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STEP BY STEP MANUAL VALUE CHAINS AND COOPERATIVES

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LIST OF ABBREVIATIONS

CAP	Community Action Plan
GEDSI	Gender Equality, Disability and Social Inclusion
LACC	Local Adaptation to Climate Change
LGU	Local Government Project Implementation Unit
MB	Measurement Book
NPR	Nepalese Rupees
NRDF	Natural Resources Development Fund
NS	Nepal Standard
O&M	Operation & Maintenance
PMC	Project Management Committee
SBS	Step By Step
UC	Users Committee

FOREWORD

This step-by-step manual has been prepared with the objective of guiding all stakeholders from the participatory and interactive experiences made in the planning and implementation process in the past. It is expected that the process presented in this step-by-step manual will support multiple stakeholders for the planning, implementation and post-construction stages of the project, and help ensure the sustainability of the plan by cultivating a sense of belonging to the scheme among the users group through its use. In addition, this step-by-step manual will help to focus on community level drinking water, irrigation, collection centers, haat bazaars, enterprise establishment, multi-utility schemes to be constructed from Local Adaptation to Climate Change Project for productive use.

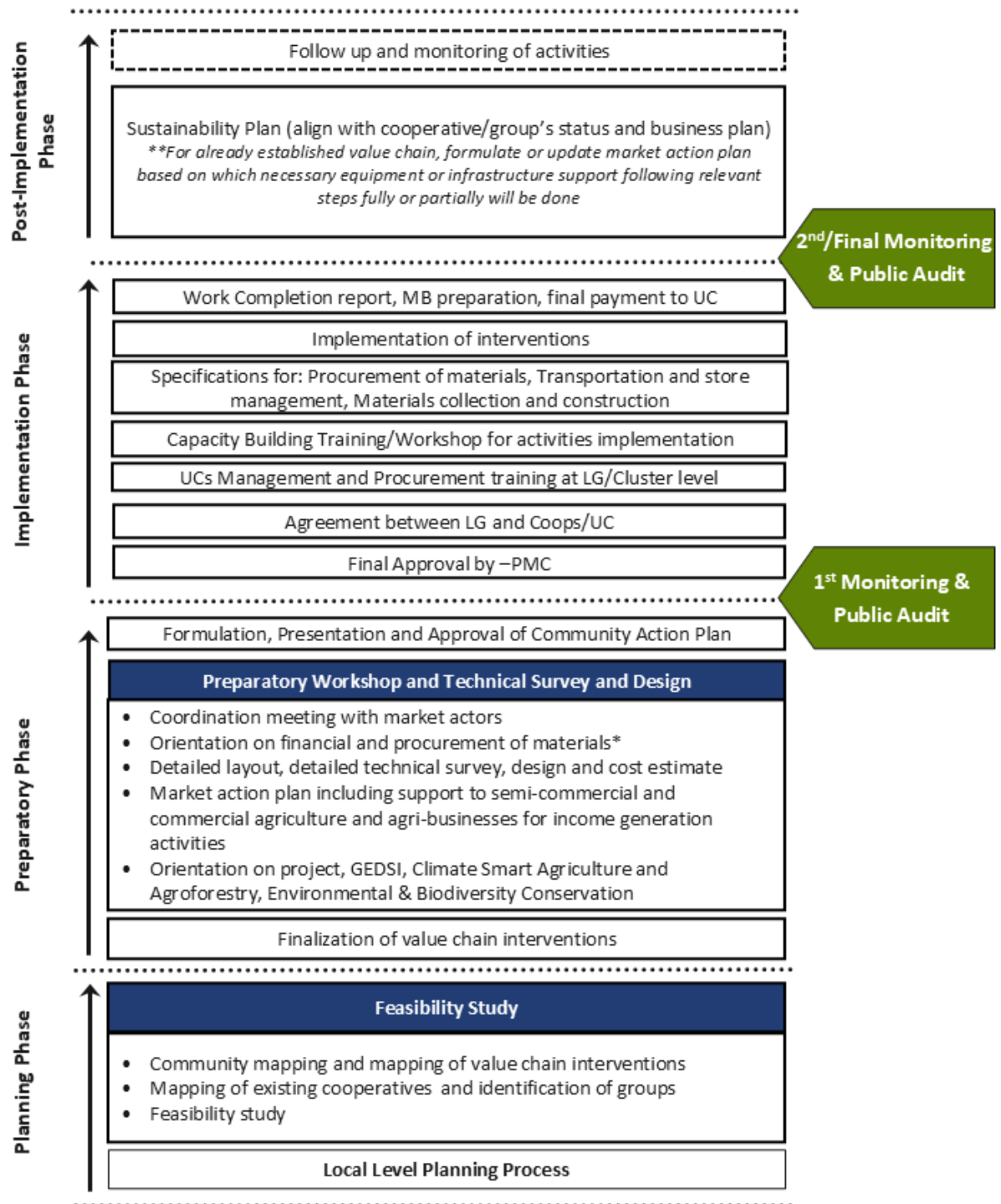
This step-by-step manual will be applied to the public construction schemes that are included in the annual budget and program, which are prioritized from the various plan documents prepared by the Local government and are linked to the local level governance system from the beginning. The step-by-step manual consists of two main steps, and each step is guided by separate procedures.

Using participatory, inclusive and gender-based, disability-friendly planning management tools at the preparatory stage, it ensures that the needs of technically and socially acceptable and potential beneficiaries are addressed, and priority is given to the unreached. At this stage, the foundation is laid in a phased manner for the sustainable operation of the scheme.

In the implementation phase, the members of cooperative/group/firm are enabled progressively through plan monitoring and training, according to the concept of learning to be carried out during the implementation of the plan.

At the post-construction stage, capacity is practically enhanced for sustainable operation of the scheme. Since each plan will require different types of support according to the specific situation, a separate procedure has been prepared containing the various options required for it. Since the step-by-step manual and related capacity development elements are being developed and modified day by day, suggestions and feedback on the contents of this procedure will always be welcomed and after continuous improvement based on the lessons learned, this procedure will be finalized by the end of the project so that all the entities in the value chain and cooperative related programs can follow.

STEP BY STEP CHART FOR VALUE CHAIN AND COOPERATIVES



* UC must follow the community procurement guideline

1 FEASIBILITY STUDY OF THE SCHEME

1.1 OBJECTIVES & SIGNIFICANCE OF TECHNICAL ASPECT CHECKLIST

The main objective of the feasibility study is to ensure the technical, environmental, social and economic feasibility of the projects prioritized in the planning process of the Local government through such local plans as the Local Adaptation Plan of Action, Local Disaster and Climate Resilience Plan, Agriculture-related Plan, Enterprise Development Plan, Water Utilization Master Plan or Watershed-related Plan.

An initial feasibility study for cooperatives and value chains is an important assessment to ensure the success and sustainability of any scheme before it is launched. It examines how viable the proposed plan is technically, commercially, environmentally, economically, and socially.

This checklist helps to systematically analyze the technical aspects from production to processing of agricultural commodities linked to the value chain. The main objectives are:

Major objectives:

- Identifying the current situation: To realistically illustrate technical practices, technologies and infrastructure ranging from crop/commodity production to post-harvest management.
- Identifying weaknesses and opportunities: To identify shortages, shortcomings, risks (especially those related to climate change and marketing) on the technical side, and potential opportunities for improvement.
- Capacity assessment: To assess the status of knowledge, skills and necessary training regarding production and management of farmers, cooperatives or groups.
- Determining investment needs: To make a preliminary estimate of the type and amount of investment (e.g. new technology, equipment, infrastructure) required for technological improvement.
- Integration of climate adaptation initiatives: To identify measures (e.g., drought resistant crops, water management, advanced technologies) that can address the effects of climate change on agricultural production systems.

Significances:

- Sustainable Production: Technological improvements increase the quality and quantity of products, as well as reduce climate risk, making production systems more sustainable.
- Reducing the cost of production: Appropriate technology and management help in reducing the cost of production, which increases the income of the farmer.
- Improving product quality: By adopting scientific and advanced technical practices, the quality and competitiveness of the products produced can be increased.
- Risk reduction: Helps to identify technological risks caused by climate change (e.g., diseases, pests, droughts, floods) and prepare better strategies for their management.
- Enabled Planning: Provides the basis for making realistic and implementable plans and schemes for value chain development.

1.2 OBJECTIVES & IMPORTANCE OF MARKET HUB FEASIBILITY STUDY

This study analyzes in detail the technical, economic, financial, managerial, and socio-environmental aspects of establishing or upgrading a proposed market center (e.g. collection center, Haat Bazaar etc.)

Major objectives:

- Identifying market needs: To establish the need and justification of the market center by analyzing the demand, supply, pricing and market trends of the targeted agricultural commodity.
- Economic and financial evaluation: To explore how economically viable and profitable it is by projecting the cost, operating costs and potential income of a market center.
- Determining the managerial model: To identify the appropriate managerial structure (e.g. cooperative, private, public-private partnership) and the manpower required for market center operations.
- Analysis of risks and opportunities: To make a detailed analysis of the economic, environmental, social and policy risks that may come into operation of the market center and the opportunities that arise from them.
- Strategy development: To develop strategies that can provide the best market access, value and service for both target farmers and consumers.

Significance:

- Security of investment: Feasibility studies prevent misuse of resources by preventing investment in non-practical schemes.
- Increasing market access: Helps farmers get better prices and regular markets for their produce, which improves their incomes and standard of living.
- Efficiency of the value chain: The market center makes the overall value chain more efficient by organizing the collection, classification, storage and distribution process.
- Risk Reduction: It helps in managing risks related to marketing (e.g. price fluctuations, storage losses, lack of market).
- Employment opportunities: The establishment and operation of market centers create direct and indirect employment opportunities.
- Basis for policy decisions: Provides a solid foundation for government, development partners and other stakeholders to make decisions regarding market infrastructure development and agricultural market policy.
- Climate-smart Markets: Guides the design and operation of market centers to integrate adaptation measures (e.g. cold storage, water management, energy efficiency) taking into account the risks of climate change.

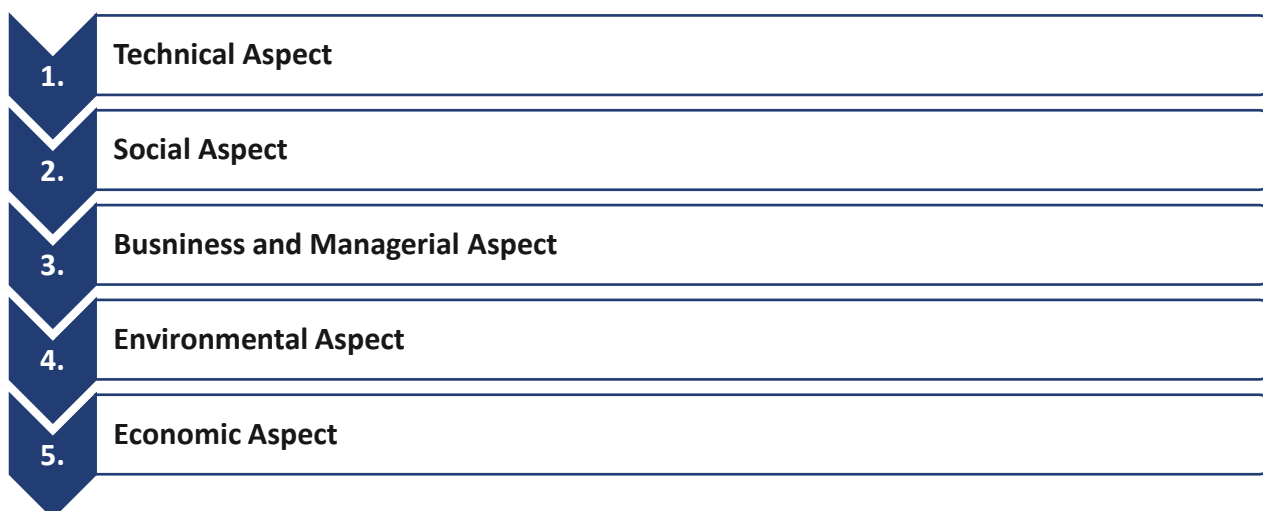
While conducting a feasibility study of value chain and cooperative schemes (through technical aspect checklist and feasibility of market center), following steps should be adopted:

First of all, a meeting of the users' committee of the cooperative/group/firm will be held to discuss the basic information required for value chain planning such as production conditions, market access, necessary infrastructure, sustainability of the enterprise, environmental impact, risk management, etc. Following discussion and activities will be held at the meeting:

- Discussion on the production, value addition, market management, sustainability of the plan and risk management through a meeting of cooperatives/groups interested in operating the scheme.
- To fill the technical aspect checklist and feasibility study form of the market hub through discussion in the meeting.
- Visit the proposed scheme area to learn about the current state of the target value chain
- Receiving the approval of the landowner of the area where the scheme will be operated
- Environmental impact studies should be done in the case of main structures and machinery.
- After completion of the discussion, the content of the discussion is noted in meeting minutes and if scheme goes to the implementation stage, it will be approved through the upcoming general assembly or mass meeting.

The outcome of the study is a feasibility recommendation or rejection. The evaluator may recommend the evaluated scheme for the detailed feasibility study unconditionally or conditionally, or the evaluator may reject the proposed scheme plan as unfeasible based on the study. Unconditionally recommended schemes can proceed to the detailed study directly, without any required changes or other conditions. For the conditionally recommended schemes, the evaluator specifies the conditions, and the requirements to meet them before the proposed scheme plan can proceed. Unfeasible schemes are not considered further.

Aspects of feasibility study:



Key considerations during the feasibility study

- Is there a real demand for the scheme? Do the beneficiaries feel that they need the scheme or not? Has this been discussed in the community meeting or is this the opinion of only some individual people?
- Is the scheme proposed for value chain promotion?
- Are any households that can be technically included left out of the scheme?
- Are cooperatives/groups/consumers of the community contribution (cash, kind and participation)?
- Can cooperatives/groups/consumers actually invest for the scheme? Is there a different provision of cash and kind contribution for the poorest households?

- Has the Local government decided to provide additional assistance to the poorest households ?
- Is there a dispute or conflict in the location or community affecting the proposed scheme?
- Can the proposed scheme be implemented with less environmental and biodiversity impact and disaster risk ?
- Can this plan be technically, socially and economically sustainable ?
- Are the users aware of the prioritization of the planning process of Local government ?
- Is this scheme proposed according to the planning process realistic? If not, is change necessary ?

The feasibility study form of value chain infrastructures and market centers is included in **Annex 1**.

Form 1 Feasibility study form for value chain infrastructure

First of all, the technician should collect information from cooperatives/groups/consumers after visiting the scheme area. In addition, clear data should be obtained on the social, technical, commercial and financial aspects mentioned in the form. The technician may determine the scheme to be feasible either conditionally or unconditionally. Schemes deemed unlikely will not be included in the program whereas the schemes that are considered conditionally possible should be further studied and considered feasible or unlikely.

Feasibility study of Form 2 Market Center

The technician must make a clear collection of information about the value chain or market of the target commodity to be promoted through the scheme. The technician will have to fill out a form containing information about the product, market stakeholders and cooperatives/groups. The technician may determine the scheme to be feasible either conditionally or unconditionally. No further process will be initiated against schemes that are deemed unlikely. Schemes that are considered conditionally possible should be further studied and considered feasible or unlikely.

2 MAPPING EXISTING COOPERATIVES & GROUP IDENTIFICATION

Cooperatives/groups at the local level or in the same locality can play an important role in agricultural production, collection, marketing and income growth. But not all of those cooperatives may be competent, proactive, or inclusive. Therefore, it is necessary to identify eligible cooperatives /groups (agricultural groups, forest users' groups, drinking water and sanitation users' group, private firm etc.) to be included in the value chain by mapping them according to their current situation.

Major objectives:

- Identify strong and eligible cooperatives/groups that can participate in value chain schemes
- Identifying the strengths and weaknesses of cooperatives/groups at the local level
- Selecting suitable cooperatives/groups on the basis of capacity, services, membership and institutional structure
- To distinguish cooperatives/groups that are inclusive, technically and financially sound and need to improve
- To lay the foundation for evaluating the feasibility of collaboration, partnerships and market access

While mapping existing co-operatives/groups, following steps should be followed:

- First of all, the project staff will collect the list of cooperatives at the local level (same ward or locality).
- They will meet with the representatives of the cooperatives and take various necessary details such as institutional structure, capacity, priority areas, etc. and **fill out form Annex 2** with basic information.
- Classifying cooperatives/groups on a priority basis (suitable, correctable, inappropriate)
- Among the mapped co-operatives, ones eligible to carry on the value chain schemes, the other stages of the scheme will proceed.
- Discuss the legal aspects of the institution/committee (registration, renewal, account operation, regular audit), partnership framework, target group, etc. through a meeting of the cooperative/group interested in conducting the scheme.

After the feasibility study proves the scheme feasible, the scheme is included in the annual program of the project and the scheme is approved by the project management committee. Mass meeting is organized to inform the beneficiary community about the inclusion in the scheme and the working method and concept of the project, as well as to inform the group/users committee, ward committee, LG representatives, Local Government Project Implementation Unit (LGU) about their work, duties and responsibilities in the scheme. Particularly in this gathering, information is given about the project guided programs in addition to answering various inquiries of the community regarding the implementation of the project.

At least 75% of the proposed direct beneficiary households should be represented in the mass meeting to be held in the schemes related to the project, in which at least 50% participation of women and proportional participation of all the ethnic communities should be mandatory. Priority will be given to local cooperatives for the implementation of the value chain scheme. If the cooperatives are unavailable or existing cooperatives are unable to proceed with the scheme for various reasons, the scheme will be carried out in collaboration with eligible groups/firms within the same area or locality.

The list along with preliminary details of the cooperative/group to be prepared at this stage, details of the beneficiary households of the cooperative/group, the structure of the cooperative/group, and the form/checklist used for the mapping of the existing cooperatives are included in Annexes 2, 3, 4 and 5 respectively, then the following questions should be answered from the group/cooperative interested in operating the scheme:

The executive committee should be selected in an inclusive manner to carry out the functions of the cooperative/group committee. At least 50 percent of the total number of members, including at least one post among chairperson or secretary of the executive committee of cooperative/group and at least one post among vice-president or treasurer, should be represented by women, marginalized communities and persons with disabilities. Has the working committee been formed accordingly?

If not, when is the general assembly planned to be reconstituted? Mention if there are any other problems related to this in the cooperative/group.

Can necessary external and local materials be easily made available at the scheme area?, Is it at a distance from the settlement to the place where the scheme is to be constructed? Is the cooperative/group/firm ready to accept all the conditions? If not, mention the reason why? Can the proposed value chain scheme be taken to the preparatory stage? If we can't, why? Mention the reason.

In order to carry forward the scheme through a qualified cooperative/group, a users committee is essential and should be formed and its formation process, roles and responsibilities during the

implementation of the scheme, the detailed process and details about the registration of the users committee will be as per the UC Operational Manual of forest management, agriculture and water developed by Local Adaptation to Climate Change Project.

Note: The registration and operation process of cooperatives at the local level should be in accordance with the Local Government Cooperative Act, the statute and bye-laws of the cooperatives should be in accordance with the act at the Local government. Similarly, in the case of agriculture groups, drinking water and sanitation users' group, and forest users' group, the formation, registration, operation of these groups will be done as per the steps mentioned in Local Adaptation to Climate Change Project's SBS manuals.

3 COMMUNITY MAPPING AND MAPPING OF VALUE CHAIN INTERVENTIONS

This is the third step in SBS procedure of value chain and is essential for planning and community mobilization. This step is followed by the formation of Users Committee (UC).

Community mapping is an important and participatory method of collecting the initial information of the community, while the mapping of value chain activities along with it provides information about the production, processing, marketing, etc. of the targeted value chain. This method maps the community and various aspects of its value chain, including household, population data (women, men, adults, children, landless, literate, illiterate, etc.) as well as information about the social structure and organizations located in the area and factors engaged from production to market. According to the project norm, the location where the community will be served by the future plan (value chain promotion, commercial agricultural production, irrigation, forest and environmental protection, disaster management, agroforestry system, livelihood activities including natural resources) should also be represented in this community map.

As part of mapping the activities of the value chain, the women and men of the community (Dalits, Janajati, Bahmans/Chhetris/Thakuris/Sannyasis and others) themselves draw up a map of their communities showing the production area of the target value chain, its collection and processing place, the main areas where value addition and marketing takes place. In this process, separate meetings of men and women should be held, if necessary, depending on the situation of the community. Such a process should be adopted, especially in communities where women are reluctant to speak in front of men or people from other communities.

While incorporating aspects of the value chain into the map, locally available materials such as ash, sand, stones, leaves, sticks, coal, chalk, etc. should be used. Different materials such as pen, paper, color pencil, etc. can also be used depending on communities and availability of materials. If a satellite map of the community area is available, the map can also be printed or shown on a projector.

Uses of Community Map:

- The basis for layout of the scheme.
- Records of various current physical infrastructure, natural resources, population, ethnic community, place of work, etc., in the community.
- Identification of production areas of the target value chain, its collection and processing sites, key areas of value addition and marketing.
- Financial institutions providing savings and credit services.
- Identification of different social classes based on local context.
- Information about the social organizations in the community and the community's attitude towards those organizations.
- Information about the boundary of the place.

- Information on local and natural resources available in that place.
- Identification and information of natural resources (water, forests, land, pastures, ponds, lakes, watersheds, streams, rivers, etc.) and risk locations in the community.

Process of Community Mapping

- Walk around in the village of the scheme area and discuss with local people including all representatives of women/men, children, person with disability and adult including all Dalit/Indigenous and others about the existing physical infrastructure, settlement type, social structure, production area, raw materials, natural resources, Discuss natural hazard locations, etc. It also helps in developing relationships with the community.
- When calling a community meeting, the time and venue of the meeting should be convenient to the women and all ethnic groups. Representing of all clusters and various castes/ethnic groups are encouraged to participate in the meeting. Equal participation of women, men and all ethnic groups is required in the meeting. In the meeting facilitators should prepare a list of participants showing their name, gender, occupation, ethnic /caste groups and age by clusters using the attached table. A minimum of 75% of households' representatives should participate in the mapping process.
- When working with the group, the facilitator should begin by introducing themselves and explaining clearly the objectives and agenda of the meeting, what the participants are expected to do and why. Check that the local analysts understand and feel comfortable with what will be discussed. Encourage participation of female and Disadvantage Group community members.
- First decide what type of area the map will show or any limitations such as a village, an indigenous ancestral domain, a watershed, and so on. Social maps begin as physical maps of the residential area of a community.
- With the help of local analysts, select a suitable place and medium, such as on the ground using locally available objects such as stones, seeds, sticks, leaves and color powder, coal etc.
- After rapport building with the communities, ask the local analysts to start by preparing the outline or boundary of the map. Initially facilitate the analyst to draw a simple village map showing some village borders. Then ask the analyst to identify and draw on map other institutions and landmarks that are important to them. These might include religious buildings, schools, health centers, community centers, community forests, cooperatives, production areas, collection and processing centers, banks and financial institutions, areas of biological diversity importance, Forest-based enterprises, natural lakes, herbal pockets, market centers, types of households, water, forests, etc.
- Then ask for the location of all houses in the community. Mark the houses in different colours to indicate those who are vulnerable. Similarly mark the households with home gardens, aspects of the target value chain (production area, collection and processing place, place of sale, etc.), separately paint for women lead houses involved in the production, houses with large family numbers, houses with family members having disabilities etc.

- If the map is being drawn on the ground, ask the local analysts to start making a copy onto paper (indicating which direction is north) once the broad outline has been established, making necessary amendments and additions as they go along.
- Do not lead, just assist when asked, and facilitate drawing a map by the communities.
- When map is completed on the ground, make sure all the components are there. If not, ask the villagers to put them in place. Then a villager or facilitator will copy it on the paper. Taking photographs of the map and its paper copy is recommended.
- Once the map has been completed, use it as a basis for conducting semi-structured interviews on topics in interests and for enabling local analysts to conduct their own discussions and analysis.
- Prepare a separate list including the number of households involved in production, names of households involved in production, related value chain, population (women, men, children/ adults).

Information to be included in the map

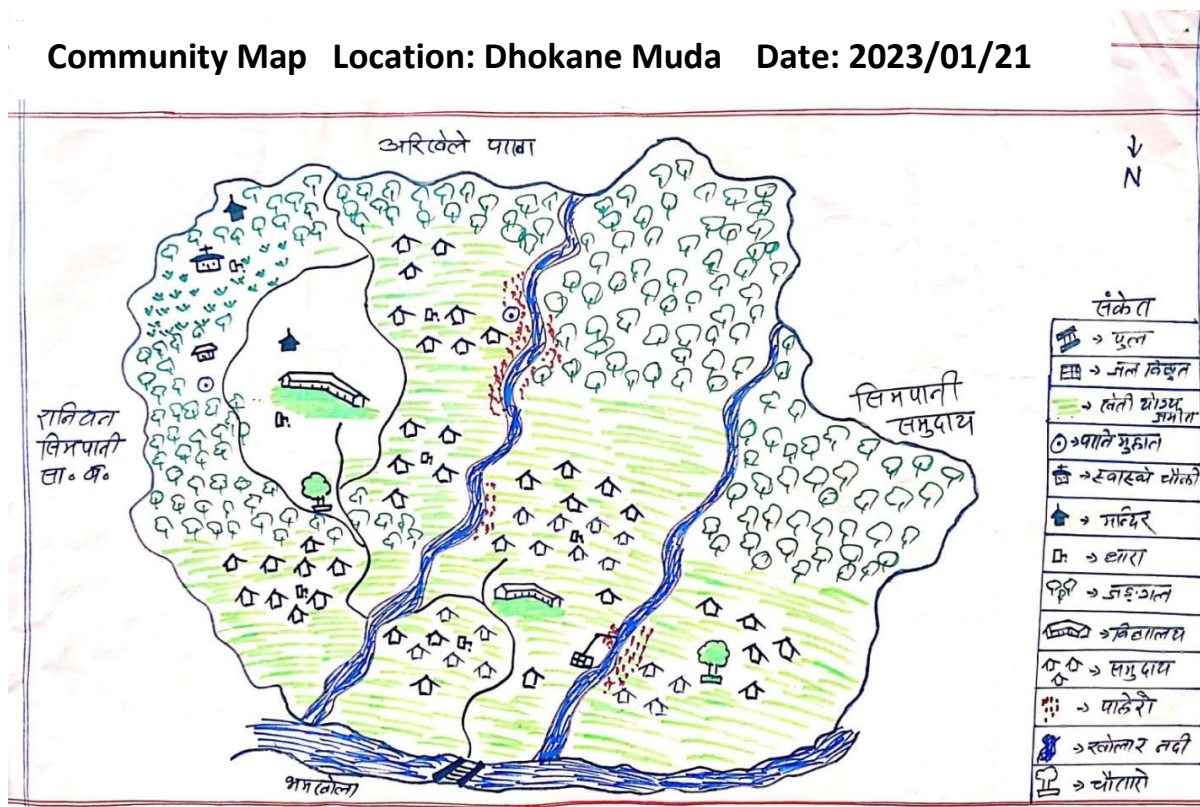
When preparing a community map, the following points should be included:

- The physical boundaries of the community as well as the names of the neighborhood
- Geographical conditions such as mountains, forests, roads, rivers, distance from village to motorway, cultivable land, production pockets, community land and its utilities, sand mines, stone quarrying, bamboo, house-roofing stones, etc.
- Production area of the target value chain, existing collection sites, processing centers and major markets
- Small hydropower, irrigation schemes, water logs, location of bridges
- Schemes under construction of above-mentioned areas
- Institutions (schools, health posts, ward office buildings, banks, cooperatives and other offices)
- The north direction should be shown on the map with legend written in one corner
- Date of preparation of map
- The name of the Local government, ward number and the name of the tole/settlement should be written at the top of the map.
- The total number of households should be written on the left strip or corner of the map or on another paper.
- Total attendance including women and men (Dalits, Janajati, BCTS and others)
- Other important structures such as temples, parks, meeting places, markets, financial institutions, haat bazaars, collection centers, shops, etc.
- Habitats and main locations of endangered wildlife (Tigers, Red Pandas, Leopards, Vultures, etc.).
- Medicinal plants (e.g. timur, cinnamon, asparagus, etc.) and non-timber forest products (such as utis, bamboo, Himalayan Neetle/Allo, American Aloe/Ketuke, etc.)
- Major forest areas (e.g. community, national, leasehold and religious forests etc.).
- Safe spaces (such as open grounds, buildings, and high-rise places) for emergency disasters.

Note: The layout and scheme location of the proposed value chain related activities should also be mentioned in this community resource mapping.

The attendance form of community mapping participants is placed in **Annex 7**.

Figure 1: Sample of Community Map



4 FINALIZATION OF VALUE CHAIN INTERVENTIONS

By this stage, we have identified potential local value chain commodities (e.g. Sugarcane, Spices, Chiuri, Honey, Vegetables, Timur, etc.) and at this stage, we must determine what activities should be done to promote that value chain and commodity. At the same time, we have already understood the capabilities and challenges of existing cooperatives and groups by mapping them. The next step is to finalize, in collaboration with the community, what types of activities (e.g. physical infrastructure construction, machinery and tool support, branding, packaging, marketing support, value added technology, etc.) are most appropriate and effective in those identified value chain items.

Importance and purpose of determining/selecting value chain interventions

- To select the most effective intervention/activity for value chain promotion by optimum utilization of resources and time
- To ensure scheme based on community ownership and priority
- To choose sustainable activities keeping in mind climate adaptation and institutional capacity
- To invest in profitable value chain intervention that help in income generation
- To interlink with the action plan of cooperatives/groups and municipalities

- To select the activity by updating the market action plan or business plan of the cooperative/group

Process:

After the feasibility study, a meeting will be held with the representatives of the cooperatives/groups and the stakeholders associated with the value chain (farmers, traders, collectors, consumers, LG representatives, LG staffs, etc.) to decide where in the community will the scheme be operated and adopt the following steps:

- Preparing a preliminary list of priority activities based on community mapping, mapping of value chain activities and feasibility study conducted in the previous phase
- Include all of the activities on the list in the activity selection matrix
- Giving points/collecting votes on the activities in the list by holding focus group discussion and Key Informant Interview.
- Ultimately select one or more suitable and effective interventions for value chain promotion and prepare its minutes and keep it safely

If necessary, a sub-committee will be formed to carry forward the implementation phase of the plan with selected activities.

Table 1: Activity/Intervention selection matrix

sn	Potential Activity	Approx. Cost	Community Priorities	Adaptability to the Climate	Institutional capacity	Potential Benefits	Total score (5 points)
1	Collection Center Building						
2	Non-building structures (e.g. toilets, compounds, drinking water, etc.)						
3	Shed for haat bazaars						
4	Cold Storage						
5	Godown						
6	Grading/Sorting Machine						
7	Branding and Packaging Machines						
8	Digital weighing device						

9	Retail Sales Counter/ Sales Centre						
10	Grinder/Grinding machine						
11	Approach Road						
12	Dryer/ Drying machine						
13	Processing machine						
More Other Activities							

5 PREPARATORY WORKSHOP, TECHNICAL SURVEY & DESIGN

5.1 ORIENTATION TO UC/GROUPS ON PROJECT, AND GENDER EQUALITY, DISABILITY AND SOCIAL INCLUSION (GEDSI)

Introduction: The committees (in the case of cooperative executive committee, water users' committees, forest users' groups, private sector/firm, etc.)/groups (farmers' groups) are established as the main managerial and implementing bodies for the scheme. They are fully responsible for community involvement at all stages of preparation and construction, and related budget and materials. Therefore, the cooperative/group/consumer committee needs orientation regarding the working of the project and the operation of the plan. While implementing the scheme activities, UC must follow norms, conditions, guidelines and approaches of the project and Local Self-Governance Act.

Project's aim of reducing gender and social discrimination in the planning and implementation activities, this session will enable gender equality disability and social inclusion in all activities; the structures constructed through the project will be disability-friendly and user-friendly. This session will contribute to the implementation of the scheme and behavior change, provide important information to make the scheme towards total sanitation, and play an important role in raising public awareness about gender, disability, and social inclusion among the users' committee.

Objectives: Orientation of user committee/group about the project concept, implementation guidelines and standard aims to:

- To inform about the procedures to be followed while working with the LG.
- To understand the Step-By-Step approach, guidelines and norms and make committee/group members clearly aware of the roles and responsibilities of themselves and other partners.
- To understand the GEDSI concept in planning, why it is important in value chain and natural resource management activities and what it means in the Step-by-Step process and in overall scheme planning and management.

- To know the role and responsibility of UC in increasing meaningful participation of women and ethnic/caste groups in UC and other scheme activities and have ideas on how to do it in practice.
- To raise awareness about natural resource conservation, climate change and biodiversity, and to provide information on sustainable use of resources, local participation and policy-rights.

Expected Outcomes

- The principles of gender equality, disability and social inclusion will be clear for the implementation of the project.
- The members and officials of the committees/groups will be aware of the importance of gender equality, disability and social inclusion in the implementation of the scheme.
- Participants will help improve discriminatory social behavior towards women, children, differently abled and disadvantaged groups.
- Participation of women, disabilities and all ethnic groups will increase in committee/group gatherings such as layout, community action plans and other meetings and trainings, and female participation will be at least 50%.
- The committee/group will review to ensure more than 50% participation of women in the main posts and members of the committee/group and proportional participation of all backward castes and tribes.

Duration: 1 day

Timing of the orientation: Immediately after formation of UC

Participants: All members of cooperative/agricultural group/forest users committee, entrepreneurs, ward representatives and other leading persons in the same planning area (inclusive participation of women and men and caste, disability and other planning households)

Facilitators: Project Officer, Field Coordinator, NRM Facilitator, Social Mobilizer of the LGU

Organizer: Local Government Project Implementation Unit (LGU)

Required Materials

- Project briefing chart/power point presentation about the Project details and the fund flow
- Step by Step flow chart, LG Planning Step, supporting IEC materials
- Fund flow chart
- Cost sharing/contribution chart
- Chart of roles and responsibility of various stakeholders
- GEDSI integration flashcards, GDESI related flexes
- Others as required, eg. UC constitution, Operation & management sample regulations etc
- Stationary, video etc., if available

Training content and schedule

Content	Time	Resource materials	Activities
Session I: Introductory session Opening, Introduction of participants and facilitators Brief project introduction Fund flow mechanism Contribution pattern of stakeholders Cooperative/Group/UC constitution and registration process	60 min	Project Introduction PPT/Flexes Fund flow Chart Contribution Pattern Chart Cooperative/Group/UC constitution	Self-introduction, icebreakers, games etc. Presentation by the LGU staff on Project Introduction Fund flow Chart Contribution pattern Cooperative/Group/UC constitution and registration
Session II - Scheme Step By Step Procedure - Roles and responsibilities of the chairperson, vice-chairperson, secretary, treasurer and members of the Cooperative/Group/UC - Roles and responsibilities of other stakeholders	60 min	SBS Chart Roles and responsibilities Related Chart of Cooperative/Group/UC & stakeholders	SBS Chart description and discussion
Break	30 min		
Session III - Introduction to HRBA and GEDSI, duty bearers and rights holders, non-discrimination, participation, transparency, accountability, impact, situation reflection & requirements. - GEDSI Barriers in community - Gender perspectives in value chain related planning, implementation, and maintenance	60 min	Flex and flashcards, videos related to gender equality, disability and social inclusion	- Definition of Gender Equality, Disability, and Social Inclusion - Gender and Social Inclusion and Sustainability - Project Gender and Social Inclusion Principles - Ice-breakers, games - Discussion on popular proverbs related to women, disability, and caste - Other appropriate tools, including discussions on the division of household work between women and men in a day

Session IV: Social Inclusion - Gender Equality, Disability and Social Inclusion in a SBS approach - Role and responsibilities of Cooperative/Group/UC GEDSI. - Solutions: such as literacy classes, disability-friendly structures, confidence building, etc. - Cooperative/Group/UC action plan for personal commitment on GEDSI	60 min	Flex and flashcards, videos related to gender equality, disability and social inclusion	- Game & ice break discussion on accesibility and control of resource - Discussing discrimination and inclusion - Discuss how women and disadvantaged groups can be directly benefited in the schemes by including them numerically and qualitatively,
Session V: Future Action - Consideration of Gender Equality, Disability, and Social Inclusion in SBS procedures - Roles and responsibilities of cooperative/group/UC in Gender Equality, Disability, and Social Inclusion - Solutions: such as literacy classes, disabled-friendly structures, capacity building, etc. - Cooperative/group/UC's action plan with at least three commitments	60 min	SBS Chart	Explain SBS procedure - Define of Gender Equality, Disability, and Social Inclusion principles of the project - Discuss and finalize work plan that will be relevant to cooperative/group/UC.

PS: Facilitator should encourage all participants to actively participate in the discussion

5.2 CLIMATE-SMART AGRICULTURE AND CONSERVATION OF AGRO-FORESTRY, ENVIRONMENT AND BIODIVERSITY

Introduction: In all the schemes under the project, the construction work must be completed through the user committee/group for the construction of climate resilient schemes keeping in mind the conservation of environment and biodiversity. Therefore, user committee/group highlight local technologies and practices on climate-smart agriculture and agroforestry, conservation of environment and biodiversity. The training in this regard is conducted during preparatory phase of schemes before the agreement.

This orientation provides general information to all members of the committee/group on climate-smart agriculture and conservation of agro-forestry, environment and biodiversity.

Duration : 1 day

Participants : All members of the group/committee and Ward Technical Representative

Facilitators : Field Coordinator/ NRM Facilitator

Organizer : LG Project Implementation Unit

Objectives:

- Introduce concept of natural resource management, challenges and solutions.
- To provide information about the type, importance, and impact of biodiversity in the course of infrastructure construction.
- Explain the climate change causes, impacts, and measures to be adopted in infrastructure and agriculture
- Explain the concept of disaster risk reduction and precautionary measures in infrastructure development.
- Educate and teach practical measures about climate-smart agricultural and agro-forestry practices.

Required Materials

Step-by-step flowchart, Climate smart agriculture and home garden training manual, brown paper, marker, pen etc.

Expected Results:

- Participants will understand the relationship between natural resource management, biodiversity conservation, and climate change.
- They will be motivated to adopt environment-friendly practices in infrastructure construction and agricultural activities.
- They will be aware of the importance of agro-forestry and its benefits.
- At the local level, they will be able to construct schemes to prioritize sustainable development
- Will inspire disaster risk reduction measures to be followed into practice.

Major content and Session Plan – Day 2

Content	Time	Activities
First Session: Introduction What is catchment area and why integrated conservation practices? Spring shed Management Natural disasters	30 minutes	Group discussion: Sharing experiences according to the local context.
Second Session: Climate Change and Infrastructure • Introduction to Climate Change: Causes, Effects, Gases, Impacts • Impact on infrastructure construction: extreme weather, delays, damage • Solutions: Sustainable way of using local materials, Energy consumption, Climate Adaptive Construction	60 minutes	Presentation: Conceptual presentation on various topics through PowerPoint, Flipchart.
Third Session: Climate-Smart Agriculture • Introduction: Climate smart agriculture system • Majors Practices: Adaptation and Mitigations • Practical Solutions: Climate Smart Technologies, Seasonal Farming, Reduction of Green Houses Gases, use of native/local crops, drought resilient crops species etc. and crop diversification.	60 minutes	Group discussion: Sharing experiences according to the local context. Visual content: Learning via video clips and infographics.
Fourth session: Climate smart agroforestry • Major Practices: Adaptation, Mitigation • Climate Smart Agro-forestry: Introduction, Actions of Agroforestry, Division of agroforestry actions, women participation in agroforestry.	60 minutes	
Lunch time	30 minutes	
Fifth Session: Climate-Related Disaster Risk Reduction and Management • Introduction of disaster, effect, impact and risk assessment/vulnerability • Remedial measures during construction phase • Bio-techniques, Awareness, structure repair and preparedness	60 minutes	
Sixth Session: Environment and Biodiversity Conservation • Conservation and Infrastructure construction	60 minutes	

Content	Time	Activities
• Three layers of biological diversity: ecological, species, genetic • Direct/indirect effects of infrastructure construction • Mitigation Measures: Practices to be adopted at the planning, construction, and monitoring stages		

PS: Facilitators should encourage all participants to actively participate in the discussion.

5.3 MARKET ACTION PLAN INCLUDING SUPPORT TO SEMI-COMMERCIAL AND COMMERCIAL AGRICULTURE AND AGRI-BUSINESS FOR INCOME GENERATING ACTIVITIES

The objective of this step is to prepare an appropriate market action plan to bring the targeted commodities to the market through selected value chain promotion activities and to increase the income of the communities associated with cooperatives/groups. This step is indispensable to ensure the economic benefits of the community and to create sustainable livelihood opportunities. In this, necessary support will be provided especially targeting semi-commercial and commercial agriculture and agribusinesses.

Importance

- Providing guidance to co-operatives / groups on professional development
- Increase the income of farmers and entrepreneurs
- Ensuring inclusive participation of women, Dalits, tribals and small farmers in the value chain
- To carry out the production / processing / packaging / branding according to the market demand.
- Establishing a local model of sustainable agribusiness

PROCESS FOR PREPARING A MARKET ACTION PLAN

To prepare the market action plan and provide support for income generation, first of all, the representatives of the cooperatives / groups conducting the scheme, the actors of the target value chain and the representatives of the Local government will meet and review the main findings (demand, supply, price trends, competitiveness, market opportunities and challenges) obtained from the earlier feasibility studies and discuss the impact of the selected value chain plans (e.g. establishing collection centers, processing centers, setting up of rural agricultural markets (haat bazars), value addition, etc.) on the market and prepare the basis of the market action plan. The following steps can be taken to prepare a market action plan and provide support for income generation:

Formation of Market Action Plan Team: The planning team will include project staff, representatives of cooperatives/agriculture groups/water/forest users' committees, entrepreneurs, leading farmers, local traders, representatives of agricultural business and local government stakeholders.

Ensure meaningful participation of women and members of marginalized communities keeping in mind the principles of gender equality and social inclusion (GEDSI).

Organizing Market Action Plan Workshop: A one-day workshop involving the Market Action Plan Team and other stakeholders (farmers, cooperative/group members, entrepreneurs, etc.) will be organized and the results of the market analysis will be presented with an open discussion on market opportunities and challenges.

This workshop is organized after the formation of the Market Action Plan Team.

Duration: 1 day

Participants: Market Action Plan Team, members of users committee and ward representatives and relevant stakeholders

Facilitators: Project Officer, Natural Resource Management Expert, Field Coordinator, Agroforestry/Livelihood Facilitator of LGU.

Objectives:

- Provide participants with a clear understanding of the importance of the market action plan and its preparation process.
- Establishing a shared understanding among participants about the market demand, supply, and competitive conditions of value chain goods.
- To enable participants to develop appropriate market strategies for production, pricing, distribution and promotion.
- Identify areas of support that semi-commercial and commercial agriculture and agribusinesses need.
- To actively involve women, Dalits, Janajatis and members of other marginalized communities in the process of formulating a market action plan.
- Discuss the potential risks that may arise when implementing a market action plan and ways to mitigate them.

Required Materials

Handbooks, flexes and posters related to market action plan and enterprise development, value chain SBS flowchart, flashcards, workbooks, stationery, videos etc. (if possible).

Expected Results:

- At the end of the workshop, a concrete and implementable market action plan of targeted value chain items will be drafted.
- A common understanding of market opportunities and challenges will be established among the participants (farmers, cooperatives, traders, local governments).
- Farmers and cooperative/group officials will develop the ability to link their produce to the market and formulate market strategies.
- Direct involvement in the formulation of the action plan will increase the ownership and ownership of the community and stakeholders.

The action plan prepared will form a solid foundation for the successful implementation of the project and for carrying forward the income generating activities.

Content and Schedule of the Workshop – Day 3

Content	Time	Activities
First Session: Inaugural Session • Introduction • Expectation Collection • Purpose of orientation	15 minutes	Group discussion

Content	Time	Activities
Second Session: Market Analysis and Strategy Development - Review of market status - A brief presentation of the main findings (demand, supply, price trends, competitiveness) derived from a previous study (feasibility study of market hubs)	60 minutes	Presentation: Conceptual presentation on various topics through PowerPoint, Group discussion: Asking participants to discuss market opportunities and challenges based on their experience Visual content: Learning via video clips and infographics.
Third Session: Market Strategies Production strategy: Group discussion on how to improve product quality, quantity, packaging, and certification according to market demand Pricing Strategy: Discussion on the method of fixing fair price keeping in mind the cost of production, the price of the competitor and the benefit of the farmer.	60 minutes	
Fourth Session: Distribution and Promotion Strategies Distribution Strategy: Identify effective means to take the product to the market (e.g. cooperative collection center, wholesale market, direct sales). Promotion Strategy: Discuss promotional measures such as branding, fair participation, buyer-seller meetings, digital marketing.	60 minutes	
Lunch time	30 minutes	
Fifth session: Preparation of draft of action plan - Identify areas of cooperation for income generation (Identifying Support Areas for Income Generation) - Discussion about the support MSME (Micro, Small and Medium Enterprises) needs (e.g. business planning, credit access, technology training). - Group discussion on measures for special support for women and entrepreneurs from marginalized communities.	60 minutes	
Sixth Session: Outline of the Action Plan Dividing participants into small groups.	60 minutes	

Content	Time	Activities
- Focusing each group on one strategy, 'What to do?', 'Who will?', 'When to do it?' To prepare a blueprint with answers to these questions. - Implementation Risks and Monitoring (Implementation Risks and Monitoring)		
Seventh session: Conclusion of the workshop - Ask each group to submit a blueprint of their own action plan. - To prepare an outline of the final draft by integrating the entire action plan. - Concluding, thanking and concluding the workshop.	60 minutes	Presentations and Group Discussions

Note: The facilitator should encourage all participants to actively participate in the discussion.

After the workshop, market strategies will be developed, which includes the following parts:

- Product Strategy:** Strategize on how to improve product quality, quantity, packaging, and certification (if necessary) according to market demand.
- Pricing Strategy:** Determining the method of determining the fair price, keeping in mind the cost of production, competitive price, market demand and farmer's profit.
- Place/Distribution Strategy:** Choosing the most effective means of transporting the product from farmer to consumer (e.g. local market, collection center, cooperative outlet, direct sales, wholesale trader).
- Promotion Strategy:** Determining measures to be taken for marketing and promotion of products (e.g. branding, participation in fairs, use of social media, buyer-seller meetings).
- Climate adaptation strategy:** Planning how to address market risks (e.g., reduction in production, disruption in transportation) caused by climate change and how to market climate-resilient products.

Once the strategy has been formulated, there will be **identification of support areas for income generation** in which:

- Identify areas of support that semi-commercial and commercial agriculture and agribusinesses need (e.g. business planning, access to credit, technology transfer, skill development training, mentorship, access to market information, support in legal and registration processes).
- Giving special priority to businesses run by women and marginalized communities in accordance with GEDSI principles.

After identifying the area, a **draft of the market action plan** has to be prepared:

- Prepare a detailed draft of the market action plan based on discussion and strategy development. This should include clear goals, activities, responsibilities, timelines, and budgets.

Validation with Stakeholders and Finalization will be the following step after the draft preparation:

- Submit the draft of the market action plan to farmers, cooperatives, entrepreneurs, local governments and other stakeholders and seek their feedback and suggestions.
- On the basis of the suggestions received, the action plan will be finalized and formally approved.

The framework of the market action plan will be as follows:

MARKET ACTION PLAN (MARKET ACTION PLAN)

1. Introduction and Background:

Name of Scheme:

Objective of the scheme:

Objectives and significance of this action plan

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A brief description of the target value chain commodity(s) and its current market status.

S.N.	Targeted Value Chain Commodity	Status of demand (√)		
		High	Medium	Low

2. Summary of Market Analysis:

Demand Side:

S.N.	Target Market	Value Chain Commodity/Products	Quantity of Demand (tons)	Consumer Preferences (High/Middle/Low)

Supply Side:

S.N.	Value Chain Commodity/ Products	Supplier (Farmers/Co-operatives/Groups/Private Sector)	Supply capacity/Status of production (tons)	Current supply system (v)	
				Local production	Imported

Competitive Analysis:

Major Competitor	Their Strategy

Market Opportunities and Challenges (based on SWOT analysis)

Market Opportunities	Challenges

Write down the potential impacts and opportunities of climate change on the market

Effects	Opportunities

3. Market Strategies:

Product Strategy:

S.N.	Production Strategies	Required (is/not)	How to do it?
1	Improving the quality of the target item		
2	Improvements in packaging and labeling		
3	Certification (Organic)		
4	Development of Value Added Products		

Pricing Strategy:

S.N.	Value Chain Commodities /Products	Production Cost Per unit (Rs)	Price with minimum profit for sustainability of business (Rs.)	Current Market Price (Rs)	Fixed Price Per Unit (Rs)

Distribution Strategy:

Selection of market channels

S.N.	Marketing Channel	Suitable location for distribution	How suitable is this medium for product sales & distribution (many/medium/low)
1	Collection center		

2	Local Market/Haat Bazaar		
3	Direct consumer		
4	Through other traders		

How to manage transportation and storage?

Transportation Management	Storage Management
• • • • • •	• • • • • •

Promotion Strategy:

S.N.	Promotion Strategy	Efficacy/Requirement		
		High	Medium	Low
1	Branding and Logo Development			
2	Participation in market fairs, exhibitions			
3	Buyer-Seller Meeting (B2B Linkages)			
4	Digital Marketing (Boosting on Social Media)			
5	Development of market information systems (SMS, bulletin board)			
6	Advertising on radio, television			
7				
8				
9				

11. Estimated Revenue:

S.N.	Details	Amount (Rs.)

12. Estimated profit = Total income - Total expenditure (expenditure and investment)

13. Benefit-Cost Ratio: Total Profit/Total Cost

14. Further Planning/Risk Management Strategy:

For Farmers/producers
Draft Business Plan

(A brief framework designed so that farmers can easily plan throughout)

- Farmer's Name:
- Location (Municipality, Ward):
- Type of commodity produced:
- Total area/animal husbandry number:
- Estimated quantity of production:
- Market access (local, cooperative, retail):
- Plan Period: (How many years):

8. Cost Details (Expenditure):

S.N.	Details	Amount (Rs.)

9. Revenue (Income):

S.N.	Details	Amount (Rs.)

10. Estimated Profit = Total Income - Total Expenditure

11. Benefit-Cost Ratio: Total Profit/Total Cost

12. Required support/training/equipment:

If BC Ratio > 1 → more than the profit cost, project profitable

if BC Ratio = 1 → profit and cost equal, project neutral

if BC Ratio < 1 → cost higher, project loss

Assistance in access to finance (bank loans, grants, cooperative loans)

S.N.	Value chain actors	State of financial access			What to do to increase financial access?
		Saving	Loan	Grant	
1	Co-operative/Group				
2	Farmer/Producer				
3	Trader				

Mention if technology transfer, skill development training and business consultancy (e.g. advanced farming, processing, packaging) are required and plans to be taken

Specify if the legal and registration process is pending or if there is a plan to take

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Gender Equality, Disability, Social Inclusion (GEDSI) Sensitive Support (Special priority to women entrepreneurs, Janajati entrepreneurs, Dalit entrepreneurs, persons with disabilities, marginalized and vulnerable occupations)

S.N.	GEDSI Sensitive Support Activities	Who will do the activity	Beneficiaries (women, Dalits, Janajati, disabled etc.)
	Skill-based training		
	Non-Timber Forest Product processing		

Strengthening of Cooperatives/Groups:

Mention what is needed and can be done for the development of managerial and financial capacity of the cooperative/group

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5. Implementation Plan:

S.N.	Market Strategies	Main Activities	Responsibility	Timeline	Estimated budget	Source
1	Production Strategy	Improving the quality of the target commodity				
		Improvements in packaging and labeling				
		Certification (Organic)				
		Development of Value Added Products				
2	Pricing Strategy					
3	Distribution Strategy	Selection of market network				
		Management of transportation and storage				
4	Promotion Strategy	Branding and Logo Development				
		Participation in market fairs, exhibitions				
		Buyer-seller meeting				
		Digital Marketing (Boosting on Social Media)				
		Development of market information systems (SMS, bulletin board)				
		Radio, television advertisements				
5	Activities of support for income generation	Business plan development				
		Supporting for financial access				
		Business Consulting				
		Assist in legalization and registration processes				

S.N.	Market Strategies	Main Activities	Responsibility	Timeline	Estimated budget	Source
		GEDSI Sensitive Support				

Risks and Mitigation Measures:

S.N.	Potential risks while implementing market action plan	Measures to mitigate those risks	Who will regulate risks and implement measures?
	Decline in market prices		
	Natural disasters		
	Lack of capital		

Conclusion and Recommendation:

The overall feasibility of the action plan

Key recommendations/suggestions for successful implementation

6 SCHEME LAYOUT, TECHNICAL SURVEY, DESIGNS AND COST ESTIMATES

LAYOUT

The major structures of the scheme such as buildings, warehouses, information centers, compounds, toilets, streams, shed, etc. and the locations of the these existing structures, various types of risks, etc. are reflected in the community map. The scheme layout should be drawn on the basis of a community map.

TECHNICAL SURVEY

Value chain scheme to be constructed under the Local Adaptation to Climate Change Project such as the construction of collection centers, the establishment of haat bazaars, the structures for enterprise establishment and development, etc. and its appropriate location, structures and types are designed only after a detailed survey of the project site. A technical survey will be carried out on those feasible schemes after feasibility study through Annex 8 form of value chain-related infrastructure.

DETAILED DESIGN AND COST ESTIMATES

Major structures to be constructed under value chain and cooperatives schemes will be collection center, haat bazaar/market outlet and enterprise development structures. Before implementing any of these schemes, a detailed design and cost estimate must be prepared to ensure the effectiveness, feasibility and technical suitability of the scheme. In this process, a technical survey of the scheme area, the design of the necessary structures, implementation procedure, human resources, potential risk assessment, the need for materials and equipment are determined and the expenditure is properly evaluated.

Detailed design and cost estimates clearly define each aspect of the scheme implementation, thereby ensuring the quality, cost control, time management and sustainability of the scheme.

Important preparations such as technical surveys, design and cost estimate are carried out before the work of value chain promotion proceeds. After all these steps are completed, a detailed design and cost should be prepared. The detailed design and cost estimates prepared in this way must be submitted to the Project Management Committee (PMC) for approval in consultation with the concerned natural resource management experts. This process helps to make every activities of value chain, effective and sustainable, as it ensures technical efficiency, policy and environmental sensitivity.

Table 2: Options and types of design of the scheme and some basic criteria

S.N.	Structure	Basic Criteria and Options
1	Construction of collection center	- A minimum area of 1 ropani (1.5 kattha) should be for the construction and operation of the collection center. - The distance between one agricultural goods sales market or collection center or haat bazaar to the other should be at least 1 kilometer. - The physical structure will be made from construction materials like wood, brick, stone, iron, fabrication, steel. - There should be a suitable area for waste management . - Physical structures must be earthquake resistant - The capacity of the collection center will be determined on the basis of the production collected in the proposed agricultural production area.

S.N.	Structure	Basic Criteria and Options
2	Establishment of haat bazaar/sales center/market outlet	- A minimum area of 2.5 ropanis (4 kattha) should be available for the construction and operation of agricultural market/sales center and a minimum area of 3 ropanis (4.5 kattha) for the operation of agricultural market/sales center with collection center. - The distance between one agricultural goods sales market or collection center or haat bazaar to the other should be at least 1 kilometer. - To make the sheds disaster resistant iron pillars and CGI roof must be installed. - The capacity to set up haat bazaars/sales centers will be determined on the basis of the production collected in the proposed agricultural production area. - Physical structures must be earthquake resistant - There should be a suitable area for parking and waste management .
3	Promoting fixed value chains/ setting up enterprises assist in abam development	- Grading, packaging, branding, dryer machine, grinding/grinding machine, cold storage etc. used for promotion of value chain should have received Nepal and Indian standard quality mark. - The design and cost estimation will be done by making a detailed technical specification of the machines and materials that will help in the establishment and development of the enterprise - The physical structure will be made from construction materials like wood, brick, stone, iron, fabrication, steel. - Physical structures must be earthquake resistant - There should be a suitable area for waste management .

The detailed design and cost estimate of these schemes will be carried out in accordance with the standard template prepared by the LACC project.

6.1 ORIENTATION OPERATION METHOD FOR ACCOUNTING AND RECORDS MANAGEMENT (INCLUDING PROCUREMENT PROCESS) TO GROUP/CONSUMER COMMITTEES

Introduction: In all the schemes under the Local Adaptation to Climate Change Project, non-local materials purchase, storage management, income expenditure are accounted for by the group/committee, so the amount required for the construction of the scheme is released in installments from the account of the Natural Resource Development Fund to the Cooperative/ Agricultural Group/ Community Forest Users Committee (UC).

Therefore, UCs need to be accountable about the processes of purchase of construction materials, store management, accountant management etc. Detailed training to the group/UC and procurement committee is conducted immediately after the agreement is reached in the implementation phase of the scheme.

This orientation provides general information on financial and account management to all members of the Group/UC.

This orientation is organized after the completion of the detailed technical survey.

Duration: 1 day

Participants: All members of the group/committee and ward representatives

Facilitators: Project Officer/Field Coordinator/NRM Facilitators

Objectives:

- To inform group/committee members about the community procurement process
- Providing information to the members of the Group/Users Committee regarding construction materials, tools, equipment, keeping records of skilled and unskilled workers;
- Introduction of various accounts to be maintained by the Group/Users Committee,
- To sensitize the members of the Group/Users Committee about the quality of external and local construction materials used in the scheme,

Materials Required: SBS flowchart, fund flowchart, community procurement procedure, audit and account sample, forms and brown paper, marker, pen etc.

Contents and Schedule for the Training – Day 4

Theme	time	Activities
First Session: Opening Session • Introduction • Expectation Collection • Objectives of orientation	30 min	Games, Discussions
Second Session: Fund Flow Methodology • Fund flow and investment allocation	45 min	
Third Session: Process of releasing funds to UC • Terms and Conditions of the Agreement • Installment release process • Required bills and receipts • User's cash contribution to investment • Kind contribution required in the scheme • Maintenance fund	90 min	Fund flow and investment allocation schedule
Fourth Session: External materials Purchase Process • Direct Purchase • Sealed Quotation • Comparative table • Public Audit	90 min	Format of agreement paper
Fifth session: Quality of building materials • Nepalese and Indian quality mark and quality of necessary tools and other construction materials • Quality of local building materials	45 min	
Sixth Session: Scheme Expenditure and Accounts Management • Cost of materials, transportation cost and cost of labour • Local government Rate		Procurement procedure,

Theme	time	Activities
- Maximum budget limit and sources of income - Group/Committee Bank Account, Income Expenditure Account, Store Account Closing	60 min	users group account, operation and maintenance, illustrated booklet, etc.

PS: The facilitator should encourage all participants to actively participate in the discussion.

6.2 COORDINATION MEETING WITH MARKET STAKEHOLDERS

Once the detailed design and cost estimate of the scheme is prepared, coordination with market-related stakeholders is necessary for its effective implementation.

This meeting is organized to explore the possibility of transparent dialogue, partnership and sustainable cooperation by keeping market actors (wholesalers, retailers, cooperatives, processors, transporters, private sector, industry, municipality representatives, farmers/forest/water users groups, etc.) in one place.

Importance

- To inform the stakeholders about the proposed activities of the scheme
- Collecting suggestions from market actors
- Building potential partnerships between wholesale buyers, traders or industries with cooperatives, groups and entrepreneurs
- Encourage inclusive access and local-level ownership
- To ensure local concern and commitment in the implementation of market strategies and scheme

Process

The following steps should be adopted when holding coordination meetings with market stakeholders:

- I. Preparation for the meeting:
 - First of all, a list of participants will be prepared, which includes farmers, traders, cooperatives, representatives of municipalities, consumer committees, women/marginalized community representatives, etc.
 - Preparing a presentation of activities (design, cost, feasibility etc.)
 - Keep the required documents, details and forms ready
- II. Conduction of Meeting:
 - Introduction and objective presentation
 - Inform about proposed value chain promotion activities and scheme
 - Discussions and Q&A with market representatives
 - Feasibility of collaboration, clarity of roles and responsibilities
 - Collecting the commitment (written or verbal)

III. Conclusion and report of the meeting

- Collecting Suggestions
- Mention possible models of cooperation in implementation
- Writing as a decision on minute

Expected Results

- MoU on partnership between private sector, cooperatives/groups
- Active market participation in the value chain system
- Scheme revision/upgrading based on suggestions and recommendations
- Introduction of sustainable access for cooperatives/groups to wholesale markets or industries

The meeting preparation checklist, participation form and commitment/collaboration interest expression form to be filled in coordination meetings with market stakeholders are kept in Annex 7.3.

7 FORMULATION, PRESENTATION AND APPROVAL OF COMMUNITY ACTION PLAN

Proper planning, active community participation, systematic implementation process, continuous monitoring and ensuring sustainability are of utmost importance for effective operation of the value chain and cooperative schemes to be undertaken by the project. For this purpose, a community action plan framework should be prepared covering the entire process from the initial stage of the scheme, the implementation phase, the final evaluation and the formulation of the sustainability plan.

This framework will help in advancing any value chain and cooperative schemes in a phased, participatory and sustainable manner. While preparing the community action plan, it should be in accordance with the detailed cost estimate of the scheme and the value chain implementation step-by-step procedure. This should be done during the preparatory phase training after detailed community resource mapping and formation/restructuring of users committees. The main tasks to be performed at this stage are as described in this chapter.

7.1 DESIGN AND COST ESTIMATION + COMMUNITY ACTION PLAN ORIENTATION AND PREPARATION

At the end of the preparatory phase, design and cost estimate and community action plan training is conducted to the group/UC by the LGU staff. It is important for the groups/UC to have clear understanding about the design cost estimate, layout of the scheme, the cash/kind investment of various stakeholders so that the community action plan can be prepared in a democratic and transparent manner, and the group/UC will discuss and finalize the community action plan of the implementation stage after this training. During the preparation of the community action plan, the first monitoring task force of the plan must also visit the scheme. It is mandatory to include one copy of the community action plan in the implementation phase agreement.

Duration: Last day of orientation at preparatory stage

Participants: All members of the Group/UC, representatives of the respective wards

Resource Person: Technical Officer, LGU Project Officer, Other field staff

Organizer: Local Government Project Implementation Unit (LGU)

Objective of training:

- Make the group/UC clear about design cost estimates and layouts of the scheme.
- Explain the importance of community action plan to the group/UC.

Expected result: The members of the group/UC will prepare a draft of the community action plan (based on the available form) by being clear about the design cost, quantity of materials and community map.

Required materials: Design cost estimate of the scheme, community action plan form, SBS flowchart, scheme account, cost sharing chart, ledger and forms related to account, brown paper, poster etc.

Content and Schedule of the orientation – the last hour of 4th Day:

Content	Time	Activities and materials to be used
First session: Introduction of Action Plan Review of past trainings Collecting participants' expectations Purpose of training Expectations after training	30 minutes	Game Participants' expectations will be verbally summarized in the written paper. Present the objectives and expectations of the training in the paper
Second Session: Design Cost Estimates Detailed design cost estimates and layouts Structures to be built Estimated cost (structural cost, rate of efficient semi-skilled labor, cost rate of sand, cement and other construction materials etc.)	30 minutes	Explain according to design cost estimate of the scheme Attach the layout and present
What is a community action plan? Importance of Community Action Plan Responsibility of the community How to prepare a community action plan ? List of tasks and activities to be done according to the plan? How to conduct activities according to the community action plan ? How to review and follow up the community action plan ? Draft community action plan preparation Rate of transportation (Sand, cement, easily unavailable materials, other easily available materials), expenses management, etc.; Detailed purchase plan preparation of materials Identification and mobilization of local resources; Identification of local resource persons (skilled and semi-skilled labor, maintenance worker), local materials and local investment (cash and labor etc.) Resource mobilization and seasonal calendar		

7.2 APPROVAL OF DESIGN, COST ESTIMATE & CAP

After the completion of detailed survey and design and all the trainings in the preparatory phase, the group/UC will approve the community action plan and design and cost estimate through a mass meeting/general assembly of directly benefited households/users from the scheme.

This program takes place simultaneously with the first monitoring of the scheme and is also the first public audit conducted by the group/UC. This mass meeting should ensure that the scheme is technically and socially appropriate, covers all the required households and pays attention especially to the marginalized ones. This gathering is very important to lay the foundation for the regular operation and sustainability of the scheme in the future. The monitoring team will include representatives of Rural Municipalities/Municipalities and the project.

7.3 CAP AND DESIGN ESTIMATE APPROVAL PROCESS

The group/consumer committee shall call the first public audit mass meeting for the approval of Community Action Plan and the design cost estimate, as well as to conduct the first public audit. The venue and time mass meeting, convenient for all users.

The maximum possible number of users must participate in this meeting; at least 75% of households, 50% of women, and proportional representation from ethnic communities and disadvantaged groups must be ensured. If women's participation is less than 50% or representation from all ethnic communities and areas is not achieved, the meeting shall be postponed, and a new date and time shall be set.

The meeting shall be chaired by the Chairperson of the Users' Committee/group. One of the committee members (preferably the Secretary) shall present the agenda of the meeting. The agenda of this meeting shall be as follows:

- Opening and introduction of the program
- Objectives of the mass meeting
- Presentation and approval of preparatory phase activities carried out by the Users' committee/group
- Presentation of detailed design estimate and approval from the users
- Presentation and approval of the scheme layout plan
- Presentation, discussion, finalization and approval of the Community Action Plan.
- First monitoring of the Scheme as per the monitoring book.
- Procurement process of external construction materials, formation of external procurement committee and approval from mass meeting
- Validation of suggestions and recommendations made by the monitoring team and recording them in the group/UC minute and monitoring book.
- Presentation of the minutes among the users and stakeholders.
- Closing of the mass meeting

The group/consumer committee will prepare and present the scheme information board. The details of the benefitted households, User committee/group members details, community map and the scheme layout plan, the estimated cost, and the investment contributions of various stakeholders should be clearly mentioned in the scheme information board. (A sample of the scheme information board is presented in this guideline).

Users committee/group members will present the Community Action Plan with the help of the field coordinator and the design cost estimate with the help of the sub-engineer.

All women and men should ensure they have knowledge about the design, cost estimates, and how much money will be spent for which purpose.

Everyone should be encouraged to discuss the Community Action Plan, and formal approval should be taken from the mass meeting.

Users/group members should be clearly informed about the amount of work the community has to do and the cash they have to invest.

Encourage all men, women and people from different ethnic communities to participate in the discussion and clarify any questions they may have.

The mass meeting will formulate a plan for external material procurement and will also form a procurement committee. (For detailed information, please refer to the Users Committee's External Material Procurement Procedure).

The public audit and its approval process should be carried out during this mass meeting.

After the completion of the public audit, the monitoring team will conduct the first monitoring of the scheme based on the monitoring book. All findings and discussion points of the monitoring must be filled out on-site during the monitoring.

All issues discussed and raised during the meeting should be documented. The points and issues highlighted by the monitoring team should be verified by the users Committee/Users, and this should be recorded in the UC meeting minutes and monitoring book.

Signatures of all participants should be obtained in the minute book of the Users' Committee, and an attendance sheet should be prepared separately indicating gender, disability, and ethnic groups.

After this mass meeting or the first public audit, the Users' Committee meeting shall prepare for the approval of scheme documents and the agreement for the implementation phase and submit the documents to the Local government office.

If, for any specific reason, the first public audit/mass meeting or the first monitoring team does not approve the prepared design estimate and Community Action Plan for scheme implementation, the project will not proceed to the implementation phase and scheme will be removed from the annual program.

The monitoring team will submit the monitoring book to the Local government unit for necessary action.

8 MONITORING THE SCHEME

The activities and interventions under the project shall be monitored at least twice in accordance with the project implementation manual. The following aspects should be taken into account in this monitoring:

Key aspects to monitor in different scheme level monitoring visits

Monitoring	Key Aspect to Monitor
First (At the end of the preparation phase)	• Community Action Plan • Commitment of users to implement the scheme by contributing cash and kind • Understanding of project approach and norms by all users including all class, caste and gender. • Feasibility of scheme in terms of social disputes, cost and technical complexity. • Users committee formation process and representation • Transparency of information; budget, cost contribution, design estimate, minute keeping • Awareness and consensus of users on scheme structures, layout, rate and cost of the scheme including component costs. • Effectiveness of training/s provided by Local government project implementation unit staff including training days and facilitation. • Performance of Local government project implementation unit staff in the scheme in preparatory phase
Second/Last (At the end of the implementation phase)	• Physical completion of the scheme; structures, protection etc. • Quality and quantity of purchased external and local materials collected and status of their use • Procurement process • UC/group meeting and minutes: practice of collective decision making and transparency • Financial status: income, expenditure • Status of bookkeeping and other records • Effectiveness of training/s provided by Local government project implementation unit staff including training days and facilitation. • Performance of Local government project implementation unit staff in the scheme in preparatory phase • Status and quantity of leftover materials • Performance level of employees of the municipality unit implementing the project

9 APPROVAL BY PROJECT MANAGEMENT COMMITTEE (PMC)

The Project Management Committee (PMC) is a mechanism established at the Local government for project activities implementation, under the leadership of the respective local government. Within the framework of the LACC Project, the PMC at the local level has the authority to approve annual programs, implement activities, monitor the progress, and make necessary decisions. The UC/group prepares the annual work plans of the project according to local needs and policies. Once endorsed by the council, the committee submits it to the project. The committee has the authority to make decisions required for plan implementation and to provide necessary directives.

The PMC is also responsible for giving prior approval to all training, workshops, and seminars conducted through Natural Resource Development Fund (NRDF) or project resources. In addition, the committee must coordinate with user's committee and local government staff to organize public hearings. The PMC monitors project implementation progress, organizes review meetings, and prepares monitoring reports. Furthermore, it regularly monitors the income and expenditure records of the NRDF.

Proposals for capacity development activities should be prepared by the staff of the local government implementation unit and pre-approved by the PMC. The cost estimates of all value chain and cooperatives schemes and other investment heading scheme must be approved by the PMC after the first round of monitoring before moving forward to the implementation agreement. Before approval, the PMC will review the project accounts based on established criteria. It must also ensure that all preparatory activities have been completed and that the users have approved the plan through their mass meeting.

Approval Process

On behalf of the Local government executive office, the PMC approves the schemes before signing the implementation phase agreement. The following basic requirements will be checked, and the approval will be recorded in PMC meeting minutes.

Completion of all preparatory phase activities as per project step by step manual including group/UC capacity building activities, verified and quality checked by monitoring team.

- All the preparatory phase activities are reported by LGU staff.
- Monitoring report of preparatory phase submitted.
- Design estimate of the scheme shared and approved in mass meeting.
- UC bank account in operation and Cash contribution of users both for investment and O&M fund deposited on it.
- Local government contribution as per design report is ready to deposit in UC bank account or ensure the fund is secured for the schemes.

Community Action plan prepared and approved by mass meeting.

All above documents are submitted by local government project implementation unit staff to RM.

Monitoring and evaluation are crucial to ensure that project results are achieved, both in terms of quality and quantity. Monitoring activities should be relevant, timely and in the right manner so that the impact and progress of the project can be known from the project partners and it should provide statistics and information. In addition, segregated data collected from field monitoring should also meet the interests and needs of national and thematic partners:

- To provide information for decision making
- Updating and maintaining records of progress and process

- Measuring impact and results
- Increase in accountability: both downward, from the subject-matter level to the community level, and upward, to the agreement/contracting authority of the project
- Motivation and willingness to contribute to investment
- Capacity Building

10 AGREEMENT BETWEEN COOPERATIVES/GROUPS/USERS' COMMITTEES & LOCAL GOVERNMENTS FOR IMPLEMENTATION

After the first monitoring, if the scheme is appropriate, it is approved by the Project Management Committee (PMC). In the case of co-operatives, executive committee, in the case of groups, users' committees and firm in the case of private enterprises and Rural municipalities/Municipalities will have a written agreement for the scheme implementation. Facilitation of the agreement will be done by LACC Project.

The format of the agreement between the Cooperative/group/firm and the Local government is included in ANNEX 9 of this manual.

11 USERS' COMMITTEE MANAGEMENT AND PROCUREMENT TRAINING AT LG/CLUSTER LEVEL

The user's committee/group is responsible for keeping the record of the funds received from Natural Resource Development Fund (NRDF) and other sources, in accordance with project guidelines. The received fund should be utilized for material procurement and storage, mobilization of skill human resources and completion of other activities as per agreement. The UC/group should keep their record in transparent manner showing all income–expenditure account clearly.

This training is organized immediately after signing the implementation phase agreement. It should be provided to at least three people from one UC consisting of members of user committee, procurement committee members, and ward chairpersons in a convenient location.

Duration: 3 days

Participants: UC/group members (Chair/Vice-chair, Secretary/Treasurer, procurement committee member and technician from respective ward office).

Time: Immediately after signing the implementation phase agreement

Facilitator: Full time facilitator (Staff of Local government implementation unit, Technical Assistance Advisor, Natural Resource Management Expert) Part time facilitator (Local government Chief Administrative Officer, Engineer, Accountant)

Venue: LG head Quater or Cluster level

Organizer: Local Government Project Implementation Unit

Objectives of the training:

- To enable user committees/groups to procure external construction materials as per project procedures.
- To strengthen the capacity of user committees/groups in maintaining systematic accounts of income and expenditure.

- To enable user committee/group members to keep records of construction materials, machinery and tools.
- To train user committee/group members to maintain records of skilled, semi-skilled labour and voluntary labour contributions.
- To enable user committees/groups to assess the quality of construction materials (local and external).
- To enhance transparency and accountability of user committees throughout all stages of the project.
- To raise awareness among user committees on climate change adaptation, disaster risk management and resource conservation methods.
- To familiarize user committee members with the financial rules and policies of the Government of Nepal and local governments.

Training materials required:

Design and cost estimate book, implementation phase agreement, community action plan, book-keeping forms (requisition form, cash receipt, sample vouchers), procurement forms, sample accounts (bank, income-expenditure, inventory), calculator, brown paper and samples of water pipes, fittings, tools, and safety equipment for demonstration.

Contents of the Training

Day	Content	Time	Activities and materials
First Day	Session I • Introduction • Objectives of the training • Pre-test • LACC Project Introduction, fund flow and contribution pattern	90 min	Game Presentation Written test Fund flow chart Contribution chart
	Session II • Process of fund release to UC account • Condition of contracts • Records and documents to be maintained by UC	90 min	Presentaiton UC & Local governmentcontract peper Sample of documents
	Session III • External materials procurement process • Role and responsibility of UC, Procurement committee, Monitoring committee and other stakeholders	90 min	Procurement manual, step by step chart of procurement, UC manual
	Session IV • Quality and specification of external materials • Quality of local materials • Standard of construction (building, shed, road, structures etc.)	90 min	Scheme design report Pictorial book of construction materials used in value chain and cooperatives schemes

Second Day	Session I - Review of Day I - Occupational health and safety, Natural Resource management and climate-smart practices.	90 min	Discussion, sharing
	Session II - Scheme Cost and recording - Estimate of each component and ceiling of expenditure	90 min	Design report of scheme formats
	Session III - Public Audit, Scheme information board, (Process, participation and content) - Introduction of bookkeeping to be maintained by UC	90 min	Sample formats Picture of scheme information board UC manual
	Session IV - Introduction of accounts and formats (procurement and bookkeeping) - Construction materials, transportation, skill and unskilled labors - District rate, maximum ceiling per component and source of income - Samples of receipts - Back account - Income expenditure accounts - Store book (consumable) - Store book (non-consumable) - Scheme book (yोजना khata)	90 min	O&M regulation, Procurement manual, UC manual Sample of accounts and vouchers/receipts
Third Day	Session I & II - Exercise on filling formats related to procurement - Exercise on filling formats and book keepings discussed on Session IV of day II	180 min	Group exercise based on virtual case
	Session III Climate-resilient water security planning, water quality testing, productive use of water.	90 min	Discussion
	Last Session - Presentation and interaction on the issues - Post-test of the training - Closing of the training	90 min	Discussion Written Test Closing of the training

12 CAPACITY BUILDING FOR ACTIVITIES IMPLEMENTATION

After the completion of the agreement between the group/UC and the Local government in the implementation phase of the scheme, the group/UC undertakes the activities of the construction of the scheme. Such activities are carried out in accordance with the approved Community Action Plan. In order to further encourage the group/committee to start the scheduled tasks, more clarity should be made about their responsibilities and basic as well as sensitive tasks. This seminar will further support the group/UC to review the procurement process, community action plan and mobilize the community in construction work in an revised and planned manner.

Duration: 1 day

Appropriate time: After completion of agreement and UC management training.

Participants: All members of group/UC, procurement committee members and representatives of the scheme area

Facilitators: Project Officer/Field Coordinator, Sub-Engineer, Water Resources Technician and Social Mobilizer

Organizer: LG Project Implementation Unit

Objectives

- To review the community action plan and initiate the work accordingly.
- To discuss procurement plans, rules, procedures and methodologies.
- To make the UC members clear about the terms and provisions of the agreement.
- Prepare the group/UC to carry out activities as per the community action plan.
- To remind group/UC members about their roles and responsibilities.
- Giving more information about the roles and responsibilities of various partners.
- To re-discuss the operation and maintenance of the scheme.
- Further discussion on community mobilization, transparency and public audit.
- To remind about the meeting, decision and its record to the group/UC.

Expected Outcomes: The group/committee will

- Be able to carry forward the scheme activities according to the community action plan
- be capable of procurement and other management.
- review the community action plan and, if necessary, revise it.
- remain alert about the operation and maintenance of the scheme.
- recall the roles and responsibilities of itself and various partners
- understand the importance of transparency in all transactions.

Required Materials Memorandum of Understanding, Design Estimate Book, Community Action Plan, SBS Flowchart and Other Posters, Group/Consumer Committee

Operation Directory Operation and Maintenance Directory and Other Guidelines

Workshop content and schedule

Day	Content	Time	Methodology and Materials
First	First session Introduction • Introduction of the Participants • Theme and purpose of the seminar • A brief review of training in the preparatory phase	30 minutes	Group discussion, SBS Flowchart
	Second session • Terms and conditions of the agreement at the implementation stage • Roles and responsibilities of various partners and UC • Recording of the meeting decisions and report preparation • Public audit, method and time of audit	60 minutes	Agreement letter, Discussion
	Third Session • Review of Community Action Plan • Major Activities • Duration and Time • Main and supporting roles • Supervision • Need for revision	60 minutes	Discussion on community action plan in UC
	Fourth session • Management of construction materials and storage • External Materials Procurement Plan, Rules, and Methods • Local Materials Collection • Availability of skilled and semi-skilled labor and rate of wages and rate of transportation • Quality of Materials and Structures	90 minutes	Procurement guidelines mentioned in the UC Operation Guidelines, Construction Materials Transportation and Store Management Guidelines VMW Manual
	Fifth session • Review of Market Action Plan • Discussion about business plan • Basic technical information about the activities of the target commodity and value chain • Information about the initial processes related to production and processing	120 minutes	Facilitation to Group/UC and directly benefitted households through presentation and discussion

Figure 2: Sample of Scheme Information Board



Co-funded by
the European Union



**SUOMI
FINLAND**

----- Rural/ Municipality

Local Adaptation to Climate Change (LACC) project
XX district, XX province

X X Scheme Name XX MUS/DWS/IRR.....

Ward Number: -----



Social and Technical Features:

Name of Users Committee:

UC's Reg. No.:

Beneficiary Settlement/Cluster: Irrigation Command Area (Ropani):

Construction Period: to

Beneficiary Household

BCTS	Dalit	Janajati	Other	Total
-	-	-	-	-

Beneficiary Population

BCTS	Dalit	Janajati	Other	Total
F M F M F M F M F M				
110 - - 23 - - - -				110 23

Details of Users Committee

BCTS	Dalit	Janajati	Other	Total
F M F M F M F M F M				
1 - - - - - - 2 1 2				

Major Components in the Schemes

SN	Components	No.	SN	Components	No.
1	Intake	7			
2		8			
3		9			
4		10			
5		11			
6		12 Tap			

Climate adaptation, risk management, and resource conservation activities in the Scheme:

Planned: ----- Completed: -----

Ttrained Human Resources in the Scheme

SN	Details of Human Resources	BCTS		Dalit		Janajati		Other		Total		Mobile Number
		F	M	F	M	F	M	F	M			
1	ige Maintenance Worker	-	-	-	-	-	-	-	-	-	-	
2	Operator	-	-	-	-	-	-	-	-	-	-	
3		-	-	-	-	-	-	-	-	-	-	

Scheme Layout Map

Detail Cost Estimate

Description	Estimated Cost NPR.	Actual Cost NPR.
Non local materials	3,200,000	1,111,111
local material Collection & Unskilled labour	3,200	1,200
Skill labour	12	12
Transportation by Truck	12	12
Transportation by People	12	12
Store cost (Road head)	12	12
Ucs management cost	12	12
Total	3,203,260	1,112,371

Contribution Patteren

Description	Estimated Cost NPR.	Actual Cost NPR.
Community		
Kind	1,234	1,234
Cash	50,000	50,000
NRDF		
RM (Cash)	1,000,000	900,000
GoN	780,000	780,000
GoF/EU	600,000	600,000
Total	2,431,234	2,331,234

Description of Operation & Maintaince Fund

Collected fund before scheme implementation (NPR):	1,200,000
Collected fund during scheme implementation(NPR):	2,222,222
Per HH Contribution (NPR.)	2,000

Scheme Implemented By:

LC Project Implementation Unit



The size of the scheme information board is usually 4X3 feet or as needed.

14 SPECIFICATIONS FOR PROCUREMENT OF MATERIALS, TRANSPORTATION & STORE MANAGEMENT, MATERIALS COLLECTION & CONSTRUCTION

Refer Community Procurement Manual for External Materials Procurement and the illustrated handbook of external construction materials.

GUIDELINES FOR EXTERNAL AND LOCAL MATERIAL COLLECTION AND SPECIFICATION OF MAJOR WORK

Introduction: Local materials collection, labour and transportation should be contributed by community as per Project Implementation. These works include the collection and transportation of local construction materials such as stone, sand, gravel, and timber etc. In addition, with the support of technical personnel, Users/group shall procure external construction materials such as cement, reinforcement bars, and other materials as per the project's procurement procedures. This step provides guidance on the required quality standards of both local and external construction materials.

Stone: Stones should be hard, tough, clean and regular on faces. Stones obtained from quarries are suitable; however, those collected from rivers are usually smooth and rounded in shape. Such stones should be dressed so that their outer surfaces become rough. Stones to be used must not have soil or other impurities attached to them, and they should be washed with clean water before use.

Aggregates: Aggregates should be clean, hard, non-porous, and free from dirt or other impurities. As far as possible, it must be washed with clean water before use. Contaminated aggregates cause reinforcement bars used in concrete to rust quickly. Aggregate with high percentage of flaky or elongated particles should be rejected. After twenty-four hours in water, a previously dried sample should not gain more than 10% in weight. Aggregates with angular and rough surfaces are considered suitable.

Cement: Cement shall be of Nepal standard or Indian Standard (markings). It shall be packaged properly with extra bag to avoid loss during transportation and storage.

In Nepal, a cement bag must weigh 50 kilograms and the quality standard mark of Nepal Standard (NS) as follows: NS 572 (Portland Cement), NS 384 (Portland Slag Cement), or NS 385 (Portland Pozzolana Cement), or comply with Indian Standards (IS) or British Standards (BS).

Cement must be fresh, with the manufacturing date or batch number clearly indicated on the bag.

Since cement deteriorates when exposed to water, moisture, or vapor, leading to lump formation and loss of quality, proper protection is essential. During transportation, cement bags should preferably be repacked inside an additional bag. When transported by mules, the cement bags should be opened and repacked into 40 kg bags, and special care should be taken to avoid contamination with soil or other impurities.

Cement must be stored in a location with minimal windows and doors, placed on a timber platform above the ground, and stacked at least 1 foot away from the wall.

Lumpy or hardened cement shall never be used. Such deteriorated cement must not be reused, even if broken down or powdered.

Bricks: Bricks should be well burnt, uniform shape and free from cracks, lumps and foreign matters.

CGI Sheets/Roof: CGI sheets should be of 26 gauge with quality mark

Timber: Whenever applicable, Sal Wood should be used. If not available, only hard wood locally available in the area shall be used. The timber must be well-seasoned, free from cracks, and straight.

Where the timbers need to be embedded underground should be treated with preservative paint to prevent decay and insect attack. In projects, timber is generally used as posts for fencing.

Sand: As far as possible, river sand or quarry sand should be used. The sand must be free from soil, silt, and any other chemical impurities. It should neither be too fine nor too coarse. Before use, sand must always be washed thoroughly with clean water. Sand mixed with soil can be identified when rubbed between the fingers, as it leaves dirt stains.

Water: The water used for all construction works must be clean, free from chemicals, and free from turbidity.

Reinforcement bars: All reinforcement bars used must conform to Nepal Standards. The bars should not have any coating of paint, grease, oil, or other foreign materials. Only fresh and rust-free bars should be used. During storage, the bars must be protected from water to prevent rusting. Reinforcement bars are available in plain, Tor steel, deformed, and other types. While transporting, the bars should be carried as straight as possible without bending. Excessive twisting or bending reduces their strength.

Note: The quality of materials should be ensured as per “LACC Project Handbook for Quality and Specification of Construction Materials, 2025”

Ordinary Concrete: In general, cement concrete is prepared in the following proportions. For each bag of cement (50 kg), the quantity of water used in making concrete should not exceed the specified limit given below.

Table 3 Grade of concrete

Grade of Concrete	Nominal Mix (Cement: Sand: Aggregate)	Quantity Water (Lts) per 50 KG cement
M 10	1:3:6	34
M 15	1:2:4	32
M 20	1:1.5:3	30
M 25	1:1:2	26

For water-retaining structures, a waterproofing compound should be used at a rate of 2% or as specified on the package. For all types of cement works, cement, sand, and aggregate must first be dry mixed in the prescribed proportion and turned over two to three times. Only after this should the specified quantity of water be gradually added while mixing. The mix should not be tamped in a way that allows water to flow out. Once the cement mix is prepared, it should not be kept for long periods and must be used immediately.

Curing: In all construction works involving cement, the freshly placed cement mix must be protected from the harmful effects of sunlight, running water, dry wind, and vibrations. Since the cement hardening process is exothermic, these protective measures are essential. During curing, the structure must be kept moist for at least seven days by continuously sprinkling water. This can be done by covering the structure with jute bags and spraying water or by placing sand over the concrete and sprinkling water.

Precautions Before Starting Construction:

This manual is designed to serve as a practical guide for User Committees/groups and LACC Project staff members at the municipal level in implementing day-to-day project activities. Since scheme

construction may be the first such experience for many User Committee members and municipal staff, the manual aims to provide clear direction and support throughout the process.

Checklist: Preconditions Before Starting Work:

Construction cannot proceed without:

- A registered, committed, and trained Users Committee (UC) is familiar with the project.
- A community action plan (CAP) is prepared with the active participation of all users.
- Design reports, estimates (Easily under stable), layout and structural drawings in Nepali.
- Cash and Kind contributions.
- Quality standards and specifications for construction work.
- Identification of high-risk sites and preparation of safety tools and equipment.
- Environmental and biodiversity mitigation plans.
- Insurance for construction labor groups.

Procurement of External Construction Materials: Before procurement of external materials for construction, the following documents must be verified:

- Approved and easily understandable item wise quantity and cost of external materials.
- Trained procurement committee.
- Clear list of tools, safety equipment, and external materials.
- Specifications and quality standards for materials.
- Quotation and contract forms.
- Minutes related to procurement.
- Delivery schedule of construction materials.
- Plastic sheets for cement storage.
- Unloading and storage at road head.
- Timely management of transportation of external material in case of further transportation by tractor, mule and labor.

Local Material Collection and Transport:

- Clear identification of materials to be collected and transported locally.
- Identification of location, quarry sites of quality construction materials (stone, sand, gravel, etc.).
- Storage locations.
- Selection and identification of collectors and transport personnel.
- Detailed allocation of materials to sites.

Storage Arrangements: The following material should be arranged for proper storage.

- Cement must be stored in rooms with wooden floors.
- Thermochromic Chowk, tools and fittings must be stored in rooms with minimal windows and doors.

Work Schedule:

- Role and responsibilities to individuals for work.
- Schedule of main work.
- Responsible person for mobilizing human resources and construction materials for structure construction
- Construction starts and end times, warning signage, and safety boards.
- Brief orientation for construction activities before starting work.

Human Resources:

- Appropriate deployment of Skill and Unskilled labor.
- Information on the importance and impact of construction quality.
- Record keeping of voluntary and paid labor participants i.e. cash and Kind contribution.
- Rotational participation for construction (to ensure the participation by all users).
- Efficient construction plans to minimize cement wastage.
- Reservation for women and marginalized groups in paid work.
- Progress, Measurement, and Record-Keeping:
- Attendance records Labor (Skill & Unskilled).
- Work progress layout (Color).
- Measurement and record of completed works (Mandatory representation of Users Committee while taking measurements).
- Preparation of construction log sheets (Separate for each structure).

Safety:

- Encourage workers to wear protective footwear.
- Use safety equipment when working with sharp tools.
- Apply safety measures at high-risk sites.
- Group accident insurance for workers.
- Special attention to construction in steep areas, rock cutting, sand/gravel mining, deep trenches, or tree felling.

Construction work Log Sheet: After completing each structure, the water source technician must update and approve the log sheet. The log sheet is mandatory for final project evaluation

Construction Work Log Sheet
(Mandatory to be filled for all structures)

Scheme Name:

Structure Name:

Construction Start Date:

Construction Completion Date:

	Estimated Quantity (as per Estimate)	Actual Quantity Spent
A. External Materials		
B. Labor		
1. Skill Labor		
2. Unskilled Labor (Cash Contribution)		
3. Unskilled Labor (Kind Contribution)		
C. Fittings/Sanitation/ Electric items		
D. Local Materials		
E. Miscellaneous Items		

Additional rows can be added as required.

Prepared By:

.....

Water Resources Technician

Checked By:

.....

Sub-Engineer

Approved By:

.....

Committee Chairperson / Nominated
Committee Member

Date:

One of the key responsibilities of the Users Committee/group is to ensure quality and transparency, which requires the proper transportation and storage of construction materials from the market to the scheme site. Any misplacement or damage of materials during transport or storage can adversely affect construction. Therefore, all materials must be properly documented upon receipt and use.

This guideline is designed to support the Users Committee/group in both the transportation and storage of materials while enhancing its capacity in storage management, thereby contributing to long-term sustainability. To ensure lasting effectiveness, it is also essential for the Users Committee/group to establish a storage management system for future maintenance and repair needs.

Objectives:

- Assist Users committees in material transport and storage.
- Support record-keeping for material (Income/Expenditure).

Storage Management Process:

- Essential materials must be procured first based on need.
- Assign a procurement committee and responsible personnel during preparation of CAP.
- Decide storage locations during CAP.
- Follow the external material procurement guidelines, which describe the procurement lasers (Accounting), and transportation processes in detail.
- Selected personnel are responsible for transport quality, quantity, and condition.
- The technicians of the municipal unit implementing the project can assist in checking the quality during the transportation of materials and will submit the handover and quality verification report of the purchased materials to the municipal unit.
- The selected persons must ensure whether materials, especially cement, tools, and fittings, have been properly transported and whether the storage rooms are well arranged or not. Special attention must be given to materials such as cement, tools, and fittings.
- Before moving materials from the transport vehicle into the storage room, the quality of each item must be checked in detail one by one.
- While transporting materials from the roadside storage room to the scheme site, the designated person must keep records of every material.
- The person responsible for storage management must always record every arrival and dispatch of materials and locations.
- Materials kept in the storage must be entered into the income account. Likewise, after dispatching materials to the person carrying them, it must be entered into the expenditure account, and the recipient must provide their signature after receiving the materials.
- The Users Committee/group must arrange a main storage room for all materials near the scheme site.
- Similarly, records must be maintained on separate sheets for each type of material.
- In case of any breakage or loss of materials, the Users Committee/group shall be held responsible.

15 IMPLEMENTATION OF INTERVENTIONS

For any of the scheme's implementation, design and cost estimate are prepared in forehand. The cost estimate includes all the components to be implemented in the schemes. By incorporating these components and activities, the community must prepare a community action plan before the implementation phase begins and follow the planned activities as per schedule. In addition to scheme implementation, CAP developed under the scheme also includes various capacity development activities related to climate change adaptation and disaster risk reduction. Generally, the scheme is considered as completed only after the user committee accomplishes the following activities with the facilitation of the LGU staff and Local government.

Construction of scheme structure and components

- Design & estimate components like buildings, warehouses, compounds, toilets, sheds, etc. including each structure of the scheme with standard quality and its services.
- Completion of Fencing work of all structure as per the estimation.
- Completion of painting work in all the structures.
- Work of installing cold storage, dryer, processing machine, etc.,
- Construction or maintenance of approach roads, sewage and waste management, drinking water, toilet facilities etc.

Capacity Building Related Activities

- Capacity building activities related to value chain determined by the project and by the Pural Municipality/Municipality
- Market action plan prepared and implemented
- A meeting between the market actors/stakeholders,
- Completion of planned refresher training, final public audit and monitoring

Climate Change Adaptation and Disaster Risk Reduction Related Activities

- Structures to be constructed must have proper drainage
- The potential flood impacts on the structure have been thoroughly analyzed
- Erected walls in places prone to landslides,

16 PROCEDURE FOR SECOND/FINAL PUBLIC AUDIT

Introduction

The second public audit must be done as soon as construction-related work of the scheme is completed. Public auditing is an appraisal of the output against investment and activities related to the development work. It ensures actual investment, income, quality and quantity of the work, procedures of the activities carried out and thereby corrective measures among concerned stakeholders. In LACC Project, public auditing is treated as one of the most important events of the scheme cycle and is conducted after completion of all scheme level activities by UC.

Public auditing is conducted through mass meetings of the users and other concerned stakeholders as well. The Public Audit of the scheme is done on the same day of fourth/final monitoring of the scheme.

Duration: 1 day for the workshop

Time: After completion of all implementation phase works

Organizer: LGU

Objective of Second/Final Public Auditing

Main objective of public auditing is to:

- Audit the expenditure and activities publicly and approve it through mass meetings.
- Analyze problems faced and their solution for future reference.
- Analyze and identify the proper mechanism for sustainable operation of the schemes to be addressed in post construction phase.
- Ensure the project benefit reaches the target group.
- Promote ownership of the scheme through transparency.
- Assure proper use of allocated funds for the scheme aims to maintain quality in the schemes for sustainability

Stakeholders for Second/Final Public Auditing - Major stakeholders are listed below:

- UC/group members
- All skilled labor (workers)
- Representatives from beneficiary households (50% female is compulsory)
- Ward representatives
- Ward level political party representative or other community head
- LG officials and elected representatives
- Civil society representative (if any)

Following documents should be maintained by UC/group in the scheme.

- UC Minute Book
- Income & Expenditure Book and statement
- Bill Voucher File
- Design report and agreement paper of the scheme
- Store Recording Book
- Labor Attendance and Payment Record Book (Dor Hajir Faram)
- Incoming and Outgoing Letters Record Files.
- Visiting Register/Issue Logs

Public Auditing Tools

- Social Map
- List of Beneficiaries
- SWOT Analysis
- Questionnaires
- Income and Expenditure of the Scheme
- Financial Management related relevant Documents
- Participatory Observation
- Interview with participants
- Participatory Discussion on Subject Matter
- Feedback

Second/Last Public Auditing Process

This public auditing is conducted at the end of the implementation of the scheme before releasing final instalment to the UC/group. UC/group and LGU in consultation with PMC are jointly responsible for organizing this meeting following the processes mentioned below:

- The monitoring team from the LG/Project will visit all the structures from source to tap and confirm the completion of all the activities before the mass meeting. The team also discusses with female/Dalit, PWD, and other marginalized beneficiaries, VMW, tap group members etc. about their feeling on the scheme, its completion process and role and responsibility performed by UC, LGU, LG and other stakeholders. The voice of such beneficiaries will also be captured and documented.
- Call mass meeting at the scheme area and ensure full participation of the directly benefited households and the stakeholders concerned. Information should be delivered to all seven days before the event. It should comprise date, time and venue of the public auditing. It's also advised to display the notice in public places, Ward Office, school and other institutions.
- Present the benefits of the scheme that includes number of total beneficiaries, employment opportunity due to scheme, O&M fund, caretaker etc.
- Present scheme completion activities and financial reports in standard format. Such statements shall be completed and minute in UC/group register before conducting public audit. In the statement it should be very clearly mentioned about bank balance, cash in hand (mentioning the name of cash holder), due payment (disaggregating supplier, skilled labor, unskilled labor, transportation, store rent etc. it should follow component cost heading of design estimate). All the expenditure should be compared to estimated costs according to the heading breakdown made in design report of the scheme.
- Please refer to the second public audit paper for suggested discussion topics.
- Present the status of left over materials with present value. The meeting should also decide on utilization of those materials. The mass may decide to keep required leftover materials for O&M purposes and sell extra or perishable (e.g. cement) to another nearby scheme. If there is not another ongoing scheme in the area, it can be sold to individuals or other institutions. The cost of the sold materials should not be less than original cost including transportation cost.
- Present status of tools in the scheme. Quantity and present status of the tools should also be presented. If some of the tools are lost or broken, it should be verified by the then UC meeting. All the tools are user's property so they should be kept safely for future O&M purposes.
- It is suggested to decide on mobilization and mode of payment of Operator/caretaker and discussion should be made regarding O&M activities along with O&M regulations.
- Open the floor to general users and monitoring team for discussion.
- Carefully listen to the comments/queries from the audience and respond to them. Also submit evidence if needed. UC/group should be well prepared with necessary documents and evidence before appearing in public audit. The trust of the users/members with UC/group directly affects the sustainability of the scheme.
- Discuss with the users about LGU staff performances.

- Monitoring team will discuss with the community and UC/group as per the required information as mentioned in monitoring guidelines.
- Minute all the discussion and decision regarding the final approval of the scheme in UC/group minute book.
- Monitoring team will brief all the findings and recommendations to the masses. After the discussion, if required, the masses will approve the audit and decide to request final installation to LG.
- Get signatures of all participants in attendance and closing page also.
- LGU staff will prepare final report for PMC and submit it.
- There is no need to prepare separate reports of public audits as will be written in monitoring book itself.

17 WORK COMPLETION REPORT, MEASUREMENT BOOK PREPARATION & FINAL PAYMENT

17.1 MEASUREMENT BOOK AND SCHEME COMPLETION REPORT

After completing the final public auditing of the schemes implementation, the LGU sub-engineer prepares measurement book (MB) with the help of the Technical Officer. This measurement book is prepared on a computer (Excel base) and covers the actual work completed with dimensions (LBH) in all the structures and pipelines on the field as per design estimate. According to which, the actual work completed is compared with the estimated quantity and cost. After submitting the details of all the work, a summary table of the estimated and actual costs is prepared, which is the scheme completion report. UC bill for final payment will be integral part of the measurement book.

The structure wise completion and summary report are prepared as per field measurement by the sub-engineer of the LG implementing unit (LGU) with the assistance of the technical officer. Measurement book (MB) will be checked by the LG infrastructure development section or the designated technician and submitted to the Chief Administrative Officer for approval process. In completion report, the details of the under or over expenditure on each structure and headings are calculated along with the amount and % of +/- . There will not be any excess payments under the headings that found more than estimated. If the cost estimate has been revised in advance, then all the documentation will be ensured before that payment for the headings.

After the completion report is prepared, UC payment bill is prepared by User Committee, in which the total amount that can be paid for the final instalment is calculated by deducting the advance amount taken by the UC. In this bill, the final instalment payment amount is calculated by calculating the estimated cost and the actual expenses of the scheme heading including the cost of materials procured as per the agreement, labour costs, transportation costs, and all expenses including the UC management costs.

17.2 FINAL PAYMENT TO USER COMMITTEE/GROUP

After the necessary documents are prepared and approved, the Local government project implementation unit (LGU) submits them to the LG executive office for the final instalment payment of the User committee/group. The following documents are required for the final instalment payment of the User committee/group.

- User Committee/group application to receive the final installment
- Measurement Book and completion reports as per MB
- Scheme Public Audit report and mass meeting minutes

- Written recommendation letter from ward Office and LGU unit
- Photocopy of scheme level second/final monitoring Report
- Written recommendation of TA Adviser or his/her designated project representative

As the final instalment payment to the user committee/group is made based on actual expenses, the entire amount mentioned in the agreement may not be paid to the user committee/group. The amount saved in this way is spent on other project activities within the same local government. Therefore, it is necessary to clearly explain this matter to the user and user committee in advance by the local government project implementation Unit (LGU) staff and TA team under the scheme so that there is less chance of confusion and disputes in the community regarding the final instalment payment. The final instalment payment will not be made by Local government office until the amount that the user must contribute to the construction and maintenance of the schemes and the amount that the local government must invest in the entire group/user committee account. **Generally, the payment amount may be deducted in the following cases.**

- If any work is not completed as specified in the design estimate report or if any changes are made in structure or if the design is changed without prior approval, if the quantity and cost of any item of work increase or if the quality compromised or if the materials are not procured according to the prescribed quality, the amount to be paid to the User Committee/group will be reduced.
- Though the final installment amount is mentioned in the UC agreement, it will be paid based on the actual measurement & evaluation. The final installments will be paid only as per the evaluation of the actual expenditure incurred in the scheme. However, User Committee/group will not be paid more than the amount mentioned in the final installment. If the cost of the scheme is to increase, the additional amount can be paid only if the User Committee/group applies to Local government for a valid reason and obtains prior approval of revision or additional estimates.
- During the final evaluation of the scheme, it will not evaluate more than the estimated amount for the mentioned headings in the cost estimate without prior approval.

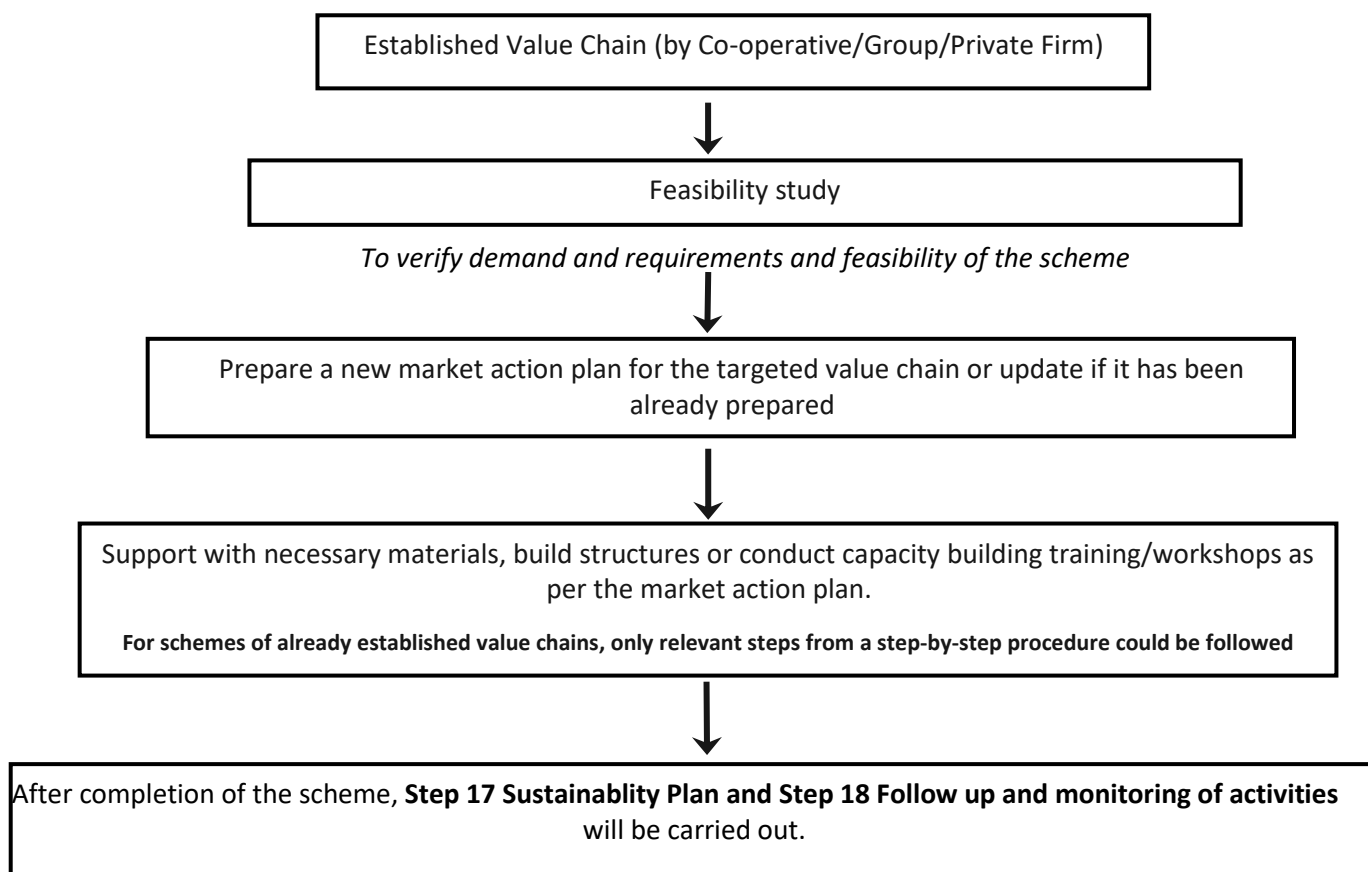
Detailed about the evaluation & payment terms regarding this are mentioned in the agreement signed between the Users Committee and Local government office.

17.3 UPDATE SCHEME INFORMATION BOARD

It has already been mentioned in step 12 that after implementation phase agreement completion, the scheme information board will be fixed at right spot. As soon as the evaluation of the scheme is completed and the final instalment payment is received by the User committee/group, the permanent scheme information board should be updated based on the actual expenditure and placed in a visible suitable place for all to see.

Once the cost estimate of the scheme is approved, a scheme information board of the scheme should be prepared on flex and placed in a suitable visible place in the scheme area. Only the estimated cost of the scheme is shown on that board. After the scheme is completed, the actual expenditure should also be shown based on the scheme completion report, and a permanent scheme information board should be made and placed in a suitable visible place so that any stakeholder or user can easily get the information about the benefiting community, income and expenditure of the schemes.

While implementing value chain scheme for already established value chains, the following steps/processes must be followed:



18 SUSTAINABILITY PLAN

For value chain and cooperatives schemes like construction of collection centers, haat bazaars / market outlet and assistance in establishment and development of enterprises, the structural and institutional activities will be completed during the project period, their sustainable operation, maintenance, use and income generation depends on the post-implementation phase activities. Therefore, it is essential to create a sustainability plan in collaboration with cooperatives, entrepreneurs, groups and Rural Municipalities/Municipalities.

Importance of Sustainability Plan

- To carry forward the scheme in a sustainable manner as per the market action plan and business plan
- To advance the scheme sustainably in accordance with the market action plan and business plan
- To clarify the responsibilities of cooperatives, groups, local governments and institutions
- To create essential resources and management systems for operation, maintenance, and management
- To maintain market relations and entrepreneurship
- To prepare a management plan of income, expenses, service tariff, and contributions
- To ensure sustainability by forming and mobilizing monitoring committees and informing them about the effectiveness of the scheme,

- To reduce the potential risks that may occur after completion of the scheme .

For the preparation of a sustainable action plan, first of all, the mass meeting/general assembly should be called and compulsory prepare a sustainable plan in the work completion report. While preparing the plan, all the members of the cooperative's executive committee/ UC should be called and plan should be prepared with the participation of at least two-thirds of the members. This gathering needs to discuss the following:

- Review of pre-construction/post-construction activity status
- Clarifying the roles like Who will run what? Who will repair? Who will bear the expenses?
- Develop resource mobilization plan according to market action plan, business plan and training feedback
- Creating a regular monitoring checklist for sustainable operations

The plan should be passed unanimously in that mass meeting/general assembly. The decision passed in this way should also be communicated to the concerned office (agriculture section of the Local government, enterprise development section, etc.). The sustainability plan must be prepared before the final monitoring and passed by the meeting at the time of the final monitoring and accordingly the final payment process will be carried out. While preparing sustainability action plans, sustainability activities that can be done after the value chain scheme must be carried out. Post-implementation monitoring will be done to ensure scheme's implementation and its effectiveness.

Sustainability Action Plan of Completed Scheme

Value chain promotion interventions	Activities	Unit	Quantity	When?	Responsibility	Fiscal Year	Remarks
					(Person's Name, Designation)		
Production Level Activities	☐ Use of quality seeds/varieties	Hectare (Ha)		Planting time			
	☐ Use of climate-smart technologies	Ha		During planting to harvesting			
	☐ Integrated Disease Pest Management	Ha		Throughout the crop's life cycle			
	☐ Soil Improvement and Organic Farming	Ha		Throughout the crop's life cycle			
Post-Harvest and Value	<u>Collection Centre/Haat Bazaar</u>						

**Step-by-Step Manual- Value Chains and Cooperatives
Local Adaptation to Climate Change Project**

Value chain promotion interventions	Activities	Unit	Quantity	When?	Responsibility	Fiscal Year	Remarks
					(Person's Name, Designation)		
Addition Activities	☐ Sanitation	Times		Daily			
	☐ Maintenance	Times		As needed			
	☐ Maintenance fee collection	Rs.		Monthly			
	☐ Coordination with producers and markets actors	Times		Daily			
	☐ Operation and maintenance of cold storage	Times		Daily			
	☐ Maintenance of physical structures and equipment	Times		Daily			
	☐ Production/processing as per business plan	Times		Daily			
	☐ Management of required content	Times		Daily			
	☐ Others.....						
	☐ Operation and Monitoring of Information Board	Times		Daily			
Market Access and Networks	☐ Monitoring of the weighing machine	Times		Daily			
	☐ Contract farming	Ha		As needed			
	☐ Participation in market fairs/exhibitions	Number		As needed			

Value chain promotion interventions	Activities	Unit	Quantity	When?	Responsibility	Fiscal Year	Remarks
					(Person's Name, Designation)		
	☐ Others.....						
Institutional and financial activities	☐ Implementation of market action plan and business plans			Regular			
	☐ Access to saving and credit facility for producers	Number					
	☐ Capacity Building Trainings	Number		As needed			
	☐ Accounts and Records Management	Number		Regular			
	☐ Others.....						

Are the activities for sustainability embedded in the action plan of the cooperative/group? ☐ Yes
☐ No, if not, ensure that a decision is made by the mass meeting/general assembly and that the concerned office is duly informed.

What is the community's view towards value chains and cooperative activities?

What are the problems and challenges related to the sustainability of the plan?

What measures can be taken to address problems and challenges related to the sustainability of the plan, or to make activities more sustainable? Give suggestions.

What can be done for the participation, ownership and adoption of local users?

Is the cooperative/firm/group ready to make the necessary financial investment for sustainability?

☐ Yes ☐ No (if so, how much money as per Action Plan committed to spend for the upcoming sustainability?)

Rs.....

To ensure the sustainability of the completed scheme and to monitor the status of continuity of activities, a monitoring team of 3 to 5 people will be formed, whose main responsibility is to evaluate the effectiveness of all the activities of the sustainability plan, regularly monitor the sustainability activities, identify potential challenges and recommend solutions and ensure the long-term sustainability by coordinating with stakeholders. This monitoring committee will have to monitor regularly and record what is seen in the monitoring.

The structure of the Monitoring Committee will be as follows:

S.N.	Name	Position	Contact Number	Remarks
1		Coordinator		
2		Member		
3		Member		
4		Member		
5		Member		

19 FOLLOW-UP AND MONITORING OF ACTIVITIES

Value chains and cooperatives scheme must be monitored at least three months after the completion of the scheme, while regular review of the activities as per the market action plan and sustainable action plan must be done regularly. This follow-up and monitoring requires the mandatory presence of NLocal governmentfacilitator or concerned technicians from the LGU.

The follow-up and monitoring process includes the following:

- **On-site observation and discussion:** To collect information on the status of implemented activities and the progress of sustainability plans, and closely monitor the quality of physical structures, the condition of the production area, and the proper use of machinery and equipment.
- **Document verification:** To ensure that all the documents are maintained properly by UC/group/cooperative
- **Review reports and records of monitoring committee:** To collect actual on-site information and propose recommendations for monitoring.

The report should mention in detail the status and effectiveness of the implementation of the activity, with special emphasis on areas that require further improvement. The monitoring team will specifically evaluate how the activities included in the sustainability plan have been carried out, making an on-site visit to collect this information and submit a detailed report. Based on the analysis of the status of the plan, any area that requires further improvement should be clearly mentioned in the report.

Roles and Responsibilities in post-implementation follow-up and monitoring

The co-operative/group/firm will have to lead and organize post-implementation follow-up and monitoring. The internal monitoring team within the cooperative/group/firm must carry out continuous monitoring and review the reports and records submitted to the UC or group before conducting field-level monitoring of the scheme area.

During these field visits, the monitoring team must carry the sustainability plan and monitor accordingly to ensure proper compliance and accurate evaluation. The advice and recommendations provided during this monitoring process must be properly recorded in minute by the group.

The main objectives of post-implementation follow-up and monitoring are as follows:

- **Effectiveness assessment of activities:** To evaluate whether the value chain promotion activities implemented achieved the desired results.
- **Ensuring sustainability:** To ensure how project activities and their benefits are sustained in the long run and to assess the status of implementation of sustainability plans.
- **Identify areas of improvement:** To analyze the weaknesses observed during implementation or areas needing further improvement, and present lessons learned and necessary recommendations for the future.
- **Accounting for the proper use of resources:** To check whether appropriate resources (human, financial, physical) have been properly and effectively utilized or not.
- **Responsibility:** To realize the responsibility of the cooperative/group.
- **Review of policies and plans:** Provide necessary recommendations based on the information obtained from monitoring to make future plans and programs more effective.

At this stage, the project staff will ask the following questions to the group/UC and fill out the check list.

Are the activities being carried out as per the sustainability plan at the scheme?

☐ Yes ☐ No If not, explain the reason.

If so, fill in the table below.

Progress Monitoring Form of Sustainability Action Plan

Value chain promotion Interventions	Activities	Unit	Quantity		Quality			Reasons for not achieving the goal (only if not)
			Plan/ Goal	Progress				
					Good	Satisfactory	Corrective	
Production Level Interventions	☐ Use of quality seeds/varieties	Ha			☐	☐	☐	
	☐ Use of climate-smart technology	Ha			☐	☐	☐	

Value chain promotion Interventions	Activities	Unit	Quantity		Quality			Reasons for not achieving the goal (only if not)
			Plan/ Goal	Progress	Good	Satisfactory	Corrective	
	☐ Integrated Disease Pest Management	Ha			☐	☐	☐	
	☐ Soil Improvement and Organic Farming	Ha			☐	☐	☐	
Post-Harvest and Value Addition Interventions	Collection Center/Haats Bazaar							
	☐ Sanitation	Times			☐	☐	☐	
	☐ Maintenance	Times			☐	☐	☐	
	☐ Maintenance fee collection	Rs.			☐	☐	☐	
	☐ Coordination with producers and market actors	Times			☐	☐	☐	
	☐ Operation and maintenance of cold storage	Time			☐	☐	☐	
	☐ Maintenance of physical structures and equipment	Times			☐	☐	☐	
	☐ Production/processing as per business plan				☐	☐	☐	
	☐ Management of necessary materials				☐	☐	☐	
	☐ Others.....				☐	☐	☐	
Market Access and Marketing	☐ Operation and Monitoring of Information Board	Times			☐	☐	☐	
	☐ Monitoring of the weighing machine	Times			☐	☐	☐	
	☐ Contract farming	Ha			☐	☐	☐	
	☐ Participation in market fairs/exhibitions	Number			☐	☐	☐	
	☐ Others.....				☐	☐	☐	
Institutional and Financial Activities	☐ Implementation of market plans and business plans				☐	☐	☐	

Value chain promotion Interventions	Activities	Unit	Quantity		Quality			Reasons for not achieving the goal (only if not)
			Plan/ Goal	Progress	Good	Satisfactory	Corrective	
	☐ Access to saving and credit facility for producers	Number			☐	☐	☐	
	☐ Capacity Building Trainings	Number			☐	☐	☐	
	☐ Accounts and Records Management	Number			☐	☐	☐	
	☐ Others.....				☐	☐	☐	

Some key things to ensure during monitoring

Are structures and tool tools fully operational? ☐ Yes ☐ No

Have the cooperatives/groups/firm been able to earn as per the business plan? ☐ Yes ☐ No

How is the cooperative members/group's participation and support in the activities of the Sustainability Plan?

What is the overall status of the target households, producers and traders associated with the scheme?

Are there conservation challenges in the implementation of the scheme? ☐ Yes ☐ No, If yes, what?

For the sustainability of the scheme, mention the main aspects that need to be taken care of in the future.

-
-
-

Mention the recommendations of the scheme monitoring team.

ANNEX 1: FEASIBILITY STUDY FORMAT

Feasibility Study Form

Name of the scheme

Date of Study: From..... to

Province District

Local government Ward No

1: Details of Directly Benefited Households					
Ethnicity details	Number of Households	Female	Male	Other	Persons with disabilities
BCTS					
Dalit					
Janajati					
Other					
Total					
Number of informants					
2: Technical Aspects					
Type of Scheme: ☐ New ☐ Rehab/Service Upgrade					
Physical Structures					
Proposed Activities		Location:		GPS:	
Main building					
Godown					
Cold Storage					
Shed					
Sales center					
Information center					
Approach Road					
Compound					
Toilet					
Drinking Water System					
Other					

Availability of Local Resources and Materials		
Required resources and materials	Availability (Yes/No)	Remarks
1. Aggregate		
2. Sand		
3. Stone		
4. Wood		
5. Timber		
6. Market Materials		
7.		
8.		
9.		
10.		
11.		
3: Social Aspects		
The type of land where the proposed structure will be constructed? If private, the unit number of the land	☐ Private ☐ Community Forest ☐ Leasehold Forest ☐ Government ☐ Rental	
Participation and support from local communities and stakeholders (e.g., social acceptance, employment opportunities, related to the role of the community)	☐ Yes ☐ No	

Legal and policy aspects to be taken into account for taking the plan into action	1. 2. 3.		
4: Business and Management Aspects			
Is there a possibility of expanding the production area/collection volume of the target commodity ? If so, the area to be expanded, collection ton	☐ Yes ☐ No		
Do the cooperative/firm/group has a business plan for the value chain or target commodity you they want to work with?	☐ Yes ☐ No		
Is there a road and transport facility to deliver the product/commodity? If not, mention about the expansion plan	☐ Yes ☐ No		
What is the availability and reliability of energy sources (electricity, solar, alternative energy) required for production, processing and storage?	☐ Sufficient ☐ Less than necessary ☐ Not available		
Does the cooperative/group has minimum technical skills/knowledge to run the scheme properly?	☐ Yes ☐ No		
Status of access to location:	Yes	No	Remarks
Availability of water:	☐	☐	For drinking water, sanitation, processing etc.
Access to road:	☐	☐	
Other essential services:.....	☐	☐	
5: Environmental Aspects			
Is the scheme technically and environmentally sound? Write reason if not,	☐ Yes ☐ No 1. 2. 3.		
What are the major areas of risk, and what mitigation measures can be taken?	1. 2.		

Will the proposed large machinery such as cold storage, grading machines, dryers, etc. be operated from clean energy sources such as hydropower and solar?	☐ Yes ☐ No
6: Economic Aspects	
Approximate cost of the scheme	Rs.....
Scheme Budget	Rs.....
Grants	Rs.....
Kind Contribution	Rs.....
Are users ready for kind contribution as per the project guidelines? If not, write a reason why	☐ Yes ☐ No 1. 2. 3.

FEASIBILITY STUDY OF MARKET CENTER

Who is the main buyer/consumer of the target commodity?	☐ Collector ☐ Consumer ☐ Wholesale trader ☐ Retail trader ☐ Other
Is there any kind of purchase agreement with the buyer?	☐ Yes ☐ No
What are the major markets of the target commodity?	
Is there a possibility of expanding the market of target commodity?	☐ Yes ☐ No
How is the produced material transported to markets/cooperatives?	☐ Vehicle ☐ by producer ☐ Horse/Mule ☐ Other
Is there any collection center or market infrastructure around?	☐ Yes km away ☐ No
What are value added products produced by cooperative/firm/group ?	

Is communication facility (mobile/internet) available?	☐ Yes	☐ No
Is there regular supply of agricultural produce/raw materials?	☐ Yes	☐ No
Will market access improve after the completion of the scheme?	☐ Yes	☐ No
Is the income from the scheme likely to meet the regular expenses?	☐ Yes	☐ No
Initial map of the scheme		

ANNEX 2: LIST AND PRELIMINARY DETAILS OF CO-OPERATIVE/GROUP

S.N.	Name of Cooperative/Group	Address (Local Level, Ward, Settlement)	No. of Members	Registration and Renewal (Yes/No)	Priority areas of cooperative/group
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

For the functioning of the cooperative/group committee, the executive committee must be selected inclusively. At least one of the positions of Chairperson or Secretary and at least one of the positions of Vice-Chairperson or Treasurer must be held by women, and at least 50 percent of the total committee members must be women, with representation also ensured for persons with disabilities.

Has the executive committee been formed accordingly? ☐ Yes ☐ No

If not, when has the plan been made to reorganize it through a general assembly?

Mention if there are any other problems related to this in the group/cooperative.

ANNEX 3: DETAILS OF BENEFICIARIES OF COOPERATIVES/GROUPS:

Households				Population							
BCTS	Dalit	Janjati	Others	BCTS		Dalit		Janjati		Others	
				F	M	F	M	F	M	F	M
				Total Female				Total Male			
PWD households				PWD Female				PWD Male			

ANNEX 4: COMPOSITION OF CO-OPERATIVE/GROUP'S COMMITTEE

sn	Name	Position	Ethnicity (v)				Gender (v)			Age	(v) Disability	Contact No.
			BCTS	Dalit	Janajati	Other	Female	Male	Other			
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												

ANNEX 5: FORM/CHECKLIST TO BE USED FOR MAPPING OF EXISTING COOPERATIVES

Is the cooperative legally registered under the Cooperative Act of Nepal (2074)? Or is it legally registered with the concerned office in the case of a firm?	☐ Yes ☐ No
Does it have transparent legal regulations and financial records?	☐ Yes ☐ No
Are there functional sub-committees for procurement, management, auditing in cooperatives?	☐ Yes ☐ No
Has business plan of cooperative or workplan of Community/Leasehold Forest been updated?	☐ Yes ☐ No
If renewed, specify the duration of the business/action plan ?	From..... to
Is the cooperative/firm affiliated with business networks/associations?	☐ Yes ☐ No
Frequency of regular meetings and keeping records?	☐ Monthly ☐ Quarterly ☐ Irregular ☐ No
Is cooperative/group and the community ready to contribute the necessary cash, commodities and kind?	☐ Yes ☐ No
Is there any dispute regarding the operation of the scheme?	☐ Yes ☐ No
Are there enough manpower, equipment, and resources available to for the scheme?	☐ Yes ☐ No
Has the cooperative/ firm/ group prepared a market action plan regarding target commodity?	☐ Yes ☐ No
Has the cooperative provided regular savings and loan facilities to its members?	☐ Yes ☐ No
Does cooperative/firm/group has a sustainable supply of target commodity and raw materials?	☐ Yes ☐ No
Has cooperative/group previous experience of working in promotion of target value chain?	☐ Yes ☐ No

Can essential external and local materials be easily made available at the scheme area? ☐ Yes ☐ No

How far is the scheme area from the settlement?

Is the cooperative/group/firm ready to accept all conditions? ☐ Yes ☐ No

If not, why? Mention the reason.

Can the proposed value chain and cooperative scheme be taken to the preparatory stage ?

☐ Yes ☐ No, If not, why? Please mention the reason.

ANNEX 6: PARTICIPANTS OF COMMUNITY MAPPING

Date of Community Mapping Meeting:

sn	Name	Position	Ethnicity (v)				Gender (v)			Age	(v) Disability	Contact No.
			BCTS	Dalit	Janajati	Other	Female	Male	Other			
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												

ANNEX 7: FORMS OF COORDINATION MEETING WITH MARKET STAKEHOLDERS

ANNEX 7.1 MEETING PREPARATION CHECKLIST

S.N.	Details	Yes/No	Remarks
1	Ensure meeting place	☐ Yes ☐ No	
2	Preparing list of participants	☐ Yes ☐ No	
3	Design/Cost Presentation preparation	☐ Yes ☐ No	
4	Program Facilitator and Schedule	☐ Yes ☐ No	
5	Form/Checklist/Report Format	☐ Yes ☐ No	

ANNEX 7.2 PARTICIPATION FORM

S.N.	Name	Position	Ethnicity (√)				Gender (√)			Age	(√) Disability	Contact No.
			BCTS	Dalit	Janajati	Other	Female	Male	Other			
1												
2												
3												
4												
5												
6												
7												
8												
9												
etc												

ANNEX 7.3 COMMITMENT / EXPRESSION OF INTEREST (EOI) FORM FOR COLLABORATION

Delegate Name: _____

Name of the organization/business: _____

We are interested in collaborating the following:

- ☐ Wholesale/Retail Purchase
- ☐ Technology Expansion/Equipment Supplies
- ☐ Packaging and Branding of the product
- ☐ Market information/Linkage
- ☐ Other: _____

Our potential role:

.....

Our

Expectations:.....

Signature: _____ Date: _____

ANNEX 8: DETAILED TECHNICAL SURVEY FORM

Land Details					
Is there written agreement with the stakeholders of the land? If not, how long will it take to be ensured? Mention it.			☐ Yes ☐ No		
What is the slope of the proposed structure location? Is the soil stable enough? What are its types and thickness, texture, drainage, features? How is the soil managed? (Please provide details.)			☐ Highly Steep ☐ Steep ☐ Plain ☐ Other.....		
Physical Structure					
Type of structure	Location of construction	Soil type (Soft,Hard,BMS, Sandy and Rocky)	GPS (if construction site changes)	Measurement of land (meter)	
				Length	Width
Main building					
Godown					
Cold Storage					
Shed					
Sales center					
Information center					
Approach Road/Road					
Compound					
Toilet					
Drinking Water					
Other					
Climate Change and Vulnerability Assessment Analysis Study					
Is the site itself important in terms of cultural, archaeological, historical, or social values? (If so, please briefly)					
Key considerations for the design, estimation and construction of structures (please suggest specific ideas for designing and estimating structures, including diagram/layout.					

Is the area and/or site at risk for landslides, floods, droughts, fires, earthquakes, and other disasters? (Please provide details of possible outbreaks and their effects.)		
What could be the cause of a possible disaster?		
Potential disaster mitigation plans (please provide details including proposed mitigation actions, diagrams for potential disasters and their impacts.)		
Availability of resources and materials at local level		
Required resources and materials	Place of Availability	Distance (km)
1. Aggregate		
2. Sand		
3. Stone		
4. Timber		
5. Wood		
6. Market Materials		
7.		
8.		
9.		
10.		
11.		
12.		
Other technical aspects		
Is there a social/political dispute associated with the scheme?	☐ Yes ☐ No	

If so, mention	1. 2. 3. 4.
Technical Recommendations to be Considered for Scheme Implementation	
Final layout map of the scheme	

**ANNEX 9 SAMPLE OF AGREEMENT BETWEEN LG AND
COOPERATIVE/UC/GROUP**

..... Municipality/ Rural Municipality

..... Office of Municipality/Rural Municipality Executive

.....Office location,District

..... Province, Nepal

Local Adaptation to Climate Change (LACC) Project

Implementation Phase Agreement Paper

**BetweenMunicipality/Rural Municipality and
Cooperative/Group/UC**

Fiscal year

Name of the Scheme:

Scheme Location:Municipality/Rural Municipality & Ward No....

Tole/Cluster:.....

Beneficiaries Household: Population:

Duration of the agreement:

Scheme summary

Name of the scheme:			
Scheme Code		Type of Scheme:	☐ New ☐ Rehab/Service Upgrade
Scheme Implementation Location:			

Beneficiary Households and Population Details:

Ethnicity of beneficiaries	Households	Population		
		Female	Male	Total
BCTS				
Dalit				
Janajati				
Others				
Total:				

Proposed Structures

Main structures	Quantity	Unit	Remarks (other information)
<i>Add rows as needed</i>			

Contribution Pattern:

Sources of funding	Amount in NPR	Percentage (%)
A. Government of Nepal		
B. Government of Finland/European Union		
C. Local government		
Natural Resource Development Fund Deposit (A+B+C)		
D. Users' Cash Contribution		

E. Users' Kind Contribution		
F. Others:		
• Grand Total (A+B+C+D+E+F) =		
• User's cash contribution (for O&M Fund)		

UC/Group Composition:

Details	BCTS		Dalits		Janajati		Other		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Key Position										
Members										
Total										

Proposed Instalment to UC from Rural Municipality/ Municipality

Instalment	Amount (NPR)	Condition for instalment release
First (50%)		After the completion of the purchase agreement between the supplier and the UC as per the procurement process after the implementation phase agreement, the necessary bill related to the expenditure has been received, the first monitoring and public audit have been completed and after the recommendation from the monitoring team.
Second and last installment (50%)		After the completion of all the work of the scheme, the final measurement book has been prepared and the work completion report has been submitted, after the final or second monitoring and public audit has been completed and recommended by the monitoring team.
Total (100%)		

Signature of contracting Parties:

.....

On behalf of UC

UC Chairperson

Date:

Stamp

.....

On behalf of Rural Municipality/ Municipality

Chief Administrative Officer

Date:

Stamp

..... Municipality/Rural Municipality
.....Office of Municipality/Rural Municipality Executive
..... District, Province, Nepal

Implementation Phase Agreement

Name of the scheme:

1. Contracting Parties

Under the agreement concluded between the Government of Nepal, the European Union, and the Government of Finland for the implementation of the Local Adaptation to Climate Change Project, and pursuant to the Memorandum of Understanding signed on (date) between Rural/Municipality and the Ministry of Federal Affairs and General Administration, an agreement has been made to implement the construction ofscheme. The scheme aims to benefit households within the proposed scheme area through its services.

This agreement is entered into between the Office of Rural/Municipality (hereinafter referred to as 'the Rural/Municipality') and the group/users' committee (hereinafter referred to as 'the group/UC') to implement the scheme in Ward No. of Rural/Municipality. Both parties agree to complete the implementation of the scheme within the stipulated time frame, in compliance with the project's policies and regulations, ensuring quality and transparency, and have signed this agreement accordingly.

2. Scope of Contract:

The contracting parties agree to undertake necessary action and work to complete thescheme.

The scope of the activities and work are specified in the attached community action plan (CAP) and market action plan and design report of the scheme. All activities and work shall be carried out in accordance with the "Step-by-Step Manual" of the Project.

3. Contract Period

The implementation will start on (dd/mm/yy) and will be completed on

Local government may allow UC to extend the duration of this contract upon a written request from them with valid justification that proves the extension. However, Local government will not cover any additional cost thereof.

4. Role and Responsibilities

After the completion of any scheme, transparent implementation of the scheme is essential to ensure its sustainable operation, self-reliance, proper maintenance and management, quality construction, and to foster a sense of ownership among the community. In consideration of this fact, full ownership of the scheme has been provided to the consumers, and overall management responsibility and authority have been entrusted to the UC/group. To ensure sustainable operation of the scheme, the UC/group shall establish a maintenance fund and regularly collect fees from cooperatives/groups/consumer households.

To support regular maintenance, a maintenance worker shall be selected from among the users, giving priority to women, Dalits, and marginalized groups. The selected maintenance worker shall be provided with necessary training and empowered by the Local government. The UC/group shall function as an autonomous institution with perpetual succession in accordance with the relevant policies and regulations and shall mobilize and manage the maintenance fund for the regular upkeep and maintenance of the plan.

4.1 Role and responsibilities of UC/Group

From the date of signing of the agreement, the full ownership and responsibility of the scheme will be with the UC/group. The UC/group will represent the users community as an executive body. UC/group shall be responsible for scheme implementation in accordance with the Community Action Plan (CAP) and market action plan, including the following tasks:

- Manage all the construction activities in a timely manner as specified in the Community Action Plan, which comprise procurement as per specification and transportation of none local material, collection and transportation of local material, arrangement or road head or site stores, store keeping for construction materials and tools, maintaining books and accounts of all income and expenditure.
- Procure construction materials, equipment and tools from Value Added Tax registered suppliers/manufacturers/firms not exceeding the estimated rate following the procurement process mentioned in Community Procurement Manual of the Project. UC is responsible to verify the quality of materials with the support of project implementation support unit staff before delivery from the suppliers/manufacturers. Also maintain quality of the structures and other activities. All the procurement related transactions should be publicly audited. In case low quality materials are accepted and transported to the field, UC will be responsible to replace those materials in their own cost. **(Amount paid by suppliers while purchasing quotation form in the external construction material purchase process It will be the property of the local government)**
- **In addition, UC will also be responsible for maintaining the quality of structures and activities to be constructed.**
- Conduct regular meetings to follow-up and record the status of work and any possible problems. These site meetings shall be minute in a site ledger book and signed by all the participants.
- Conduct mass meetings for public hearing and public auditing and updates project briefing board to notify users and concerned bodies the real income and expenditures of the scheme in a transparent manner. UC/group is responsible to conduct public auditing before the second and final instalment upon completion of the activities of the scheme. Detail in regard to meaningful participation in scheme activities including in decision making process, income and expenditures, quality/quantity of materials, applied process and other any issues which must be discussed and recorded in the public auditing.
- **In order to ensure the quality of construction work and external construction materials, the monitoring and suggested corrective works by the technicians will have to be mandatorily followed and records will have to be maintained.**
- Participate in the meeting/seminars/trainings and mobilize community people from all groups, genders and clusters, in scheme activities
- Support and participate in monitoring activities
- Supervise the activities of the project implementation support unit staff. If any critical cases from their performance, UC will report to the project implementation support unit staff.
- Coordinate with Ward committee, Local government office, Project and project implementation support unit staff as required.
- Cooperate with the Local government and Project by providing any necessary documents, bills, receipts and vouchers for the monitoring and auditing purpose.
- Ensure regular collection of Operation & Maintenance (O&M) fund; at least 1% of total estimated cost for the O&M fund of the scheme and maintain the account in reliable financial institution.
- **For the sustainable operation and maintenance purpose of the project, maintenance workers/ operation workers will have to be selected and employed, fees will be fixed, proper mobilization of maintenance fund and other management, plan operation and maintenance**

plan will have to be prepared and submitted to the Rural municipality/Municipality along with the completion report of the scheme.

- **Skilled and unskilled labor must be mobilized to build the structure.**
- The structures specified in the cost estimate—such as buildings, warehouses, sheds, compound walls, toilets, etc.—shall be constructed either fully, partially, or as required in accordance with the project implementation guidelines. During the construction phase, the consumer committee must give priority to implementing activities related to climate change adaptation and disaster risk management.
- **The UC/group will commit to complying with the policy related to gender equality, disability and social inclusion of the project during the implementation of the scheme.**

4.2 Role and responsibilities of Local government/Ward Committee

The detailed role and responsibilities of **the Local government** will be as follows:

- Provide all necessary support to the consumer committee to enable effective implementation of the scheme, in addition to regularly monitoring the construction as an investor.
- release instalment from NRDF to group/UC's account timely
- Regularly supervise and monitor the working approach, performance level, quality of construction materials, and quality of the constructed structures of the UC/group.
- Conduct monitoring as per the SBS manual in line with the project implementation guidelines to ensure timely payments to the UC/group.
- Ensure professional competence and discipline of the staff deployed in the field.
- Extend the deadline in case of reasonable delays in construction work. However, no additional financial investment shall be provided for such extensions.
- Support the mobilization of local resources and assist the UC/group in obtaining necessary approvals and permissions from the Local government.
- Arrange for advance payment from the internal fund of the Local government if funds to be invested by the Local government as per this agreement are not disbursed by the Government of Nepal and the Government of Finland and recover the amount later.
- Withhold or deduct salary payments disbursed from the Natural Resource Development Fund if the performance of any staff of the municipal unit implementing the project is found unsatisfactory.
- Participate in the supervision and monitoring of the work carried out by the UC/group.
- Register community institutions formed within the wards of the Local government and supervise their "Savings and Credit" activities.
- Withhold or deduct payments disbursed from the Natural Resource Development Fund if the performance of the consumer committee is found unsatisfactory.
- Provide continuous suggestions and guidance to the LGU staff and UC to correct weaknesses observed during project implementation.
- Commit to annually allocate funds at the Local government level to establish a central maintenance fund for the regular upkeep and operation of the project in the future.

4.3 The role and responsibilities of the LGU Staff shall be as follows:

- To enable the UC/group to carry out the scheme implementation effectively, the required technical, financial, capacity-building, and managerial support shall be provided through the LGU, with the support of the Climate Change Local Adaptation Project.
- Organize training, workshops, seminars, meetings and mass meetings as per step-by-step manual, community action plan and market action plan.

- Monitor and ensure quality of external and local materials, machineries and tools, and workmanship of the scheme and provide assistance to UC carrying out those activities as a part of capacity building process.
- Provide necessary support and on the job training to UC/Users on store management and recording, bookkeeping of accounts and support to produce financial statements to present in public auditing.
- Ensure proper maintenance of scheme book and minutes of meetings.
- Provide all type of technical support required for the scheme implementation
- Prepare measurement book and completion report of the scheme.
- Participate in scheme/Local government level monitoring as observer
- Support social mobilization, income generation and other activities that need to be implemented in the scheme area.
- Submit monthly scheme physical/financial reports to the Local government.

In order to complete the scheme in a quality and transparent manner within the stipulated time, the following employees will be deployed on behalf of LGU.

S.N.	Staff Name	Position	Duration	Remarks
1				
2				
3				
4				

If there is any problem that the UC/group, Local government/Ward office and staff in the scheme area cannot solve, then immediately written information should be given to the Local government through the ward office. Similarly, if any situation arises that will increase the cost of the scheme or affect the timely completion of the scheme or affect the design of the scheme, it should be informed in writing to the Local government through the ward office immediately.

The other roles and responsibilities of the LGU staff shall be in accordance with the step-by-step procedure and the annual performance appraisal based contract agreement between the staff and the Rural Municipality/ Municipality.

4.4 Roles and Responsibilities of UC and Cooperative/Group/Firm

- Roles and Responsibilities as mentioned in the Scheme Operating Procedure developed by Cooperative/Group/Firm

5. Scheme Cost and Total Cost Estimate

As per design report and as specified in the Implementation Phase Proposal the total estimated cost of the scheme is (in words) NPR.

S.N.	Description	Total Rs.	Cash Rs.	Kind	%
1	Building Materials and Tools/Equipment				

	External Construction Materials				
	Local Construction Materials				
	Total (1)				
2	Labor				
	Total (2)				
3	Transportation				
	Total (3)				
4	Other				
	Total (4)				
5	Environmental Protection				
	Total (5)				
6	Contingencies				
7	Total (1+2+3+4+5)				
	Grand Total (6+7)				

The rural municipality/municipality may approve the additional cost for the project on the recommendation of the Local government Project Management Committee (PMC) in case the price increases unexpectedly due to the circumstances beyond control or if the cost of the project increases due to natural calamities.

6. Contribution pattern by different stakeholders

Stakeholder	Amount NPR	%
Natural Resource Development Fund		
Government of Nepal		
European Union/Government of Finland		
Local government Cash		
Natural Resource Development Fund (Total)		
Users' Cash Contribution		
Users' Kind Contribution		
Other		
Users' Contribution (Total)		
Total Cost of Scheme		

7. Payment Schedule to group/UC

The Rural/Municipality shall disburse a maximum amount of Rs.(in words: Rupees only) from the Natural Resource Development Fund to be deposited into the account of the group/UC, in accordance with the following installment schedule.:

Instalment	Amount NPR	Conditions for Payment
First (50%)		After signing agreement between group/UC and Supplier for external materials supply and transportation
Second (50%).		After completion of all the scheme work as per design and estimate, final evaluation and measurement book, all the expenditure publicly audited and verified and recommended by monitoring team.
Total (100%)		

Final instalment shall be released after receiving following documents;

- Technical Evaluation Report and Measurement Book of the Scheme
- Report that all activities under the Community Action Plan have been completed
- Final Public Audit Report of the Scheme
- Recommendation of ward office and LGU
- Report on field monitoring
- TAA or assigned project representatives written recommendation

All payments to UC/group will be made only on the basis of monitoring reports. All payments can be processed and made within 15 days of the demand.

Since the payment of the last installment to the UC/group is made on the basis of the actual measurement book and expenses, the entire amount mentioned in this agreement may not be paid to the UC/group. The Rural municipality/Municipality will not pay the final installment until the amount to be contributed by the UC/group for the operation and maintenance of the scheme is deposited in the UC/group account.

8. Monitoring Cost

While visiting the field for monitoring of the scheme, the amount of daily and travel allowance of the officials and employees of the Local government will be paid to the Local government under the head of administrative expenses allocated to the Local government as per the rules of the Government of Nepal. Apart from this, no other expenditure will be borne by the Natural Resource Development Fund .

9. Taxes

Group/UC should deduct 1.5% as a Tax Deducted at Source, while paying to the supplier. This amount will be deducted by the Local government while paying the final instalment to UC/group. UC/group will be responsible to pay any other taxes that incurred according to prevailing rule and regulation of Government of Nepal/Local government.

10. Auditing

All financial transactions carried out by the group/UC will be audited through a public audit from a public gathering with at least 75 percent representation from the direct beneficiary households, at least 50 percent women and proportional representation of all Disadvantaged Groups. The quality, quantity and price of the purchased materials and the procurement process, the remaining funds and materials, payment of skilled and unskilled labor, transportation costs, and contributions from UCs/group will also be audited through public scrutiny. The UC/group, with the assistance of the LGU staff will update scheme information board, including the total scheme cost after completion of public auditing. Information will be presented in a way that is simple and easy to understand. This may include presenting in local languages where appropriate, to maximize understanding.

11. Monitoring and Supervision

The Rural municipality/Municipality will mobilize teams to monitor the scheme at least twice as mentioned in the SBS procedure during the implementation phase. In addition, at any time, the Local government can assign staff for supervision and monitoring of the scheme. Employees coming in this way will be able to make necessary suggestions by inspecting the accounts of the group/UC, the office of the support persons, documents, stores and other construction works. In order to keep a record of the suggestions received from the team or employees, UC/group will have to arrange a separate suggestion book and then the incoming monitoring team will examine the booklet and review whether the recommendations given have been implemented.

LGU Staff and group/UC representatives and members will participate in the monitoring. It will be the duty of the LGU staff and group/UC to provide necessary information to the monitoring team, show the account sheets and records, check the stores and construction materials and provide other necessary facilitation.

The monitoring team will prepare a report at the monitoring site and will be signed by all members. In the report, if there is any dispute or difference of opinion, it will also be kept among the UC/group and that opinion will also be mentioned in the report.

If the LGU staff or UC/group or the Local government ward office have to repeat the monitoring visit due to wrong or misleading information, then the party giving wrong information will have to bear the cost of the repeat visit.

12. Termination of the contract

In the following circumstances, the Rural municipality/Municipality reserves the right to terminate this agreement:

- The contract cannot be fulfilled satisfactorily due to poor performance of UC.
- Information provided by UC is found intentionally inaccurate or misleading.
- The scheme cannot be implemented within the cost estimate or due to any other reason resulting to considerable delay of work or increase of cost.
- There is misuse of funds or materials.
- There is no effective contribution of community resulting in delay of work, loss of material or increase of cost.
- The UC fail to maintain site records, books and accounts in a proper manner.

If the contract is terminated by Local government for a reason beyond the control of the group/UC, all the expenditure till the date of termination shall be paid to the group/UC. In addition, reasonable cost of demobilization shall be compensated. If the contract is terminated for any reason caused by the group/UC, the Local government shall have the right to withhold the pending or remaining payments and to seize the remaining materials and tools.

Necessary action will be taken against the LGU staff who have been deployed if the agreement is terminated due to lack of support and mobilization to the group/UC. The action taken shall be as mentioned in the contract between staff and the Rural municipality/Municipality based on the annual performance evaluation of the concerned person and the Rural municipality/Municipality. If any damage is caused due to negligence of LGU staffs, the cost of damage shall be reimbursed by staffs.

If the scheme couldn't be implemented due to misuse of funds or materials released for the scheme or used for personal benefits or failure for public auditing, Local government has right to terminate the contract and take necessary legal action for reimbursement of entire scheme cost from fraud party/ies.

13. Reduction of Payment

In the following cases, the Rural municipality/Municipality has the right to deduct the amount of this agreement to the group/UC:

- If the quantity and cost of the work increases due to not completing any work as specified in the design report, changing or changing the design without prior approval or if the quality decreases or the materials are not purchased according to the prescribed quality, the amount given to the UC/group will be deducted.
- Since the final installment amount mentioned for payment to the UC/group will be disbursed based on the actual evaluation, the final installment shall only be paid according to the assessed actual expenses of the scheme. Under no circumstances shall the amount paid exceed the amount mentioned as the final installment. If the project cost is expected to increase, the UC/group must submit an application with valid justification to the Local government office and obtain prior approval; only in such cases can the additional amount be paid.
- In the final evaluation of the scheme, the heading/component mentioned in the cost estimate shall not exceed the estimated.

Therefore, the last installment amount to be given to the group/UC may not be fully paid.

14 Amendments and Differences

- Any provisions of the agreement may be amended with the written consent of all parties involved.

- In case of any disputes, all parties shall make every possible effort to resolve them mutually. Any unresolved matters shall be referred to the Ministry of Federal Affairs and General Administration, and the decision received from the ministry shall be final and binding.

15. Excess fund or Materials

After the group/UC has made full payment of all amounts due upon completion of the scheme, any remaining balance from the advance disbursement shall be returned to the Natural Resource Development Fund from the group/UC's account. Since the final instalment will be disbursed based on actual expenditure, the total expenses as revealed through the project evaluation and public audit shall be calculated, and the final instalment will be released accordingly. In this process, the total amount mentioned as the final instalment in this agreement may not necessarily be fully paid to the group/UC.

Any savings from the total estimated project cost shall be reinvested through the Natural Resource Development Fund in other activities within the Local government. The tools remaining at the construction site shall remain the property of the group/UC and shall be used for future maintenance of the scheme. In the case of leftover construction materials, their quantity shall be verified, and decisions regarding their use or disposal shall be made either by the rural/municipality office or by the mass meeting based on the recommendations of the final monitoring team.

16. Details of UC/Group

S.N.	Name	Position	Address	Mobile no.
1.		President		
2.		Vice president		
3.		Secretary		
4.		Treasurer		
5.		Member		
6.		Member		
7.		Member		
8.		Member		
9.		Member		
10.		Member		
11.		Member		
12.		Member		
13.		Member		

17. Signatures

After accepting the provisions and conditions mentioned in this Agreement, each party who signed this agreement on behalf of the following parties and each party has received one original copy of the agreement.

On behalf of the UC/Group:

On behalf of Rural municipality/Municipality:

Signature:

Name:

Position: Chairperson

Father's Name :

Grand Father's Name:

Citizenship No :

Stamp of UC

Signature:

Name:

Position: Chief Administrative Officer

Date:

Stamp:

Enclosed documents:

- a) Community Action Plan (CAP) and Market Action Plan
- b) Approved Design Report of the scheme
- c) GEDSI Commitment

ANNEX 10: GROUP/UC'S COMMITMENT TO GENDER EQUALITY, DISABILITY AND SOCIAL INCLUSION

Commitment to Gender Equality, Disability and Social Inclusion (GEDSI)

Gender Equality, Disability, and Social Inclusion (GEDSI) Commitment has been prepared to be mandatorily followed and enforced by the formulated/reformulated Users Committees/groups to implement the schemes under Local Adaptation to Climate Change Project. This commitment will apply to all Users' Committees/groups that have signed agreements to implement schemes under the project and will remain as an annex to the Users' Committee/group's agreement. During the scheme agreement, the members of the Users' Committee/group must read, understand, and sign this commitment.

a) Gender Equality, Disability, and Social Inclusion

- While forming and operating the Users' Committee/group, inclusion of gender, caste, and marginalized groups will be ensured in the main Users' Committee/group, sub-committees, and even in the selection of skilled and unskilled laborers, as prescribed by the Project Implementation Manual.
- The scheme will be implemented with the participation of single female, Dalits, households with persons with disabilities, and vulnerable households within the scheme area, and equal access to the benefits of the scheme will be ensured for all classes, castes, and ethnic groups.
- If any household residing within the scheme area is excluded from the list of beneficiary households due to any reason and information or complaints are received that a household has been deprived of the benefits of the scheme, such marginalized households can be identified at any phase of scheme implementation. The Users' Committee/group will make a special decision to include such families and bring them into the project's benefits.
- In the trainings or workshops on Gender Equality, Disability, and Social Inclusion organized by the Local government and the Project, there will be inclusive and active participation from the Users' Committee/group based on gender and caste, and the learnings from such training will be fully applied in practice.
- While constructing scheme-related structures such as collection center, market outlet, ICS, greenhouse etc., will be constructed accessibility, inclusiveness, and user-friendly manner with the support of the Technical Team.
- Community-level agriculture, forest, and livelihood programs will be conducted with the inclusive participation of female, Dalits, households with persons with disabilities, and vulnerable households. The traditional knowledge and skills of Dalits, indigenous people, and other locals related to sustainable use of community forest conservation and non-timber forest products will be respected.

a) Scheme Implementation Based on Non-Discriminatory Approach

- Any form of social discrimination, whether direct or indirect, based on caste, gender, religion, physical ability, or any other grounds will be opposed. During the stages of project implementation, the Users' Committee members/group will not engage in or cause caste-based, gender-based, religious, ability-based, or any other form of discrimination.
- The Users' Committee/group will work to spread public awareness in their society against traditional harmful practices such as gender-based discrimination, *Chaupadi* (menstrual

seclusion), caste-based discrimination, and discrimination based on physical condition. And such discriminatory acts will not be committed by the members of Users' Committee.

- The project will be implemented based on "equal pay for equal work" and gender-friendly working approach. Children under 16 years, pregnant female, and persons with different physical abilities will not be involved in hazardous or physically demanding labor during the project.
- If female with children, menstruating female, or persons with disabilities participate in the scheme construction works, special arrangements (such as childcare, menstrual hygiene pads, first aid supplies, etc.) will be made at the construction site.

b) Project Construction, Proportional Participation, and Labor Contribution

- In terms of the cash contribution and labor contribution from users as stated in the project agreement, each household will contribute not based on equal shares but based on proportional and fair distribution. For example, in a value chain scheme with collection center, while contributing cash and labor, those with more volume of agricultural products collected must contribute more, while those with less agricultural products collected will contribute proportionally less to both cash and labor.

Signatures of the present Users' Committee members:

ANNEX 11: ACTION PLAN OF ACTIVITIES DURING THE IMPLEMENTATION STAGE

-----SCHEME

Community Action Plan (CAP)

Implementation Phase Activities

Name and type of scheme:

Local government:

Date:

Total Households:

Total Population:

Ward No./Cluster:

S.N.	What ? Description of Works	Total Days	When ?		Where ? location	How? (Process/ Method)	Who? UC/Group member	Who? Other Org.	Who? Support
			Start Date	Completion Date					
1	Completion of Preparatory Phase's Activities								
2	CAP Approval from mass meeting First Public Audit and Monitoring								
3	Implementation Phase Agreement								
4	Procurement of external materials: Quotation Open, Suppliers Selection and Agreement with Suppliers								
5	Demand of first installment								
.....									

Add number of rows as per need

Signature of UC/group members

(Note: CAP must be attached in implementation phase agreement paper)