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**NATIONAL COMMUNITYDRIVEN DEVELOPMENT PROJECT**

**IDA Grant No: H814-MM**



**PROJECT REPORT  
SECOND QUARTER (APRIL-JUNE) 2014**

*Submitted in compliance with Section II A of the Financing Agreement between  
the Republic of the Union of Myanmar and the International Development Association*

Presented by:

Community Driven Development Secretariat  
Department of Rural Development

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## List of Abbreviations and Acronyms

BG	-	Block Grant
BGA	-	Block Grant Agreement
CARE	-	Cooperative for Assistance and Relief Everywhere
CFA	-	Community Force Account
CDD	-	Community-driven Development
DRD	-	Department of Rural Development
DSW	-	Department of Social Welfare
ECOPs	-	Environmental Codes of Practice
EMP	-	Environmental Management Plan
EOI	-	Expression of Interest (procurement document)
GDA	-	General Department of Administration
GWG	-	Gender Working Group
HH	-	Household
INGO	-	International Non-Government Organisation
M : F	-	Male to Female Ratio
M&E	-	Monitoring & Evaluation
MEB	-	Myanmar Economic Bank
MIS	-	Management Information System
MWF	-	Myanmar Women Federation
NCDD	-	National Community-driven Development
NGO	-	Non-Government Organisation
NOL	-	No-Objection Letter (WB document)
OM	-	Operation Manual
O&M	-	Operation and Maintenance
PMIS	-	Project Management Information System
RFP	-	Request for Proposals
SIM	-	Subscriber Identifier Module
SPs	-	Sub Projects
TA	-	Technical Assistance
TOR	-	Terms of Reference
ToT	-	Training of Trainers
TS	-	Township
TTA	-	Township Technical Assistance
UTA	-	Union Level Technical Assistance
VDP	-	Village Development Plan
VL	-	Village Leader
VT	-	Village Tract
VTDSC	-	Village Tract Development Support Committee
VPSC	-	Village Project Support Committee
VTDP	-	Village Tract Development Plan
VTPSC	-	Village Tract Project Support Committee
WB	-	World Bank

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## Project Report Summary

1. The National CommunityDriven Development (NCDD) Project seeks to enable poor rural communities to benefit from improved access to and use of basic infrastructure and services through a people-centered approach, and to enhance the Government's capacity to respond promptly and effectively to an eligible crisis or emergency. Implementation rolled out from three townships in 2013 to six townships in 2014, and will cover all remaining townships in 2015.
2. The purpose of this report for the period April to June 2014 is to present the highlights of: (a) implementation progress in terms of the project work plan and results framework; (b) constraints to implementation; and (c) the work plan for the upcoming quarter.
3. Eighty-two percent of the 357 Cycle 1 community infrastructure subprojects had been completed. As of 31 May, which is one of two milestones for Cycle 1, the subproject completion rate was 21%. Other notable achievements are:
  - Hands-on training and technical assistance on subproject implementation and documentation provided to all project staff and communities.
  - Community-based committees and sub-committees operational in 390 villages and 72 village tracts.
  - Project monitoring forms finalized and translated to Myanmar language; Township level MIS training and data entry continued.
  - New townships selected and process to engage technical assistance initiated.
  - Gender Working Group activated; composed of Myanmar Women Federation, Department of Social Welfare, and Department of Rural Development.
4. In terms of key indicators in the project results framework, the status is as follows:
  - Total number of direct beneficiaries of subprojects is 225,941 – of whom 8% are in Kanpetlet; 59% in Kyunsu; and 33% in Namhsan.
  - Over 6,300 HHs through their work in village entities have been actively participating in planning and decision-making with regard to project operations.
  - Total number of village project support committee members is 4,731 (44% women) who lead community planning, procurement, subproject supervision and monitoring
  - Total number of individuals trained on various CDD skills is 5,460(49% women).
  - Grievance handling system received 221 grievances, of which 82% have been resolved.
5. Constraints to implementation include:
  - Some key-positions remain vacant both at the Union and Township levels. This has been due to the difficulty in recruiting qualified staff in specific fields such as technical facilitation, M&E and MIS.
  - Servers for Union CDD Secretariat and in the three townships can be fully operational once the required software is purchased. Poor internet and fluctuating power supply in townships also constrain data transfer.
6. Next quarter's work plan will focus upon:
  - Guidance to townships to complete Cycle 1 and start Cycle 2;
  - Field assessments to fill knowledge gaps such as grievance handling and community contributions to subprojects; and
  - Recruitment of TAs and facilitators for new townships.



## 1. Introduction

### 1.1 Purpose

This quarterly report describes implementation progress and highlights main achievements with regard to the results matrix, together with issues that affected implementation during the months of April through June 2014. In addition, the report shows main activities planned for the next quarter. For the purpose of documenting achievements, we compare implementation progress against the overall project work plan prepared by the Department of Rural Development (DRD) and agreed with World Bank. We also provide details of issues resolved, recommendations to enhance implementation progress, and other matters that require the attention of project management, the Project Steering Committee, and the World Bank.

### 1.2 Geographical Coverage

The first community project cycle (Oct. 2013 to June 2014) was implemented in the three townships of Kanpetlet, Namhsan and Kyunsu, selected from the Chin and Shan States and Tanintharyi Region, respectively. Administrative data for the three townships are presented in the following table.

**Table 1: Basic Township Information**  
(all figures are numbers)

Township	Village Tract (VT)	Village	Village Tract Administrators	Administrative Staff
Kanpetlet	26	*118	26	139
Kyunsu	20	149	20	289
Namhsan	26	123	26	227
<b>All</b>	<b>72</b>	<b>390</b>	<b>72</b>	<b>655</b>

\*Excludes one abandoned village.

It is to be highlighted that all existing village and village tract administrative staff are males. There had not been a single woman holding a decision-making position either at the village or village tract level, prior to the launching of NCDD in the three townships. This situation has been effectively addressed by NCDD: about 50% of village committee members are women.

Total population targeted by the project in the three townships is 235,070, comprising 41,477 households (HH). That the number of houses in two townships is smaller than the number of HHs suggests that in some cases, more than one household is living in a single house. Relevant data are presented in Table 2.

**Table 2: Population and Households by Township**

Township	Population	Households (HH)	Houses (number)	HH size (persons)
Kanpetlet	17,800	3,013	3,362	5.91
Kyunsu	145,612	26,634	24,277	5.47
Namhsan	71,658	11,830	10,900	6.06
<b>All</b>	<b>235,070</b>	<b>41,477</b>	<b>38,539</b>	<b>5.67</b>

Demographic data for the three townships are provided in Table 3.

**Table 3: Township Demographics**

Township	Villages per VT	HH per Village	HH size	Population per Village	M : F Ratio
Kanpetlet	5	25	6	150	1 : 1.04
Kyunsu	7	179	5	977	1: 0.98
Namhsan	5	96	6	583	1 : 1.07
<b>All</b>	<b>5</b>	<b>99</b>	<b>6</b>	<b>601</b>	<b>1 : 1.01</b>

As can be seen from the data above, Kyunsu has more villages per VT compared to the other two townships. Kyunsu also has the largest number of HH per village, with individual HHs, on average, having slightly fewer members compared to the other two townships. The population per village is largest in Kyunsu followed by Namhsan, while the lowest is in Kanpetlet. The male-to-female ratio across the townships is different where Kyunsu has relatively less females while Kanpetlet and Namhsan each have slightly more females.

The above statistics have implications on the intensity of project inputs. The main implications for Kyunsu are that: (a) each activity in the community project cycle has taken more resources, time and effort to complete; and (b) more training and communications materials were needed. Project staff have had to spend more time for awareness-creation and training in Kyunsu where the number of HHs is nearly double that in Namhsan. Transport difficulties including the non-navigability within the Andaman Sea which restricted mobility of project staff.

### 1.3 Existing infrastructure

The primary purpose of NCDD Cycle 1 subprojects (SP) is to rehabilitate existing infrastructure in the three townships. Hence, it is appropriate to examine the type of infrastructure already in place in the target area. This sub-section provides a brief analysis of existing infrastructure facilities.

The data collected at the time of field entry by project staff reveals three important infrastructure items in the target area. They are health facilities, schools and access roads. Tables 4, 5 and 6 provide relevant data for the three townships.

**Table 4: Distribution of Health Facilities**

Township	Type of Health Facility (per cent of villages)		
	None	Rural Health Centre	Other Facility
Kanpetlet	86	4	10
Kyunsu	59	7	34
Namhsan	50	0	50

The number of villages without any health facility is highest in Kanpetlet followed by Kyunsu. Only one-half villages in Namhsan are without any health facility.

**Table 5: Distribution of Schools**

Township	Type of School (per cent of villages)				
	None	Primary	Middle	High	Combination
Kanpetlet	18	51	7	2	23

Kyunsu	1	76	10	8	6
Namhsan	9	59	24	2	6

Eighteen per cent of Kanpetlet villages have no schools. In Namhsan and Kyunsu, the relevant figures are 9% and 1% of villages, respectively. There are several villages in each township where the school was built by the community – through its own efforts and resources. The teachers in some of the schools are also paid for by the community.

**Table 6: Modes of Village Access**

Township	Mode of Access (per cent of villages)		
	Footpath	Track	Metal-surfaced
Kanpetlet	45	53	2
Kyunsu*	24	93	20
Namhsan*	27	5	97

\*As some villages have more than one mode of access, the total exceeds 100%.

With regard to accessibility, Kanpetlet has the poorest condition, where about 45% of villages have only a foot path. Kyunsu has a few villages where the internal mode of access is only a foot path. The only access to the majority of villages in this township is via the sea. Namhsan is the only township where every village can be accessed by a motor cycle in the dry season. This township has many villages that have access to a metal-surfaced road.

In the above context, the funding and facilitation provided by NCDD to develop community infrastructure will have a huge impact on villages. The operation and maintenance (O&M) of village infrastructure, however is constrained by lack of funds. There is evidence that many of the village infrastructure in Kyunsu and Kanpetlet are operated and maintained by the community which, however, does not have the necessary training to plan and maintain infrastructure. Here again, the project will have positive impact for two reasons. First, all infrastructure under NCDD are planned and rehabilitated by the community which has good knowledge about O&M requirements. Second, O&M plans are built into the design of infrastructure subprojects that will lead to better management. The community that directly benefits from completed infrastructure has the most interest in keeping said infrastructure in good working condition.

#### 1.4 Staffing

The NCDD Secretariat was established under Circular Number 448/Admin1/DRD dated 13 March 2013 and issued by the Director-General of DRD. The Union Secretariat was set up entirely for the purpose of NCDD Project implementation. During the period under review, 52 DRD staff members together with eight Union Technical Assistance (TA) consultants comprised the CDD Union Secretariat. Of the DRD staff, 32 (60%) are full-time. Twenty-five DRD staff are men and 27, women.

Union TA joined the project beginning 16<sup>th</sup> September 2013, while the Union TA kick-off meeting was held on 18<sup>th</sup> September with the Project Manager as Chair. Five long-term Union TA specialists served the project during the review period. Four short-term specialists of the Union TA also worked intermittently during this period.

Several DRD staff positions are vacant both at the Union and Township levels. DRD Union has yet to allocate counterpart staff for the Union TA international MIS specialist and for the international M&E officer. The availability of counterpart staff for key positions is critical to transfer of skills and knowledge to DRD staff.



Similar to DRD Union, DRD townships do not have adequate numbers of staff to work as counterpart for the Township TA (TTA) specialists. None of the townships have DRD staff assigned for MIS, while Kanpetlet has one staff assigned to M&E. Beginning May 2014; two DRD township staff in Kyunsu were assigned to M&E, while none has been assigned in Namhsan.

Staff shortage is a key issue that is being attended to by DRD management, which aims to fill many of the vacancies in the near future.

Three DRD Township Secretariats established in the last quarter of 2013 were fully operational during the quarter under review. Eighteen DRD township staff have been mobilised, some on part-time basis during the quarter (Table 7).

**Table 7: Status of DRD Township CDD Secretariat Staffing**

Township	Date of Establishment	NCDD Staff (Number)
Kanpetlet	16 <sup>th</sup> August 2013	6
Namhsan	30 <sup>th</sup> July 2013	5
Kyunsu	13 <sup>th</sup> August 2013	7
<b>All</b>		<b>18</b>

With regard to township TAs, two international non-government organisations (INGOs) (covering three townships) continue to provide implementation support to DRD and the project communities. Several technical facilitator (TF) positions in Namhsan township are vacant as qualified candidates are not available. Project management is sourcing TFs from elsewhere in the country.

Township M&E, financial management and procurement are being supported by Union TA to produce the expected outputs. Safeguards and M&E documentation at the township level remains inadequate. Lessons learned from township implementation need to be carefully considered in the recruitment of TA specialists for the new townships.

Sixty-five facilitators (53 community facilitators and 12 technical facilitators) were on duty during the reporting period. Table 8 provides details of their deployment by township. The facilitators were seen to be actively working with the village tract and village project support committees (VTPSC and VPSC) in strengthening their members' capabilities to facilitate subproject implementation. Township TA and DRD staff are assisting and supervising the work of facilitators.

**Table 8: Distribution of Facilitators, April-June 2014**

Township	Community Facilitator	Technical Facilitator	Total
Kanpetlet	22	5	27
Kyunsu	15	4	19
Namhsan	16	3	19
<b>All</b>	<b>53</b>	<b>12</b>	<b>65</b>

## 2. Implementation Progress

Implementation in respect of four out of the five project components was in progress during the reporting period. The fifth project component (emergency response) has not been applicable. The major activities implemented in accordance with the overall project work plan are listed below:

- Gender mainstreaming
- Refresher training for township staff and facilitators
- Awareness-creation and training for community members
- Operationalizing the project MIS
- Implementation of 357 SPs in the first community project cycle
- Financial management
- Procurement of goods and services

Progress in each of the above major activities is described below.

## 2.1 Gender Mainstreaming

Following the withdrawal of the gender team proposed by CARE, DRD began to source this technical input from elsewhere. The workprogress on gender mainstreaming during the quarter is summarised below:

- Conducted three meetings of the Gender Working Group (GWG) to review the EOI for national and international gender specialists. All meetings were held at the conference room of DSW;
- The review of the single EOI received for the national specialist revealed that the candidate does not have the relevant experience. Accordingly, a decision was taken to contact another candidate by phone. A reply is awaited;
- The advertisement for international gender specialist was published in the New Light of Myanmar (9<sup>th</sup> and 10<sup>th</sup> April). The same advertisement was inserted in the project website [www.cdd.drdmyanmar.org](http://www.cdd.drdmyanmar.org). Seven EOIs have been received by the closing date of 9<sup>th</sup> May 2014;
- GWG reviewed 7 EOIs and a ranking of candidates was prepared in collaboration with the procurement team following WB procurement guidelines. The procurement process to source the gender specialist is post-review; as such prior approval of WB is not required. The successful candidate will be contacted to initiate the negotiation process in the next quarter;
- On the advice of the WB, work on the Gender Training Manual was put aside until the recruitment of two gender specialists; and
- Hands-on training for the four junior gender team members of NCDD under the guidance of senior gender staff member of DRD continued during the quarter.

## 2.2 Staff Training

Union TA conducted a Training of Trainers (TOT) to enable townships to conduct community training. In turn, the Township TA accompanied by relevant DRD staff delivered said training to members of village tract project support committees and village project support committees. All community management training activities were completed during the quarter. Refresher training for township staff was also conducted during the period under review. The subject of such training included communication, infrastructure, M&E and MIS.

Union TA planned and delivered training on social audit process in each of the three townships. All CF, TTA and DRD relevant staff attended this training which was a day-long event. After review of the process and further suggestions by WB, it was decided to provide further training in three sessions. The first session was preparations where participants collected and analysed relevant data. This was followed by a four-hour field-based training. The final part was to reflect on field experiences and make adjustments as required. The second round of training (three sessions) was completed in Kanpetlet and Namhsan

townships, and is planned for early July in Kyunsu. Some members of the VPSC also took part in the field part of training.

Union TA provided DRD communications staff of the three townships with training on the use of cameras, short video production, and film editing. This activity was completed prior to the arrival of new equipment for the townships.

Finally, Union TA delivered refresher training on the revised M&E forms in Kanpetlet and Namhsan townships. The full set of M&E forms translated by Union translator mobilized in early June was made use of in this refresher training. The program will be repeated in Kyunsu in July.

### 2.3 Community Training

The delivery of the training package for community members in 10 modules designed by Union TA consultants in the previous quarter was completed in April. The components of the package are community development, project cycle, safeguards, operation and maintenance, grievance, monitoring and record keeping, and procurement. Table 9 shows the typical details of a community training program.

**Table 9: Content of Community Training**

<b>Day/Duration</b>	<b>Topic</b>
Day 1	
0:30	Session 1: Opening and Introduction to CDD
1:30	Session 2: CDD and community project cycle with concrete examples
1:30	Session 3: Safeguards of approved sub-projects
2:30	Session 4: Operation and Maintenance
Parallel sessions	Session 5: Monitoring and record-keeping
	Session 6: Procurement including review of technical designs of subprojects (Note: it is likely that the procurement sub-group cannot finish within 2:30 hours, in which case it can finish its work in the morning of the second day)
Day 2	
1:30	Session 7: Gender in CDD
0:30	Session 8: Code of conduct
1:00	Session 9: Grievance handling
1:30	Session 10: Documentation, disclosure and social audit
0:30	Planning next steps
0:30	Evaluation of the training

Community management training which began in the previous quarter was completed in full in all townships in April. During the quarter, 343 community members (181 men and 162 women) in Kyunsu township received community management training.

The total number of community members trained during the previous and this quarter was 5,460 (49% women). Field assessments revealed that almost all community members appreciate this training which according to some of them will also help in their personal development which is a spin-over effect of the project. Several women met by Union TA members said that community management training had been beneficial to them in managing not only community initiatives but also in making and managing businesses as private individuals.

### 2.4 Management Information System

Data entry into the MIS using the revised forms began during the reporting period. Project management aims to have in place a fully functional MIS by the next quarter.

Following completion of translation by the Union TA translator (hired in June) of the revised M&E forms into Myanmar language, all three townships were provided with a copy of forms for reproduction and use. Together with this, Union TA members delivered refresher training on the revised forms to field staff in Kanpetlet and Namhsan townships. A similar training in Kyunsu township will be conducted in July. Three staff (2 in Kanpetlet;1 in Namhsan) attended this training. In the meantime, data entry training of M&E staff on the new forms was completed in Kanpetlet and Namhsan during the quarter. It is planned to be conducted in Kyunsu in July.

There are two data bases. One, Excel Spreadsheet that contains data collected via the old forms and two, MSAccess database using the revised forms. The Excel database containing relevant data for three townships is in DRD Union's computer-server, while the MSAccess database is in the box storage ([www.box.com](http://www.box.com)).

## 2.5 Community Project Cycle Implementation

Implementation activities of the first community project cycle (Oct. 2013-June 2014) were guided by two main targets. The first target was the opening of bank accounts by 72 VTs and the transfer of block grants to the banks which was achieved on 31<sup>st</sup> March 2014. The second target is the completion of all subprojects by 31<sup>st</sup> May 2014. DRD staff, advised by Union TA together with TTA and facilitators, have been actively supporting village tract and village project support committee representatives in the three townships to help achieve completion of SPs by the target date. This section of the report provides an update on SP implementation activities vis-à-vis the target completion date.

### 2.5.1 Mass Community Meetings

Having completed orientation meetings in each of the 390 villages in the previous quarter, the majority of VPSCs during the quarter under review conducted by themselves subsequent mass meetings in their respective areas. Evidence indicates that at least one such meeting was held in each village. Data on participation and other details are not available at the time of preparing this report.

### 2.5.2 Village Committees and Sub-Committees

The village project support committees and sub-committees elected during the previous quarter have been fully functional during the review period. The VPSC consists of seven to ten members (depending on the village population) elected during the orientation meeting. The total number of VPSC members is 4,731, of which 44% are women.

The committee members include representatives (who are male) appointed by the Government as stipulated in a Presidential Decree, plus a new female to represent the VPSC in the VTPSC. The village committees mostly have equal representation of men and women. The village leader (VL) is not a member of the VPSC but acts as advisor.

The three sub-committees of the VPSC are monitoring and reporting, procurement, and operation and maintenance, each consisting of two to three members appointed from among the elected community members. The two village representatives of the VTPSC, volunteers, and grievance focals are not included in the three sub-committees.

Data on VPSCs from April to June are shown in the following table.

**Table 10: Progress in Village Committee Operations, April-June 2014**

Township	Number of Villages (total)	VPSCs Functional during quarter	Committee Members (per cent men, women and total number)		
			Male	Female	Total
Kanpetlet	118	118	57	44	1,305
Namhsan	123	117	64	36	1,073
Kyunsu	149	148	51	49	2,353
<b>All</b>	<b>390</b>	<b>383</b>	<b>56</b>	<b>44</b>	<b>4,731</b>

### 2.5.3 Village Volunteers and Grievance Focal Points

Village orientation meetings elected volunteers and grievance focal points to work with the VPSC. A total of 446 volunteers in three townships worked actively with project staff and communities during the quarter. The volunteers assisted VPSC to organise meetings, inform households about project activities and meetings, complete forms, and assist project staff on various implementation activities. Field assessments suggest that volunteers are important sources of knowledge as they are able to explain many project issues to the community. Forty-nine per cent of village volunteers are women – suggesting that women participation in implementation is high. The number of volunteers elected in Kyunsu township is comparatively small in number. Owing to difficulties in transport and distance from project office, it is in this township that there should have been more volunteers to share responsibility for implementation activities. It is possible that the fewer number of volunteers in Kyunsu township may affect project implementation including the quality of operations.

**Table 11: Distribution of Village Volunteers by Sex, April-June 2014**

Township	Sex Composition (Per cent)		Total Volunteers (number)
	Men	Women	
Kanpetlet	49	51	215
Kyunsu	35	65	46
Namhsan	58	42	185
<b>All</b>	<b>51</b>	<b>49</b>	<b>446</b>

As per guidelines in the Operations Manual, villagers elected grievance focal persons from the community to assist members in resolving project-related grievances. The focal points were elected at the orientation meeting together with other committee members.

Data on grievance focals by township are shown in Table 12.

**Table 12: Grievance Focal Persons, April-June 2014**

Township	Sex Composition (Per cent)		Total Grievance Focals (number)
	Men	Women	
Kanpetlet	51	69	426
Kyunsu	47	53	481
Namhsan	50	50	232
<b>All</b>	<b>49</b>	<b>51</b>	<b>1,139</b>

Slightly over 50% of grievance focal persons are women, confirming they now have greater engagement in community governance work.

#### 2.5.4 Village Tract Committees and Sub-Committees

The 72 VTPSCs established in the previous quarter were fully functional during the quarter. The formation of the village project support committee (VPSC) is followed by the formation of the Village Tract Project Support Committee (VTPSC). The two elected members (two per VPSC, one male and the other female) of each VPSC make up the VTPSC. This has a membership of eight to 17 depending on how many VPSCs are involved. The project implementation mechanism at the VT level is centered on the VTPSC. The VTPSC also includes some community members who are members of village tract development support committees established prior to the NCDD Project.

#### 2.5.5 Village Development Planning

The village development plans prepared during the previous quarter were implemented from April through to June. In fact, what is commonly included in the Plan is a list of SPs to be funded on a priority basis. In other words, it is not a Development Plan as such but a list of SPs. Contrary to the expectation that the list of SPs should include those that can be funded from other sources, the list only contains SPs to be funded by NCDD.

An attempt was made to collect information on VDPs prepared prior to the NCDD Project. However, this task could not be completed due to field staff being preoccupied with project cycle implementation activities.

#### 2.5.6 Village Tract Development Planning

Upon submission by the VPSC, the list of SPs was reviewed by the relevant VTPSC for inclusion in the list of SPs of the VT. The primary purpose for doing so is for the VTPSC to allocate the VT block grant to priority SPs across the villages comprising the VT.

All the 357 SPs proposed by VTPSCs in the previous quarter were approved by the Township Planning and Implementation Committee (TPIC). Only minor adjustments were made by the TPIC, such as removing proposed SPs that will be funded by other sources, i.e., Parliament, or Ministry of Border Affairs. All 357 SPs began implementation during the quarter. Details are presented in other sections of this report.

#### 2.5.7 Bank Accounts

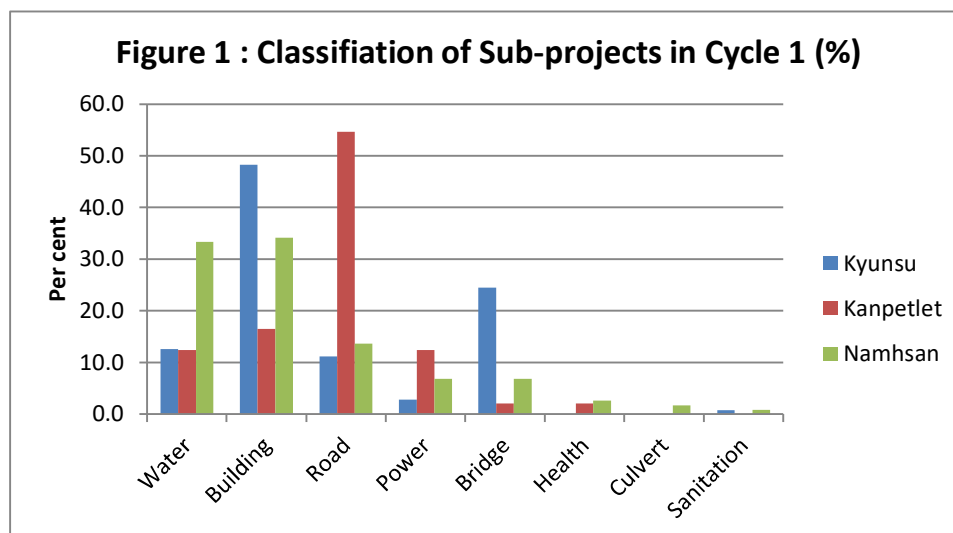
The designated VTPSC members were withdrawing money from the VT bank account, and disbursing over to VPSC for payment of expenses. This is the first time the VT had its own bank account, and this was appreciated by community members in the three townships. All bank accounts held by 72 VTPSCs were active during the quarter.

#### 2.5.8 Block Grants

The block grant (BG) allocation was effectively utilized to construct subprojects, and to pay for related subproject administration expenses. Several VPSCs in Kyunsu had over-spent the amount allocated by the respective VTPSC for administration purpose. Members of the procurement sub-committee have had to make several trips to the nearest town as part of SP procurement. This, according to them, has cost a lot. Field assessments revealed that some VPSC members who have spent on project works from out of their own pockets have not yet been reimbursed by the VTPSC. Obviously, this has caused some problem. Data on unspent amounts of the BG are not available at this stage, and will be included in future reports.

#### 2.5.9 Sub-project Classification

The types of SPs implemented include water (gravity flow systems, community tanks, small reservoir, tube wells); buildings (school, health centre, community centre); access (roads, foot paths, bridges, culverts, jetty); electrification (generators and hydro-power); and irrigation. The distribution of SPs being implemented in the three townships is graphically presented in Figure1.



The above composition of SPs closely follows the priorities identified by village committees during the previous quarter. For example, people in Kyunsu asked more of buildings and bridges (include jetty), as it has been found to be difficult to transport materials to islands far away from the mainland. SP details show that the majority of works is in fact comprised of buildings and bridges. Kanpetlet is worst hit by lack of roads. As discussed earlier in this report, there are several villages within this township where the only access is by foot path. This is reflected in the number of SPs identified by people in Kanpetlet of which the majority are roads. Owing to current land use, Namhsan has water scarcity. This is more acute in the dry season with a highdegree of water shortage also affecting the town. Accordingly, the SP list indicates that the majority relates to water.

The OM states that SPs during Cycle 1 have to be rehabilitation and minor extension work. This is clear as the VPSCs may not have the skills and experience required for planning and executing new construction work. Data indicate that 75 % of SPs were rehabilitation while 11 % were new works. Fourteen per cent were extension works.

**Table 13:Types of Works in Cycle 1**

Township	Type of Works (%)		
	Rehabilitation	Extension	New Works
Kanpetlet	87	0	13
Kyunsu	76	6	17
Namhsan	64	36	0
<b>All</b>	<b>75</b>	<b>14</b>	<b>11</b>

Kyunsu is the township where the largest proportion of SPs are new works (17%), followed by 13% in Kanpetlet. Majority of new works in Kyunsu are jetty, bridges and roads.

Field assessment on the quality of work reveals that the majority of SPs were of good quality. This includes some of the new works executed by VPSCs, for which a high level of engineering skills is demanded. Some communities implemented SPs with minimum assistance from project staff who were in short supply and had other tasks before them. It is worth mentioning that Namhsan still does not have its original quota of TFs, as recruitment in this remote township is challenging.

#### 2.5.10 Subproject Implementation

The township project staff prepared detailed designs for many SPs. However, there are several SPs for which designs were done by local people. Union TA visited one SP designed by the monk from the village monastery, who is not an engineer. There were other cases where VPSC members sought technical assistance from the engineer-in-charge of a nearby project constructed by Government. The engineer explained to the VPSC on several occasions, until the community had gained enough confidence to take on engineering work.

Procurement was undertaken by the village sub-committee that purchased materials either directly, or through a contractor. The type of SP classified by procurement method is analysed elsewhere in this report.

Myanmar has a strong tradition where community projects are implemented through the active participation of all villagers including donations. The more frequent donations are labour, materials, cash, and food and beverages for workers. Although the SPs implemented under NCDD were planned and executed without counting on community donations, the majority of communities themselves have come forward with a substantial package of donations in kind, cash and labour. All of the 30 SPs visited by Union TA members involved several types of donations, and the completion of many SPs was made possible by such donations. To cite an example, one jetty SP in Kyunsu cost Kyat 5 million, whereas the BG allocation was just half. This SP was completed through labour, cash, materials and refreshments contributed by the community.

It is important that community contributions are calculated and added on to the SP cost in order to arrive at a realistic figure of completion cost. Field staff have been instructed to collect data on community contributions towards SP construction, of which majority is shown in notices and signboards prepared by the VPSCs.

#### 2.5.11 Supervision and Monitoring

The members of M&E sub-committees made their own arrangements to visit SP sites on a regular basis to undertake supervision. In doing so, the members took turns and discussed concerns at VPSC meetings. There is evidence that through their vigilant supervision work, the quality of construction rose. While conducting supervision, they discussed with skilled workers and/or contractors concerns and how to address these. They also gained valuable life-long experiences that will remain with the community. Evidence suggests that community members are able to use skills gained in their own community and private situations now and even beyond the project.

#### 2.5.12 Safeguards Issues

Project teams were provided with awareness and training on safeguards for SP implementation, as described in the OM. At the minimum, a safeguards screening form should be completed in respect of each SP; an EMP has to be prepared if warranted; documentation of voluntary land donation is to be prepared using form No. 6; each SP should be reviewed by the VPSC for final sign-off by DRD; and safeguards



implementation is to be reported in the monthly monitoring form. There were no SPsin Cycle 1 requiring involuntary acquisition of land.

The Union TA provided assistance and clarifications to township teams on the implementation of safeguards during the quarter. Related issues were explained to townships by the Union M&E Officer and the Infrastructure Specialist.

However, safeguards screening forms, SP proposal forms, and review forms have not been completed by VPSC members. Action has already been initiated by Union TA to prepare and complete all safeguards documentation next quarter. None of the SPs in Cycle 1 warranted an EMP. As expected in the OM, environmental issues were addressed through the use of ECOPs checklists.

The table below presents data on voluntary land donation in the townships. Verification of figures is in-progress.

**Table 14: Status of Voluntary Land Donation**

Township	SPs requiring Voluntary Land Donation (number)	Land Donors (number)	Area of Land Donated (sq.ft)
Kanpetlet	7	41	216,929
Kyunsu	5	15 couples + 7 individuals	10,820
Namhsan	13	36	*
<b>All</b>	<b>27</b>	<b>109</b>	

\* Data not available

All pending documentation are planned to be completed next quarter. Lack of staff and inadequate knowledge of community members are considered as main constraints to timely completion of safeguards forms. This can also be explained as NCDD has been the first experience for communities to prepare documentation in accordance with the international practice of adopting safeguard measures.

#### 2.5.13 Subproject Closure

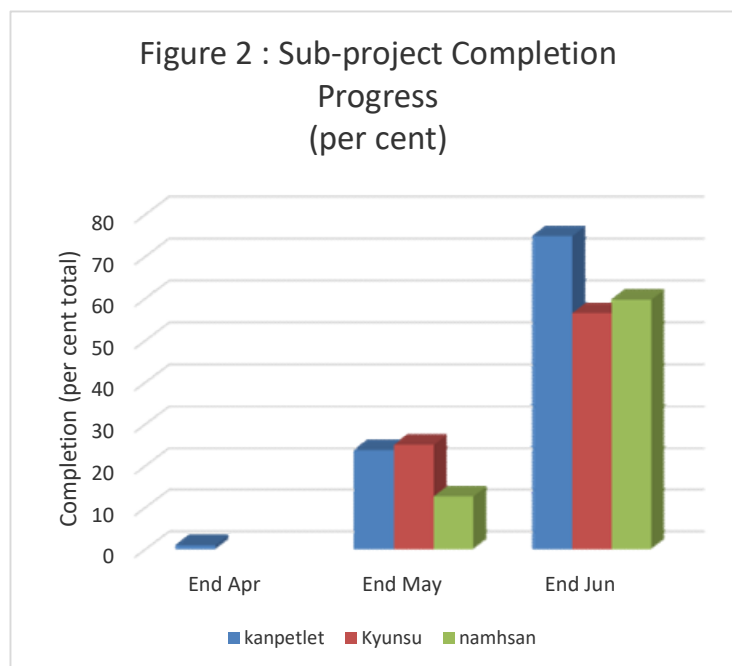
Two hundred and ninety four SPs have been completed by end of June, and beneficiaries have already commenced utilization. Some of the SPs were inaugurated by the township administrator who declared open the facility for the community. Completion of two forms (SP final inspection form and Final Financial Completion form) that are required in respect of each completed SP is underway. Lack of community experience in filling out forms; inadequate staff to provide hands-on help to the community; and many CFs not having been able to regularly visit their assigned villages and thereby motivate the community – are some reasons for the backlog in documentation.

#### 2.5.14 Implementation Progress

Out of the 357 SPs, 21% were completed by 31<sup>st</sup> May, which was the original target completion date. Considering the short time period within which communities were oriented about project principles, guidelines and procedures; opened bank accounts; carried out SP identification and design; undertook procurement, implementation of works, and several other activities – the above achievement within a two-month period can be highly commended. This outcome is the result of the active participation of project communities backed up by Facilitators, township staff and consultants, and the CDD Secretariat at DRD Union.

A further 220 SPs were concluded during the month of June, raising to 82% the subprojects completed during the quarter under review.

Implementation progress is shown in Figure 2 below.



Community members were asked during field assessments about the extent to which they were happy about the SP itself, and about the implementation process. It is not surprising that all of them were highly satisfied about both the SP and the process of implementation. For the majority of villages, NCDD was seen as the only vehicle that provided them with experience in planning, procurement, financial management, supervision and completion of SPs. The community is confident that the experience gained will be useful in implementing other projects in the villages. Several others said their project experience will benefit their businesses and households.

Through probing and in-depth interviews, it became evident that there are a few matters about which the community is unsatisfied. First, the time period within which they were expected to complete SPs is too short. This affected their other livelihood activities as they reluctantly agreed to work on SPs. According to many, it would have been better had the implementation phase been extended. The reduced implementation phase meant that the community lost the opportunity to earn wages, as contractors brought laborers from outside the village. Second, they also believe that socialization has not been adequate. Some members still do not have sufficient knowledge about project implementation processes. Poor selection of SPs is cited as an outcome of inadequate understanding by the community. Third, many communities believe that there should have been a better modality for the allocation of the BG. The members of both VPSC and VTPSC should have received more information about BG allocation and the principles behind it. Finally, the communities believe that the opportunity to raise local funds for SPs should have been highlighted. Raising additional resources from communities was never highlighted in discussions and training.

#### 2.5.15 Documentation and Reporting

Building rich documentation based on findings from project implementation and outcomes is critical for NCDD success. The documentation is developed to support the “evidence-based” approach being implemented. Documentation is taking place at the community, township and union levels, following specific approaches in place. Difficult transportation and communications are main constraints to capturing rich evidence emerging from the community level. Lack of staff has also constrained developing a good and effective document base. Many communities have not been able to complete project documentation due to the reasons explained above.

More attention will be given in the future to fill gaps in project documentation.

## 2.6 Procurement

The following activities were undertaken with regard to procurement:

- Recruitment of township technical assistance (TTA) for four new townships in Sagaing, Ayeyarwaddy, Magway regions and Rakhine States underway. By the closing date (23 May), 13 EOIs were received. WB provided the NOL for the shortlist of firms prepared by DRD. The Request for Proposal (RFP) was sent out to short-listed firms on July 1, with submission deadline of July 28, 2014. DRD will invite the first-ranked firm for each township for contract negotiations upon receiving the NOL (expected end-August);
- Recruitment of the TTA for Naypyitaw Territory and Yangon Region were initiated during the period under review. The closing date for EOI submission is 21<sup>st</sup> July;
- Recruitment of both international and national gender experts is in-process as discussed earlier in this report;
- WB will take responsibility for the recruitment of an individual consultant for Technical Audit. The assignment will start early August in two townships before the Multi-Stakeholder Review at union level;
- As negotiations with the 1<sup>st</sup>- and 2<sup>nd</sup>-ranked candidates for the post of financial assistant failed, DRD will not negotiate with the 3<sup>rd</sup> person due to inadequate qualifications. The process of recruitment will be put in abeyance for a few weeks;
- Contracts were signed with Union TA Secretary and the Translator on June 1, 2014 for 36 months;
- Contract signed with civil engineer for three months on May 20, 2014; assigned to Namhsan township as TF. Bank agreed to extend this contract for 12 months;
- Bank provided its post-review approval to hire four boat operators and four assistants for Kyunsu Township. The contract will be signed first August, 2014 for 10 months;
- Following advice from the Bank mission in June, it was decided that technical audit should be carried out using two parallel approaches: one for individual consultants to be funded under a WB-executed contract to quickly get the initial report for the multi-stakeholder review. The other approach is for Union DRD to recruit a consulting firm for three years. This is already in the procurement plan;
- Discussion on Bank procurement policies was conducted by Union TA and DRD for staff of Kyunsu office: by 10 CFs, 4 TFs, township DRD, and TTA staff. It is recognised that procurement forms and contracts for work and goods are complicated for the community.

On procurement of goods, the following were the main progress items:

- The bids for procurement of 100 each of solar chargers, keyboards, and carry cases for Cycle 1 townships were evaluated;
- Nine CDMA phones and SIM cards are in the process of procurement evaluation. These items are for the DRD Union and three Cycle 1 townships;
- Office furniture of 564 items for DRD Union and six new townships: bids were evaluated and delivery is expected July;
- Procurement order issued for the supply of 30 licenses for MIS software for MS Office with MS Access and MS SQL server for Union DRD.

Village procurement sub-committees have made use of community force account (CFA) and direct contracts as main procurement method. Table 15 provides community procurement data for three townships.

Eighty-three per cent of all SPs were implemented through CFA, under which the VPSC is responsible for procurement of materials and labour. The VPSC followed the procedure in the OM, including securing three quotations. Many committees complained of having to get three quotes, as they could obtain none in their locality. Local suppliers are not used to the practice of issuing quotations. This made it difficult for the majority of committees to follow procurement procedures. Travel to towns where suppliers are located, and repeat of the same procedure several times, were other problems for the village committee. Lack of funds allocated for transport in locations such as Kyunsu was still another problem that the village committee had to live with. There are claims that part of their travel expenses had not been approved by the VTPSC for payment.

**Table 15: Cycle 1 Procurement Methods**

Township	Procurement Method (no. of subprojects)			Total Subprojects (number)
	CFA	Contractor	Shopping	
Kanpetlet	58	28	11	97
Kyunsu	142	1	0	143
Namhsan	97	20	0	117
<b>All</b>	<b>297</b> <b>(83%)</b>	<b>49</b> <b>(14%)</b>	<b>11</b> <b>(3%)</b>	<b>357</b> <b>(100%)</b>

It was noted during field assessments that several VPSCs in fact employed CFA for procurement of materials, while labour was supplied through a contract. There were also few VPSCs that procured materials via a contract, while procuring and managing labour by itself.

## 2.7 Financial Management

Progress in financial management during the reporting period is presented below.

- Interim Financial Report (unaudited) for the quarter ending 31/03/2014 along with the disbursement projection for the period April to Sept. 2014 was prepared and submitted to World Bank;
- Additional modular training on Community Finance Guidelines was conducted in Nay Pyi Taw for the finance officers of the three townships. List of issues / points raised by finance officers was prepared and shared with World Bank Task Team and for advice, moving forward;
- Ninety-five per cent of the Block Grant was released to VTs during the previous quarter. The remaining 5% was retained as there was uncertainty whether 100% of VTs would be ready to receive the BG by 31<sup>st</sup> March. Subsequently, WB decided to increase the SP administration allowance for VTs up to 4%. Together with this, the balance in BG which came to 5% was transferred to the bank accounts of 72 village tracts;

- DRD submitted to WB six Direct Payment Applications for a total of US\$ 369,142 and a Replenishment Application for a total of MMK 195,362.052;and
- Completed the Annual Financial Statement for the period ended 31 March 2014 for the purpose of the external audit by the Union Auditor General Office.

In addition, the evaluation reports on recruiting a contractual National Finance Consultant and a Finance Assistant were completed and submitted to World Bank for review, comments, and NOL.

## 2.8 Visitors

A group of journalists visited Kanpetlet and Kyunsu townships in May.

The Deputy Minister made a tour of project villages in Kanpetlet in May.

The table below summarises outputs and results for each of the five project components.

**Table 11 : Summary of Outputs and Results by Project Component(April-June 2014) Correct!**

Purpose	Outputs	Results	Comments
<b>Component 1: Community Block Grants</b>			
<p>a. Purpose - to finance three annual project cycles in about 640 village tracts in 15 townships for priority community infrastructure</p> <p>b. Resources - Project provides \$ 27,000 per township per cycle</p>	<ul style="list-style-type: none"> <li>• Village tract committees manage accounts opened in Myanmar Economic Bank by 72 village tract committees</li> <li>• Remainder of 5% Block Grant transferred to VT bank accounts</li> <li>• 4 townships from Magway (Say Totayar), Saigan (Pin Lel Bu), Rakhine (Ann) and Ayarawaddy (Lay Myat Anar) selected for 2014</li> <li>• 2 townships in NayPyiTaw (Tot Kone) and Yangon (Htan Ta Pin) Region selected</li> </ul>	<ul style="list-style-type: none"> <li>• DRD staff completed socialisation in 5 out of 6 new townships in May</li> </ul>	<p>Process for recruiting TA for new townships initiated immediately after WB mission in January.</p>
<b>Component 2: Facilitation &amp; Capacity Development</b>			
<p>a. Purpose – to finance technical assistance and institutional development at Union and township levels</p> <p>b. Resources – Project provides TA to support to DRD at Union level and three TAs to support DRD at township level</p>	<ul style="list-style-type: none"> <li>• Training modules and guides for community management completed</li> <li>• Community management training in all 3 townships which began in last quarter completed</li> <li>• Capacity development of TTA and facilitators continued;</li> <li>• Revised M&amp;E forms translated into Myanmar and distributed to townships. TTA staff and facilitator training on new forms completed in 2 out of 3 townships;</li> <li>• Second round of data entry training for MIS using revised forms completed in 2 out of 3 townships.</li> </ul>	<ul style="list-style-type: none"> <li>• Union TA continued to guide TTA on project implementation, data collection and reporting</li> <li>• DRD township staff, facilitators and community members aware of project activities. Community members commenced application of new knowledge on financial management, procurement, and reporting</li> </ul>	<p>Lack of power supply in Kanpetlet affecting operation of computers. Township office in Kanpetlet does not have reliable internet; none in Kyunsu. MIS data transfer to Union remains a problem.</p> <p>Limited Block Grant allocation for subproject administration of VPSC members meant that some expenses may not be reimbursed. At the request of WB, TTA is now working to collect information on all unpaid admin expenses.</p>
<b>Component 3: Knowledge &amp; Learning</b>			

Purpose	Outputs	Results	Comments
<p>a. Purpose – To support community representatives and government staff to learn from community-based approaches in Myanmar and else where</p> <p>b. Resources –</p> <ul style="list-style-type: none"> <li>• project to fund learning visits to other countries, an annual multi-stakeholder review and an annual “development market place”</li> <li>• Government to establish project steering committee and technical committee to support project at Union level</li> <li>• Government to provide counterpart staff at Union and township levels</li> </ul>	<ul style="list-style-type: none"> <li>• Project steering committee conducted one meeting in April; Union technical advisory committee met once again in April</li> <li>• Project promotional materials printed and distributed to field staff. Similar materials for community will be printed next quarter.</li> <li>• Complaints boxes distributed to villages in Namhsan township. Materials delivered to villages in other 2 townships.</li> <li>• Draft project communication strategy submitted to WB</li> </ul>	<ul style="list-style-type: none"> <li>• Township staff given training on shooting video and script editing. Also given training on use of camera.</li> <li>• Newspaper article prepared about township consultation and project progress published.</li> <li>• Note on project progress prepared to the Hon. Minister, for submission to HE The President.</li> </ul>	<p>Quality of Myanmar language translation of forms and guides remains an issue.</p>
<b>Component 4: Implementation Support</b>			
<p>a. Purpose - to support project management at the Union and township levels</p> <p>b. Assist third-party financial and technical audits</p>	<ul style="list-style-type: none"> <li>• DRD township Secretariats continued to receive tools and equipment to be utilized on project activities.</li> <li>• Procurement plan updated and submitted to WB for review.</li> <li>• Recommendations made to further simplify procurement manual.</li> </ul>	<ul style="list-style-type: none"> <li>• DRD staff continuing to acquire knowledge and skills on World Bank procurement and financial procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• DRD vacancies need to be filled up with qualified staff.</li> </ul>
<b>Component 5 : Emergency Contingency Response</b>			
<p>a. Purpose - allow grant proceeds to provide preparedness and rapid response support to disaster, emergency and/or catastrophic events, as needed</p> <p>b. Resource – Reallocate grant proceeds from other project components</p>	<ul style="list-style-type: none"> <li>• This component has not been relevant during reporting period.</li> </ul>	<ul style="list-style-type: none"> <li>• None at this time</li> </ul>	<ul style="list-style-type: none"> <li>• None at this time</li> </ul>

### 3. Performance vis-à-vis Results Matrix

Six key indicators are included in the results framework for monitoring, the results of which are expected to be included in project reports. Accordingly, the relevant results based on selected indicators are reported in this section. Future reports will present details of other indicators as applicable.

The key indicators monitored during the period under review are listed below:

- Number of direct beneficiaries
- Number and types of subprojects implemented
- Number of grievances
- Percentage of households engaged in planning and implementation
- Number of community members using new skills
- Analysis of subprojects

#### 3.1 Beneficiaries

Direct project beneficiaries (persons who have access to infrastructure) are community members in the villages of the three townships where subprojects are being implemented. Accordingly, direct beneficiaries reside in 377 villages (out of 390) where project interventions took place during the quarter. It is to be noted that 13 villages have not received BG support following a change in subproject, or deferment of SP implementation to Cycle 2. Benefits are in two main areas. The first benefit is receipt of services expected out of a SP, such as improved access to water, better quality of education through improved schools, and better access to infrastructure and services via improved roads and jetties. The second benefit is CDD skills development in areas such as community planning, financial management, procurement of goods and services, and documentation and reporting.

The first benefit stream is open for all households in villages where SPs were executed, whilst the second type of benefits accrues mainly to committee members and village volunteers in the project areas.

The total number of direct beneficiaries of goods and services during the quarter is 225,941 – of which 8% are in Kanpetlet; 59% in Kyunsu; and 33% in Namhsan. Table 16 presents data on direct beneficiaries who will benefit from 357 SPs implemented in Cycle 1. A total of 97% of the registered population in the three townships will benefit in the first year of NCDD implementation. It is to be noted that beneficiaries have already begun to utilize SPs built in May.

**Table 16: Numbers and Beneficiaries of Subprojects**

Township	Subprojects (number)	Villages (number)	Direct Beneficiaries (number)	Proportion of Township Population* Benefited (%)
Kanpetlet	97	118	17,612	83
Kyunsu	143	148	134,636	95
Namhsan	117	123	73,693	96
<b>All</b>	<b>357</b>	<b>389</b>	<b>225,941</b>	<b>97</b>

\*Based on official township population data.



### 3.2 Planning of Subprojects

A total of 357 SPs approved by went into implementation during the quarter. The VTPSC-approved SPs were submitted to, reviewed, and endorsed for implementation by the TPICs in the three townships.

Table 17 presents SPs proposed by VTPSCs and the number endorsed by TPIC for implementation.

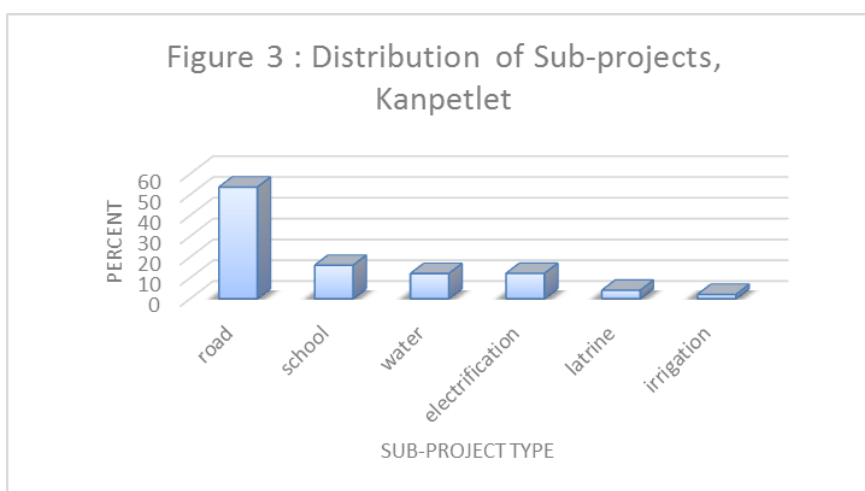
**Table 17: Subproject Preparation and Approval**  
(all figures in numbers)

Township	Subprojects Proposed by VPSC	Subprojects Approved by VTPSC	Subprojects Endorsed by TPIC
Kanpetlet	112	97	97
Kyunsu	148	143	143
Namhsan	117	117	117
<b>All</b>	<b>377</b>	<b>357</b>	<b>357</b>

As is seen from the above table, Cycle 1 implementation comprises 377 SPs originally proposed by VPSCs, of which 357 were approved by the VTPSCs. The TPIC on submission of VTDPs endorsed for implementation all of 357 SPs. Some of the SPs are likely to be re-programmed by VPSCs for funding in Cycle 2.

The majority (64%) of all SPs relate to access (mainly roads) and school rehabilitation. The total SPs in the access category is slightly higher due to the inclusion of rehabilitation of 12 jetties in Kyunsu Township. The list of subprojects reflects the preference of communities for roads and schools. Other SP types in descending order of priority to the community are: water, electrification, other buildings such as health centres and community halls, irrigation, and latrines.

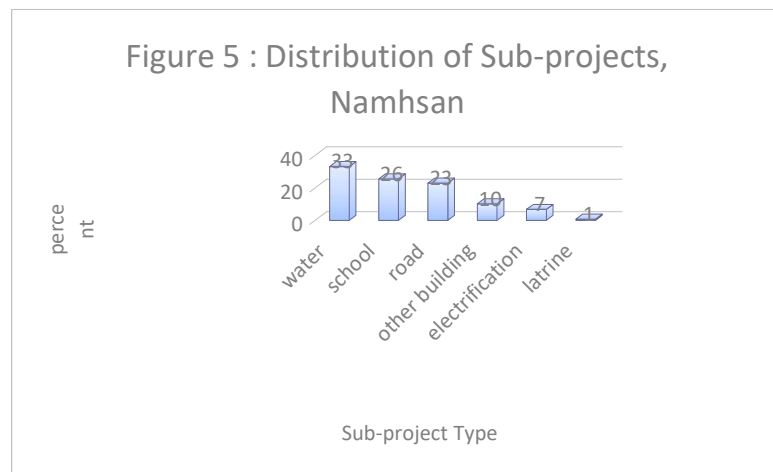
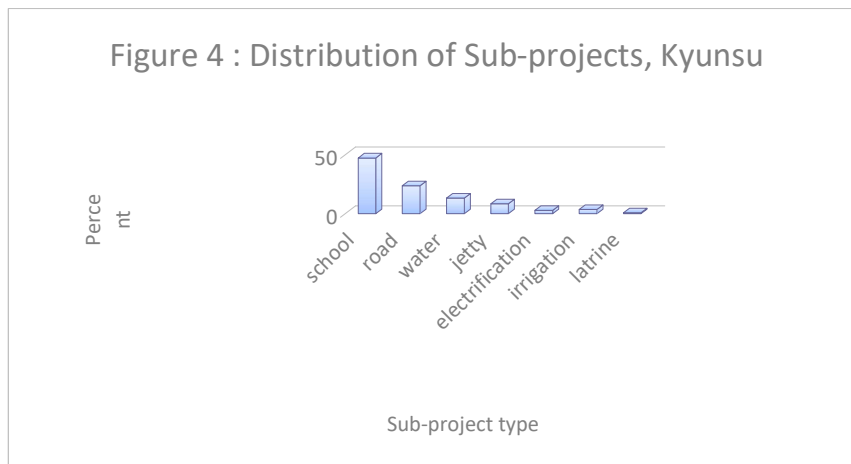
Figures 3 to 5 present the types of SPs in the three townships, based on data available from the project MIS.



Source of data: MIS

There are notable differences between townships. Roads are the priority in Kanpetlet. This is logical as access is poorest in this township, where most roads allow only motorcycles and 10 of the villages have only foot paths. The first priority in Namhsan is water that reflects the difficulty encountered by local communities in collecting and managing this important resource. Transport of water to homes is an arduous task due to the difficult terrain.

Schools are the second priority in Kanpetlet and Namhsan, while in Kyunsu, roads have taken second place. Kyunsu Township has a high demand for jetty rehabilitation, of which there are 12 SPs (8% of total).



Source of data: MIS

The types of work (SP classification by rehabilitation, extension, etc.) have been discussed in Section 2.5.9 and data were provided in Table 13.

### 3.3 Grievance Management

The grievance handling system at the township level is managed by the TTA communications specialist. The resignation of communications consultant in Kyunsu and the promotion of the specialist in Namhsan as acting team leader in Kyunsu have slowed down grievance follow-up work in both townships.

The grievance handling system has five components. First, the grievance focal persons must be elected at the orientation meeting. Second, the grievance sub-committee at the VT has to be established. The third component is the grievance information campaign at the village level. Training of all grievance focals is the fourth component; while installation of suggestion boxes in every village is the final component.

As described elsewhere in this report, every village elected one to two grievance focal persons. Similarly, the grievance sub-committee is established in 72 village tracts. The remainder of sub-committees in 16 village tracts were trained during the quarter. This was followed by sub-committee members conducting awareness campaigns in all villages. The majority (97%) of suggestion boxes had been distributed to villages, and every village has at least one poster displayed.

Table 18 shows progress in grievance handling in the three townships.

**Table 18: Status of Grievance Handling Activities**  
(all figures are percent)

Activities/Townships	Kanpetlet	Kyunsu	Namhsan
Villages with grievance handling system established	100	100	100
Villages where suggestion boxes fixed	100	100	83
Villages received information campaign	100	100	100
Village Tracts where sub-committee received training	100	100	100

### 3.3.1 Receipt of Grievances

Grievances are directed both at the township and Union levels. Table 19 provides data on where grievances were directed by the complainant during the quarter.

**Table 19: Distribution of Grievances by Level Directed**  
(all figures are numbers)

Township	Village Tract	Township	Union
Namhsan		48	10
Kyunsu		33	11
Kanpetlet		59	51
Union	-	-	-
<b>Total</b>	-	<b>140 (66%)</b>	<b>72 (34%)</b>

The above data indicate that majority of grievances had been directed to the Township level, while about one-third of total was directed to the Union level.

It is to be noted that none of the complainants directed any of their grievances to the grievance sub-committee established at the VT level. Field assessments indicate that this sub-committee is not performing satisfactorily. It is believed that by getting VT sub-committees to resolve grievances, the complainant would be given quicker attention. This matter will be further assessed and remedial measures planned next quarter.

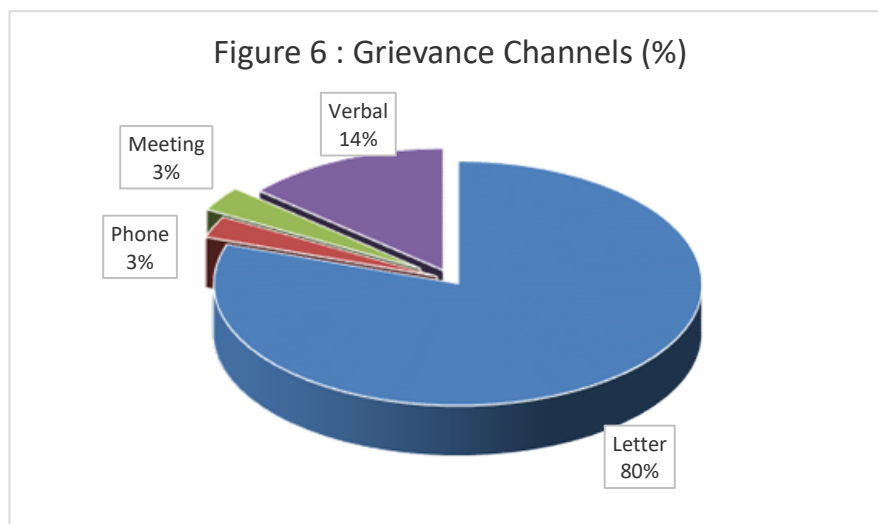
### 3.3.2 Grievances Received and Resolved

A total of 221 grievances (a four-fold increase from previous quarter) was received, of which 174 (82%) have already been resolved. Of the grievances received, 94 % originated from the community, while the remainder came from project staff. Table 20 has relevant data on the nature of complaints by township.

**Table 20: Grievances Received and Resolved**

Grievance Categories per Township	Namhsan	Kyunsu	Kanpetlet	Union	Total
<b>Total grievance received</b>	<b>48</b>	<b>33</b>	<b>59</b>	<b>72</b>	<b>212</b>
Sensitive grievance	2	7	0	2	11
Non-sensitive grievance	0	8	10	1	19
Grievance related to feedback	46	18	49	69	182
Grievance related to question	0	0	0	0	0
<b>Grievances responded to and resolved</b>	<b>45 (94%)</b>	<b>10 (30%)</b>	<b>59 (100%)</b>	<b>60 (83%)</b>	<b>174 (82%)</b>

The fact that there were no grievances related to questions suggests that community members are becoming more aware about project guidelines, principles and procedures. The medium through which grievances have been sent is graphically presented in Figure 6.



The above data indicate that 80% of all grievances were submitted using printed materials distributed to the sub-committees. This was the same case during the previous quarter. Fourteen per cent were made through verbal channels (such as individuals), while the proportion of grievances channelled via phone and meetings were the least at 3% each.

The types of grievance received are presented in Table 21.

**Table 21: Types of Grievance**

No	Types	Kanpetlet	Namhsan	Kyunsu	Total
1	Community request for -	62	19	11	92
	(i) More funding	17	3	6	26

No	Types	Kanpetlet	Namhsan	Kyunsu	Total
.	(ii) Suitable Implementation period	1	10	3	14
	(iii) Salary/ Daily Wages	5	5	1	11
	(iv) other sub-project from (+) list	13	-	1	14
	(v) Livelihood support	20	-	-	20
	(vi) Support for women development	3	-	-	3
	(vii) Other supports	2	1	-	3
	(viii) to allowance above 12 years children working in sub-project	1			1
2	Community complain upon committee	12	5	14	31
	(i) Doubt on committee management	-	2	9	11
	(ii) Complain upon poor performance of village committee	12	3	5	20
3	Appreciation, thank you on project supports	10	-	9	19
4	Villagers complain on sub-project design and construction	4	8	4	16
5	Complaint on training/ meeting	6	6	-	12
6	Complaint on many forms and difficult to understand	2	10	-	12
7	Township staff management issue	8	2	1	11
8	Community complain upon CF	2	2	-	4
9	Delay in withdraw fund from the township bank	-	3	1	4
10	Difficult in procurement procedure/ system	-	2	-	2
11	Community misunderstand	1	-	1	2
12	Community complain upon visitors (monitoring visit)	-	-	1	1
13	Others	3	1	2	6
	Total	110	58	44	148

Community members aired grievances when they doubted performance or the process of subproject implementation. Majority of cases are related to village committee management. Lack of transparency in procurement, unfair management, exercise of influence among committee members all resulted to sensitive issues.

A standard method of classifying grievances considering Bank's experiences in other countries will be examined for adoption. The results from the new method are expected to be reported from the next quarter and beyond.

### 3.4 Household Engagement in Planning and Implementation

Household participation in planning and implementation of SPs is analysed in two different ways. The first opportunity for HHs to participate is their attendance in meetings of which there are two broad types. The first is village orientation meetings reported in the previous quarter while the second is other mass meetings organised by the VPSC during the process of SP construction. The previous report presented data on community attendance at orientation meetings. Field assessments reveal that the majority of VPSCs conducted at least one subsequent mass meeting. However, due both to lack of staff and preoccupation with other urgent tasks, data on subsequent meeting attendance had not been collected for reporting.

The second opportunity for HHs to participate in planning and decision-making is by way of their direct engagement in the village project support committee and sub-committees. The VPSC has three main sub-committees: monitoring and reporting, O&M, and procurement. In addition, village volunteers actively support the VPSC and the sub-committees in the implementation of project activities, whilst grievance focals help identify and resolve complaints.

The village tract project support committee allocates the block grant across villages; manages and reports on the use of funds; and supervises implementation of all SPs under the village tract. The VTPSC has two sub-committees (finance and grievance) for which committee members are elected from among the VTPSC members. The number of community entities and the households that are actively engaged in committee activities (including those working as village volunteers and grievance focals) are presented in Table 22.

**Table 22: Household Participation in Decision Making and Planning Activities**

Township	Households Participating in Planning/Decision Making (number)			Household Participation out of Total HH
	VPSCs	Volunteers	Grievance Focal	
Kanpetlet	1,305	215	426	43%
Kyunsu	1,211	46	481	9%
Namhsan	1,073	185	232	9%
<b>All</b>	<b>4,731</b>	<b>446</b>	<b>1,139</b>	<b>11%</b>

Note: HH participation is calculated by dividing the number of HH engaged in decision making (VPSC, volunteers and grievance focal) by the total number of registered HHs as per GDA data

As shown in the above table, well over 6,300 HHs through their work in village entities have been actively participating in planning and decision-making with regard to project operations. Since committee activities continue throughout the life span of the project, the participation of HHs in this sphere can be considered as long-term. With regard to their participation in SP implementation, it is to be highlighted that 4,731 HHs have been actively participating in the procurement of goods and services, construction, providing labour, changing the scope of the SP in accordance with community requirements and needs, frequent supervision and monitoring of construction activities, and in financial management of subprojects. The volunteers have taken an active role in organising meetings, informing all HHs to attend such meetings, collecting and recording meeting attendance and in undertaking many other tasks associated with construction.

On the other hand, the active engagement of grievance focal persons has not been high. It is proposed that this aspect be assessed in future reports.

### 3.5 Community Members' Skills Development

Collaboration among committee members, volunteers and project staff is expected to enhance the social development skills of the community. In addition, regular training and refresher activities will directly contribute towards the enhancement of CDD-related skills of community members. Community training was delivered to all committees in Namhsan and Kanpetlet in February/March. As noted earlier in this report, 5,460 community members of village and village tract project committees, village volunteers, and grievance focals in the three townships have already been trained.

Evidence gathered during the quarter reveals that community members have begun to practice the new skills in three areas namely, technical, procurement, and financial management. VPSC members have actively worked together with project staff to produce SP designs, change proposed designs as required considering the local situation, prepare own new designs utilizing the experience of skilled members, and complete SP construction. Because of lack of technical staff in the townships, some VPSCs have had to source high level engineering knowledge and skills elsewhere to complete the SP. This occurred in

several SPs in Kyunsu where tidal flows and unstable soil are critical factors that affect the sustainability of newly-built structures.

VPSC members applied procurement practices to procure all materials, services and labour. This was their first time to gain and practice this specialist knowledge.

VPSC members working in collaboration with the VTPSC managed all financial matters. Documentation is a cross-cutting issue applicable to procurement, financial management, safeguards, and overall monitoring tasks. As mentioned before, this has not been accomplished to satisfaction. Action will be undertaken to fulfil this task in the future.

The inclusion of women in committees is a new experience for community members. About 50% of membership in village level entities is held by women. Ethnic minority women in particular are usually reluctant to speak in public. The women elected to committees are assigned specific roles. Observations suggest that they are steadily coming forward to participate in public activities – new skills that they will further strengthen in the future. Field assessments also indicate that several of the women-headed VPSCs are performing so well that the members wish them to continue in that position.

#### **4. Implementation Issues**

This section provides a discussion on the main issues that relate to project implementation activities. The four main implementation issues relevant during the reporting period are DRD staffing; management of gender issues; training of project staff; and conduct of orientation meetings. These issues are briefly discussed below.

##### **4.1 Staffing**

Although staff recruitment is being given top priority by DRD, M&E position at the Union level remains to be vacant during the past three quarters. A similar situation prevails in the townships – including lack of M&E and MIS staff. Shortage of qualified and experienced staff is a critical matter that affects the capacity development of DRD staff utilizing and absorbing the skills and experiences of Union TA and Township TA. The unavailability of candidates to fill TF positions in Namhsan has already been discussed earlier. However, unavailability of qualified candidates is a recurrent issue. Arrangements were in progress during the quarter to fill-up important positions.

The quality of TTA staff is a matter of concern that affects the quality of implementation as well as documentation. In spite of several hands-on training and facilitation provided, some are still not able to perform efficiently. Some typical examples that demonstrate lack of skills are data gathering covering critical indicators and data verification. Similar observations have been made with respect to infrastructure design, supervision and communications. Although the quality of design is satisfactory, there have been some SPs where standards are weak, and the lack or absence of supervision by project staff has rendered the quality of the final output lower than expected. There is also evidence that some TTA staff are not able to make adaptations to suit the needs of the community. It is necessary for TTA to develop capacity for work scheduling to address critical issues that demand technical specialization.

##### **4.2 Computer Equipment and Internet Facility**

Township Secretariat have no servers that has affected database establishment. The unreliable and fluctuating electricity supply in Kanpetlet is a serious matter that affects data transfer from the township. Installation of internet which is the responsibility of TTA has not yet commenced in Kyunsu. All these issues and constraints affect functioning of the MIS.

## **5. Work Plan for the Second Quarter (July to Sept.2014)**

- Supervise and provide further assistance for township staff to support both completion of subprojects commenced in cycle 1 and to start planning for new SPs;
- Recruitment, orientation, training and facilitation of TAs for 6 new townships;
- Make the MIS fully operational by addressing issues such as lack of staff, unstable electricity supply, and need to install relevant equipment in DRD Union and in all three townships;
- Continue to provide hands-on guidance to township staff and TTA consultants on MIS implementation;
- Review and approve updated training, strategy, activities and schedule for Cycle 2 and in the new townships;
- Update training materials to be used in Cycle 2 and in the new townships;
- Conduct further assessments on various aspects of project implementation such as performance of grievance sub-committees and grievance focal persons, recording and documentation of community information, among others; and
- Complete all reporting and documentation. This item includes data verification and data entry.