training. The consultants will submit (i) an inception report within 1.5 months after the TA starts, (ii) progress reports every 3.0 months, (iii) a draft final report after the core TA activities are completed, and (iv) a final report after ADB's comments are incorporated. The consultants will provide all the reports to the EAs (three copies) and ADB (three copies).

18. The TA will provide limited computer equipment, which will be procured in accordance with ADB's *Guidelines for Procurement* and handed over to agencies concerned upon the TA's completion. Needs-based capacity will be developed. The TA will support short-term local and external training; study tours; and exposure to the best practices in MfDR so that the staffs of NPC, MLD, MPPW, and DDCs can learn from the experience of other countries in the region. The institutions and individual participants will be selected based on organization, competency, and institutional assessments. Upon completion of the training, the trainees will submit a comprehensive report on the training's achievements to the heads of their organizations, with a copy to ADB and the Ministry of Finance.

IV. THE PRESIDENT'S DECISION

19. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance not exceeding the equivalent of \$400,000 to the Government of Nepal to be financed on a grant basis by the Support of Managing for Development Results Cooperation Fund for Operationalization of Managing for Development Results, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>Impact Development effectiveness achieved in the context of broad-based economic growth through improved connectivity of different parts of the country</p>	<ul style="list-style-type: none"> • MfDR capacity of government agencies strengthened • Institutional mechanism for public sector management and accountability enhanced • Rural access to public services improved 	<ul style="list-style-type: none"> • Mission reviews • Official communications and reports • Official government statistics 	<p>Assumption Government willing to adopt MfDR agenda in public sector undertakings</p> <p>Risks Inadequate commitment among government officials Conflict may delay achievement of targets</p>
<p>Outcome MfDR approach adopted in NPC, two line ministries, and three DDCs</p>	<ul style="list-style-type: none"> • Organizational strategy and practices for MfDR introduced in selected government agencies • MfDR guidelines for linking planning, budgeting, and M&E exercises implemented at all levels 	<ul style="list-style-type: none"> • Review assessment of TA progress • Official communication reports 	<p>Assumption Government's willingness to adopt MfDR in day-to-day operations</p> <p>Risk Delays in appointment of key counterpart staff</p>
<p>Outputs</p> <ul style="list-style-type: none"> • Institutionalization of MfDR • Development of sector-specific results framework • Strengthening of M&E system 	<ul style="list-style-type: none"> • Development of MfDR tools and methodologies at different Government levels • Sector-specific results framework prepared by 2007 • MfDR-focused M&E system introduced 	<ul style="list-style-type: none"> • Assessment of TA progress • Official communication report • Official government statistics 	<p>Assumption Government's commitment to adopt changed systems and processes ensure available and reliable data</p> <p>Risk Data on the identified indicators may not be available regularly</p>

Activities with Milestones	Inputs
<p>1.1 Establish steering committee</p> <p>1.2 Establish links between national plans and strategies, resource allocation, and implementation</p> <p>1.3 Develop a strategy to introduce MfDR in the selected government agencies</p> <p>2.1 Conduct inception and concluding workshops; prepare an inception report</p> <p>2.2 Train government officials to understand and use MfDR</p> <p>2.3 Streamline Government systems and processes to implement MfDR</p> <p>2.4 Implement pilot programs in two line ministries and three districts</p> <p>2.5 Help the line ministries prepare results frameworks and business plans and improve their results orientation</p> <p>2.6 Identify indicators, set targets and milestones, and specify data sources for results-based monitoring, including poverty and MDGs</p> <p>3.1 Develop operations guidelines to mainstream MfDR in government agencies/donor-assisted projects at national, sectoral, and local levels</p> <p>3.2 Develop a plan to monitor MfDR initiatives</p> <p>3.3 Draft and final reports</p>	<p>ADB</p> <ul style="list-style-type: none"> • Government staff time and expertise: \$70,000 • Government accommodation and utilities: \$30,000 • Local experts: \$101,000 • International experts: \$75,000 • Travels: \$20,000 • Training, workshops, and conferences: \$114,000 • Equipment: \$30,000 • Contingencies: \$50,000 • Overhead and field visits: \$10,000 • Total: \$500,000

DDC = district development committee, M&E = monitoring and evaluation, MDGs = Millennium Development Goals, MfDR = Managing for Development Results, and NPC = National Planning Commission.

COST ESTIMATES AND FINANCING PLAN
(\$ '000)

Item	Foreign Exchange	Local Currency	Total Cost
A. Support of Managing for Development Results Cooperation Fund^a			
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants (5 person-months)	75.00	0.00	75.00
ii. Domestic Consultants (30 person-months)	0.00	101.00	101.00
b. International Travel	14.00	0.00	14.00
c. Local Travel	0.00	6.00	6.00
2. Training, Workshops, and Conferences			
a. External Training, Workshops, and Study Tours	40.00	0.00	40.00
b. In-country Short-Term Training	0.00	64.00	64.00
c. Inception and Concluding Workshops	0.00	10.00	10.00
3. Equipment	0.00	30.00	30.00
4. Field Visits by EA Officials	0.00	4.00	4.00
5. Misc. Administration and Support Cost	0.00	6.00	6.00
6. Contingencies	8.22	41.78	50.00
Subtotal (A)	137.22	262.78	400.00
B. Government Financing			
1. Office Accommodation and Transport	0.00	20.00	20.00
2. Remuneration and Counterpart	0.00	70.00	70.00
3. Facilities for Seminars and Meetings	0.00	10.00	10.00
Subtotal (B)	0.00	100.00	100.00
Total	137.22	362.78	500.00

EA = executing agency, misc. = miscellaneous.

^a Administered by the Asian Development Bank.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. Scope of Services

1. The scope of consultant services (5 person-months international and 30 person-months domestic) requires expertise in Managing for Development Results (MfDR). An international consultant with such expertise will lead the consultancy team, consisting of two domestic consultants. The consultants will (i) review the mechanisms for planning and implementing results-based national plans, budgets, and strategies, including the measurement, monitoring, and reporting at the national and subnational levels, as well as for designing results frameworks; and (ii) guide the improvement of impact and effectiveness of development and poverty reduction programs and strategies. The consultants will provide training, develop manuals and guidelines for enhancing development effectiveness, as well as monitor and report development results. The consultants will also help the National Planning Commission (NPC), Ministry of Physical Planning and Works, Ministry of Local Development, and the selected District Development Committees (DDCs) design results frameworks and operating procedures, and develop business processes and monitoring systems. The consultants will report to the project director and the Asian Development Bank (ADB).

B. International Consultant (5 person-months)

2. The consultant will do the following:

- (i) Develop a detailed methodology and work plan to operationalize MfDR.
- (ii) Review the progress in implementing the Poverty Reduction Strategy (PRS) and achieving Millennium Development Goals (MDGs), and conduct policy dialogue.
- (iii) Review the Government's MfDR initiatives, analyze the constraints on them, and derive implications for capacity development and institutionalization of MfDR.
- (iv) Review the Government's monitoring and evaluation (M&E) mechanisms at different levels, identify the gaps in them, and help develop a results framework.
- (v) Jointly with the Government and ADB/Nepal Resident Mission's (NRM) MfDR team, review the technical assistance domestic consultants' job descriptions for MfDR and identify areas that can be developed.
- (vi) Recruit domestic consultants, develop and supervise their work, and in consultation with the project director, guide them as needed.
- (vii) Help the selected line ministries prepare a comprehensive results-based management framework, including identification of intermediate and final indicators for monitoring progress in development results.
- (viii) Help NPC, the selected line ministries, and DDCs strengthen their capacity to implement a results-based monitoring and management system.
- (ix) Help the executing agencies (EAs) train staff members and produce performance improvement plans.
- (x) Help the selected line ministries develop comprehensive business plans to facilitate results-based monitoring
- (xi) Help NPC develop MfDR guidelines for NPC, the line ministries, and DDCs.
- (xii) Develop a plan to monitor the pilot initiatives.
- (xiii) Work closely with other donor partners in designing long-term support to sustain efforts to practice MfDR in the Government.
- (xiv) Work as a resource person on MfDR at various levels and on different occasions.
- (xv) Help the resident mission develop a learning and dissemination system for MfDR.

- (xvi) Perform any other job as suggested by the steering committee and project director.

B. Domestic Consultants (30 person-months)

3. The domestic consultants will do the following:

- (i) Supervised by the project director, assist the team leader (international consultant).
- (ii) Identify and analyze the links between plans, budgets, agency actions, and feedback mechanisms.
- (iii) Guided by the international consultant and in consultation with the EAs and NRM, help the line ministries and DDCs prepare the comprehensive results-based frameworks, including the identification of intermediate and final indicators for monitoring progress in their sectors.
- (iv) Help the international expert identify institutional structures and systems, including M&E, and suggest ways to improve them for MfDR implementation.
- (v) Review the ongoing and planned performance management initiatives in NPC, line ministries, and DDCs, and recommend ways to improve MfDR.
- (vi) Assess the competencies and strengths of NPC, line ministries, and DDCs in results management; design needs-based capacity-building programs; and organize training programs on MfDR.
- (vii) Help the line ministries review and improve the business plans.
- (viii) Help develop guidelines and operational manuals for the use of NPC, line ministries, and DDCs in MfDR.
- (ix) Assist the NPC, line ministries, and DDCs on a range of issues to develop and implement a performance management culture and work process in their day-to-day operations.
- (x) Undertake other tasks assigned by the team leader and EAs.

