



Ministry of Urban Development
Department of Urban Development and Building Construction
And the Municipalities of
|Phidim|Golbazar|Hariwan| Bhimeshwar| Kawasoti|Phalewash|
|Sandhikharka|Lamahi||Bheri|Musikot|Amargadhi|Lamkichuha|

Nepal Urban Governance and Infrastructure Project (NUGIP)

Labour Intensive Public Works
Project Operation Manual (POM)

Table of Contents

<i>List of Abbreviations</i>	4
Volume I-LIPW Operations Manual	5
Part I: Introduction and overview	5
1. LIPW: Description and Overview	5
1.1 Introduction.....	5
1.2 Coverage	6
1.3 Objectives.....	7
1.4 Budget summary	7
1.5 The Approach	7
1.6 Wages	8
1.7 Employment Card	8
1.8 Orientation	9
1.9 Management Information System	9
1.10 Lessons Learned and Reflected	9
1.11 Project Operation Manual.....	9
1.11.1 Use of the Manual	10
Part II: LIPW Implementation.....	11
2. Sub-Project Implementation	11
2.1 Sub-Project Options	11
2.2 LIPW Implementation Modalities	11
2.3 Sub-Project Budget	12
2.4 Sub-Project Cycle.....	12
2.5 Sub-Project Selection	14
2.6 Selection of Households	15
2.7 Managing environmental and social risks and impacts	16
2.7.1 Environmental and Social Screening	16
2.7.2 OHS considerations	16
2.7.2 Stakeholder engagement.....	17
2.7.3 Grievances redress	18
Part III: Institutional Arrangement.....	19
3.1 Ministry of Urban Development	19
3.2 Project Coordination Office	19
3.3 Municipal Coordination Committee.....	19
3.3.1 Project Implementation Unit.....	20
3.3.2 Ward Coordination and Monitoring Committee	20
Part IV: Procurement and Financial Management.....	22

4.1 Procurement.....	22
4.2 Financial Management.....	22
4.2.1 Fund Flow, Disbursement Conditions and Reimbursement	22
4.2.3 Accounting	23
4.3 Auditing.....	23
Part V: M&E and Reporting.....	24
5.1 Site Supervision	24
5.2 Municipal Monitoring.....	24
5.3 Central Monitoring	24
5.4 MIS.....	24
5.5 Reporting	25
Part VI: Miscellaneous	26
6.1 Compliance and Risk Mitigation	26
6.2 Collaboration.....	26
Volume II Annex.....	27
1. Geographical Coverage	27
2. LIPW Grant Allocation (in NPR).....	28
3. Examples of Sub-Project which may be selected	29
4. Checklist for Environmental and Social Screening	30
5. Guidance for Sub-Project Selection	34
6. Guidance for Prioritization and Beneficiary Selection	36
7. Application Form-List of Applicants.....	38
8. Household Registration Form	39
9. Sub-Project Agreement Format	40
10. Employment Card	43
11. Muster Roll.....	45
12. Measurement of Works	46
13. OHS Guidelines	47
14. Sub-Project Information Board	48
15. Public Audit.....	49
16. Complaints handling	50

List of Abbreviations

AWPB	Annual Work Plan and Budget
DTCO	District Treasury Controller Offices
DUDBC	Department of Urban Development & Building Construction
ESMF	Environment & Social Management Framework
ESMP	Environment and Social Management Plan
FCGO	Financial Comptroller General Office
FY	Fiscal Year
GAC	Grant Access Conditions (for UDG)
GBV	Gender-Based Violence
GoN	Government of Nepal
GRM	Grievance Redress Mechanism
IDA	International Development Association
IECCD	International Economic Cooperation and Coordination Division
LIPW	Labour Intensive Public Works
MCC	Municipal Coordination Committee
M&E	Monitoring & Evaluation
MoF	Ministry of Finance
MoFAGA	Ministry of Federal Affairs and General Administration
MoLESS	Ministry of Labour, Employment and Social Security
MoUD	Ministry of Urban Development
NUGIP	Nepal Urban Governance and Infrastructure Project
OAG	Office of the Auditor General
OHS	Occupational Health and Safety
PCO	Project Coordination Office
PIC	Project Implementation Committee
PIM	Project Implementation Manual
PIU	Project Implementation Unit
PMEP	Prime Minister Employment Programme
POM	Project Operations Manual
PMST	Project Management Support Team
PSC	Project Steering Committee
WCMC	Ward Coordination and Monitoring Committee
WB	World Bank

Volume I-LIPW Operations Manual

Part I: Introduction and overview

1. LIPW: Description and Overview

1.1 Introduction

Nepal Urban Governance and Infrastructure Project (NUGIP), funded through a credit from the International Development Association (IDA) and implemented under the purview of the Ministry of Urban Development, will assist 21 municipalities in operationalizing inclusive and participatory urban governance structures and procedures along with implementing urban infrastructure projects in 17 municipalities out of those 21 municipalities that are selected in line with those governance principles. An additional 12 municipalities will receive support for operationalization of Labour Intensive Public Works for post-COVID response and recovery.

The project has five components:

- A. **The Urban Development Grant (UDG)** with a total IDA budget of USD 115 million for strategic urban infrastructure and service delivery through sub-projects in the 17 selected municipalities, which will be implemented by the municipalities themselves.
- B. **Institutional Strengthening support** with a total IDA budget of USD 7 million for 21 municipalities through two regionally based Urban Development Support Teams (UDSTs) with experts in various fields that will tailor-made support the Municipalities on demand, in response of concrete needs; and through a program of mentoring and formal training on topics of project planning, project management, municipal management and urban governance.
- C. **Post-COVID Response and Recovery support** with a budget of USD 20 million will support beneficiaries from vulnerable groups to mitigate short and medium-term negative impact of the COVID-19 crisis through the delivery of Labour Intensive Public Works (LIPW). LIPW will support wage-income to targeted beneficiaries in 12 participating municipalities through implementation of small infrastructure development and maintenance projects. It may also make funds available for wages in on-going/already approved municipal projects if required, where the investments comply with environmental and safeguards requirements.
- D. **Contingent Emergency Response** component to respond rapidly at the Government's request in the event of an eligible disaster, including climate-related events and pandemics. This Component will finance the implementation of emergency infrastructure reconstruction, rehabilitation, and associated studies (Emergency Response Activities).
- E. **Project Management and Coordination** with a total IDA budget of USD 8 million is support to MoUD for managing, coordinating, and monitoring the implementation of the proposed Project, and also for enhancing its federal policy and regulatory role for urban development. More specifically, it will finance (i) operational expenses of a dedicated team established in MoUD for managing, coordinating, and monitoring the implementation

of NUGIP, including due diligence, quality control, and reporting to the World Bank on fiduciary, environment & social safeguards, and technical aspects; (ii) policy and regulatory support to the MoUD for supporting Nepal's evolving urban sector and increasing private sector engagement; (iii) analytical studies and assessment, including baseline, mid-term, and final evaluation of the Project, as well as support for an information management and monitoring system to better track, document, and analyze Nepal's urban development; (iv) knowledge-sharing mechanisms to provide learning and experience-sharing opportunities for other municipalities; and (v) support for designing and scaling up the Project.

The World Bank Board approved the project on September 28, 2020. The project has been effective after signing of Financing Agreement in between the GoN and the World Bank on November 18, 2020 and will come to a close on July 15, 2025. Implementation of LIPW being a rapid recovery response, it is envisaged that it would have a shorter effective period and could come to a close by July 15, 2023.

Operationalization of all NUGIP components is guided by the NUGIP-Project Implementation Manual in general. However, COVID Response and Recovery support is specifically operationalized under this Project Operation Manual (POM) for LIPW.

Participating Municipalities will have the overall responsibility of implementing the LIPW. A project implementation unit (PIU) will be established in each of the municipalities to implement the LIPWs. LIPW focal person delegated or hired at the municipality as part of the municipality's Project Implementation Unit (PIU) will be key person for operationalization of LIPW.

Ward coordination and monitoring team will support the municipality in implementation of LIPW at ward level. Such a ward committee shall only exist in ward/s where the LIPW shall be implemented.

A Project Management Support Team (PMST) will support the dedicated NUGIP coordination team within MoUD/DUDBC to oversee the implementation of the project ensuring that the targeted results are achieved in a timely manner. LIPW expert and two LIPW cluster coordinators in the Project Management Support Team (PMST) will provide intensive support to the participating municipalities in operationalization of LIPW, including oversight and supervision in the municipalities. A LIPW expert will be based in Kathmandu, while the other two cluster coordinators will be mobile in their respective clusters. Other team members may provide support as relevant and as required.

This project operation manual will be used by all associated with LIPW but the LIPW focal person at the PIU will be using on day to day basis.

1.2 Coverage

LIPW spans over 12 municipalities. The municipalities were selected in COVID-19 context on the basis of criteria that included i) bordering with India, ii) proximity with east-west highway, iii) proximity with north-south highway & iv) bulk dispersion (transit points) for

public mobility. Based on their locations, the municipalities grouped in two clusters-eastern-central cluster and western cluster. The list of 12 municipalities is presented at Annex 1.

1.3 Objectives

To provide support and relief to vulnerable groups in twelve municipalities to help mitigate the short and medium-term negative impact of the COVID-19 crisis through rapid labor-intensive public works (LIPW).

1.4 Budget summary

Conditional grants are allocated to the participating municipalities based on the principle of allocation. The total amount of USD 20 million will be allocated across the 12 municipalities on the basis of a formula that has six elements: i) a fixed share (50 percent) ii) municipality lies or not in the district bordering India (12.5 percent) (iii) municipal population (12.5 percent), (iv) proximity with East-West highway (10 percent), v) proximity with North-South highway (10 percent) and (iv) Transit municipality (5 percent).

The total allocated budget for LIPW will be disbursed over three years with 10 percent fund flow in year one, 60 percent in year two and the remaining 30 percent in year three. The percentage of fund flow in second and third year shall vary depending on annual absorption in the preceding year. Municipalities will sign participation agreement with DUDBC and fulfill criteria for accessing the LIPW grants. The LIPW grant allocation table is presented in Annex 2.

1.5 The Approach

LIPW sub-projects are labor-intensive. The projects are selected based on eligibility criteria and are approved by the municipalities. Guidance for sub-project selection process is provided in Annex 4 and 5.

LIPW is targeted towards households, in particular towards the poor and vulnerable households whose livelihoods have been impacted by COVID-19. The criteria for household selection includes a number of factors including food insecurity, poverty, and household demography (migrant returnee, household member with condition like disability, pregnancy) etc.

The selection process will have provisions for the inclusion of vulnerable groups including the elderly, physically challenged, minorities, and disadvantaged groups. Sub-projects will require at least 35 percent representation of female workers. The selection of households shall be carried out by the respective wards of the municipality.

Although targeting is done at the HH level, only a worker from the selected HH is eligible to work in the LIPW sub-project in one fiscal year. The list of target household are reviewed and updated annually. In reviewing and updating not all HH may be selected in the following years. The number of HH getting benefits from LIPW every year will depend on number of days of work per HH and budget allocation for a given year in the municipality.

Further details regarding the selection criteria and processes are provided in Annex 6.

1.6 Wages

The wage rates will be uniform across the 12 LIPW Municipalities. An average of the wage rates available for all the Municipalities has been taken for the purpose. For this fiscal year the wage rates for skilled workers is fixed at Nrs 950 while the unskilled wages is fixed at Nrs 670 per day. The PCO will review the wage rates annually, as early as, at the start of the fiscal year and inform the Municipalities accordingly.

On the budget for the LIPW sub-project a minimum of 50% allocation has been made on wages. It is expected that at least 80% of the wage budget will be used to make payment of unskilled wages. While up to 20% of the wage budget can be used to pay wages of various skilled workers (mason, carpenter, plumber etc.) engaged in LIPW sub-projects depending on project types and is strictly based on design & estimate of the sub-project.

Periodic payments of wages are made every 15 days and a final payment is made after completion of works. Wages are paid based on performance (measurement of works) and payments are made on respective bank account of the worker. However, when banking institutions are not available, the municipalities may proceed with manual payments with prior approval from the PCO.

Guidance for Wage Transfer

Wages are paid periodically after every fifteen days of work, and a final payment is made after work completion. Payment of wages will strictly be made through Bank accounts of individual worker. In exceptional case where a worker has to travel for hours to nearest bank or technically not possible to open account-the municipality may agree on manual cash transfer with prior approval from the PCO.

Bank transfer of wages follows the following process

- a. Identification of Interested Bank in nearest location
- b. Formal/ Informal understanding with Bank - 0 balance/no cost A/C Opening
- c. Final worker selected list entry in MIS
- d. Open bank account of workers as per MIS workers list
- e. Payroll with individual bank account number submitted to bank
- f. Cash deposited in individual bank account according to payroll
- g. Transfer confirmation received from bank

The supervisor will also facilitate the wage transfer processes.

1.7 Employment Card

Each beneficiary household selected for LIPW receives an Employment Card after registration. The card is issued in the name of the individual who will be working in the LIPW sub-project. The employment card remains valid for until the LIPW sub-project comes to completion at the selected municipality. The employment card is presented in Annex 10.

1.8 Orientation

The PCO together with PMST will carry out orientation/training sessions to municipal and ward staffs on managing LIPW, operational procedures and processes for all the 12 participating municipalities. The Municipal/ward team will then provide orientation to the project implementation committee and workers of every-sub-project prior to project kick-off.

1.9 Management Information System

A Management Information System will be in place for managing and monitoring the implementation of LIPW. The system can be used online with communication via the internet with the central server. Until the MIS is operational, the municipalities will submit the reports to PCO electronically.

LIPW-MIS will make use of the already existing appropriate system most specifically the National Employment Management Information System (NEMIS) under the Prime Minister Employment Programme for beneficiary data sharing. Such a collaboration will be agreed through an understanding n between DUDBC and PMP at MoLESS.

1.10 Lessons Learned and Reflected

Some of the key lessons taken from various public works programme in designing the Labour Intensive Public Works as a post-COVID response and recovery component under Nepal Urban Governance and Infrastructure project have been included:

- A standard “employment wage rate” can be used across all LIPWs for uniformity. Manual cash transfers are good enough for pilot projects, but are not scalable are inefficient, insecure and prone to fraud. There is a strong need to develop a method for delivering cash electronically directly from government to people. International experience has shown that the task rate system is popular with workers and promotes greater productivity than daily paid work.
- LIPWs have limited capacity and resources, hence, better coordination and harmonization of programmes could result in more effective implementation for example some systems, processes and resources could be shared and allocated in a strategic way (unified job cards, same wage rates and targeting methods, interlinked MIS, coherent technical standards and collaboration among staff.
- When resources do not allow for a pure on demand approach, demands are reduced by imposing ceilings to the number of beneficiaries and asking communities to prioritize. LIPWs are best implemented during lean seasons, typically from mid-December to March and from mid-August to mid-October.

1.11 Project Operation Manual

The Project Operation Manual has been prepared to support the municipalities in implementing the LIPW component of the NUGIP. Budget allocation principle, eligible expenses/activities, and detailed implementation modalities, as well as detailed process for identification and approval of projects and of beneficiaries have been included in the manual.

Based on the Financing Agreement (FA) and the Project Appraisal Document (PAD), the POM describes and outlines the operations of the LIPW component incorporated in the NUGIP as

post COVID recovery response. The POM provides guidance to implementers for sub-project implementation, and elaborates the processes with a focus on:

- a) Criteria and process for the selection of sub-project and beneficiaries
- b) Institutional arrangement of the Project including roles and responsibilities of the actors and stakeholders at the Federal and Local Level
- c) Administrative, accounting, auditing, reporting, financial, disbursement, safeguards, and procurement procedures.
- d) Monitoring, evaluation and reporting.

1.11.1 Use of the Manual

- a) The POM will be used for the operationalization of LIPW in selected municipalities.

Part II: LIPW Implementation

2. Sub-Project Implementation

2.1 Sub-Project Options

The following options shall be adopted for implementation of sub-projects in participating municipalities.

- A) Sub-projects are selected by the participating municipalities for the implementation of LIPW.
- B) Participating municipalities may also consider their ongoing/approved sub-projects for financing full or partial contribution in the wages (up to LIPW sub project budget ceiling).

Sub-projects from above should however be suitable for using labour intensities and in compliance with Environment and safeguards requirement.

2.2 LIPW Implementation Modalities

Participating municipalities are responsible and accountable for use of conditional grants, overall oversight and implementation of LIPW. A Project Implementation Unit will be set up at the municipality for the purpose. Municipalities ensure that periodic payments are made to workers only after verification of works and a final payment is made only after submission of work completion report to the Municipality. Municipalities are also responsible for ensuring insurance of workers. They will mobilize the Employment Coordinators at the Employment Service Centre for updating the progress on the MIS and produce monitoring reports. Municipalities formally report to the PCO and ensure that GoN's financial administration regulations are followed.

Municipalities can follow any of the three different modalities for LIPW implementation:

- a) **Project Implementation Committee (PIC):** Municipalities may engage Project Implementation Committee for sub-project implementation. They are formed for each sub project. PIC is a committee functioning under the legal charter of users committee and is contracted for the sub-project implementation at ward levels. They carry out their roles as per the project agreement signed with the PIU/Municipality. PICs will be registered at the respective municipality and are responsible for the implementation of sub-project, expenditure and reporting as per conditions in the agreement. The PIC is, however, not allowed for any third-party sub-contracting for implementation of sub-project. The two parties agree on conditions for release of funds in the agreement. The municipalities may release a first tranche of up to 20 percent as advance to PIC bank accounts. The PIC carries out procurement of construction materials and makes payments to workers through their individual bank accounts. The PIC will hire a site supervisor for sub-project duration. The site supervisor will be at least a 10+2 graduate and will be selected from among the target household. Expenses for salary (daily wage based) will be used from the wage component of the sub-project budget. The supervisor may be required for preparatory works and support works after project completion and can be hired for a week more than employment days available for wage workers in the sub-project. Preference will be given to female candidate. The supervisor must be a resident of the ward where the LIPW sub-project is being implemented.

- b) Private Party (for wage sharing sub-projects): Municipalities shall engage Private Party or infrastructure project, if PIC is not workable or in case of ongoing/approved municipal sub-projects for wage sharing. Wage sharing projects are such a project where the wages are covered by NUGIP-LIPW based on agreement in between the municipality and the private party or infrastructure project. It must be noted that this arrangement is only applicable for workers who are selected as target beneficiary for LIPW.
- c) Forced Account (wages only): Municipalities can adopt Force Accounts procedure for payment of wages to workers in public works. The municipality may directly contract individuals from target households for the job. This option shall be adopted only for small value labor intensive work e.g. minor construction, repair and maintenance etc. which cannot be done from options i) and ii) above

The roles and responsibilities are further elaborated under institutional arrangement.

2.3 Sub-Project Budget

A sub-project has a budget ceiling of 2 million Nepali rupees. Each sub-project will have a wage budget of at least 50 percent and a maximum of 50 percent of the total cost available on non-wages respectively. The non-wages cost is divided as a maximum of 44 percent for construction materials and 6 percent for sub-project management costs including hand tools (2.5 percent) and safety equipment (1.5 percent). The wages for the site supervisor hired for a sub-project is also included in the cost estimate under the wages heading. Any unspent amount allocated under the non-wages will be topped up on the wage budget.

2.4 Sub-Project Cycle

Participating municipalities sign a participation agreement with the Ministry agreeing to terms and conditions and their roles and responsibilities. The agreement conditions will cause and ensure that municipalities are responsible for identification, implementation and supervision of the sub-projects and have a dedicated team to manage and oversee the activities. They will also have specific oversight over LIPW activities. Overall the LIPW Sub-project implementation will be guided by the Participation Agreement the POM and any other periodic directions from the PCO.

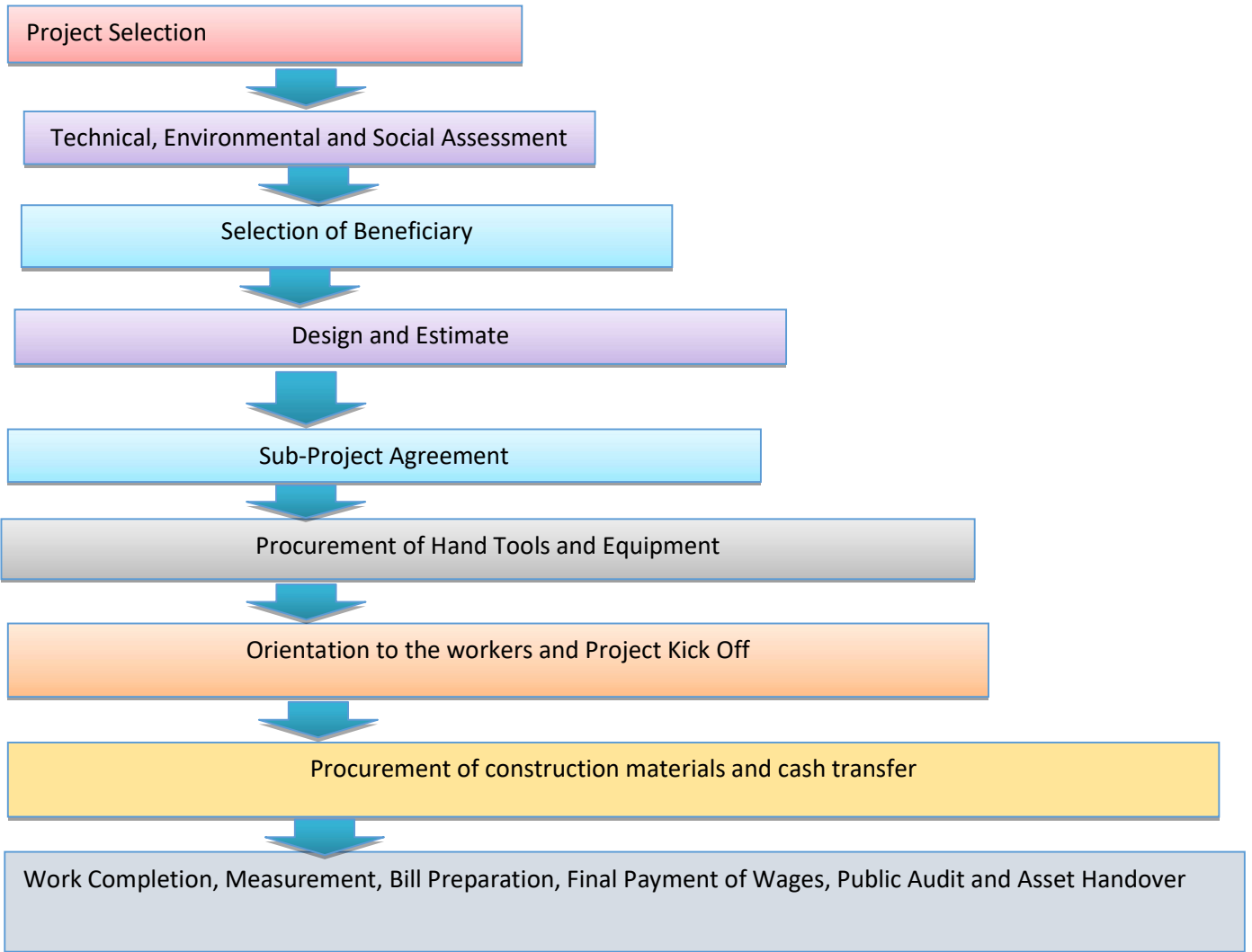


Figure 1: Sub Project Cycle

The Process

Sub-project selection

- The ward will undertake consultations with community members to consult on local needs and priorities. A list of potential subprojects will be identified by the ward, based on the LIPW requirements. Consultations will include vulnerable groups, including women, the elderly, and disabled, as well as representatives from Dalit and indigenous groups. The LIPW focal person will ensure that the ward has carried out the required processes in sub-project selection.
- When a list of LIPW sub-projects are received from the ward, the LIPW focal person or overseer delegated by the municipality will carry out the environmental and social screening. The E&S screening checklist included in the Annex 4 will be used for the purpose. Based on the results of the screening, projects with significant environmental and social risks will not be considered for approval.
- The PMST team, specifically the LIPW coordinator, will make rapid visits and carry out spot verification in coordination with his/her E&S counterparts.
- Once the project is selected and approved by the Municipality, the ward will go ahead with the beneficiary selection process.

Identification of Beneficiaries

- Municipalities will call for application process through a public notice.
- The wards will carry out communication processes to make sure that they reach the most unreached.
- Interested and eligible household apply at the Wards within the timeline as announced by the ward/municipality.
- The wards, then creates a prioritized list of the household, which is made public after approval from the Municipality.
- Considering a minimum of 50 days of work, the workers/HH will be engaged in priority order. The ward must ensure that a worker from a target household is engaged.
- Orientation on worksite rules, OHS, etc. are provided to workers before the project kick-off for each sub-project.
- LIPW Focal Person at the municipality/overseer or the site supervisor as relevant will carry out the orientation to workers.
- Public Audit will be carried out by the PIC at the ward level for every sub-project for final payments.

2.5 Sub-Project Selection

LIPW sub-projects are of noncomplex in nature and requiring minimal preparatory works and supervision and meet community needs. Participating municipalities approve LIPW sub-project with due consideration of poverty levels, prioritizing disadvantaged area and areas affected by COVID-19. The types of activities eligible for implementation under LIPW and guidance are included in Annex 3 and 5. For year 1, the list of sub-projects already approved and recommended by the MCC shall be taken. They will however need to undergo screening to determine subproject eligibility, the extent of environmental and social risks, and whether any further assessment is required. From the year 2 onwards, the project selection will follow all the steps/processes including E&S assessment outlined in Figure 1 and relevant annexes.

Sub-projects with significant environmental and social safeguards risks and impacts will not be eligible under the LIPW component.

2.6 Selection of Households

Households are selected at the wards level based on the following selection criteria

- Households having income and agricultural products insufficient to feed their family
- HH with any member having disability
- Single women headed HH
- HH with a member who was COVID +
- HH that lost livelihood due to COVID impact
- Dalits, minorities, indigenous people, and landless people
- HH having a member who is a migrant returnee

The pre-selected list is approved by the municipality and a final list is prepared based on availability of jobs in LIPW. Selection of HH in general will go through the following process.

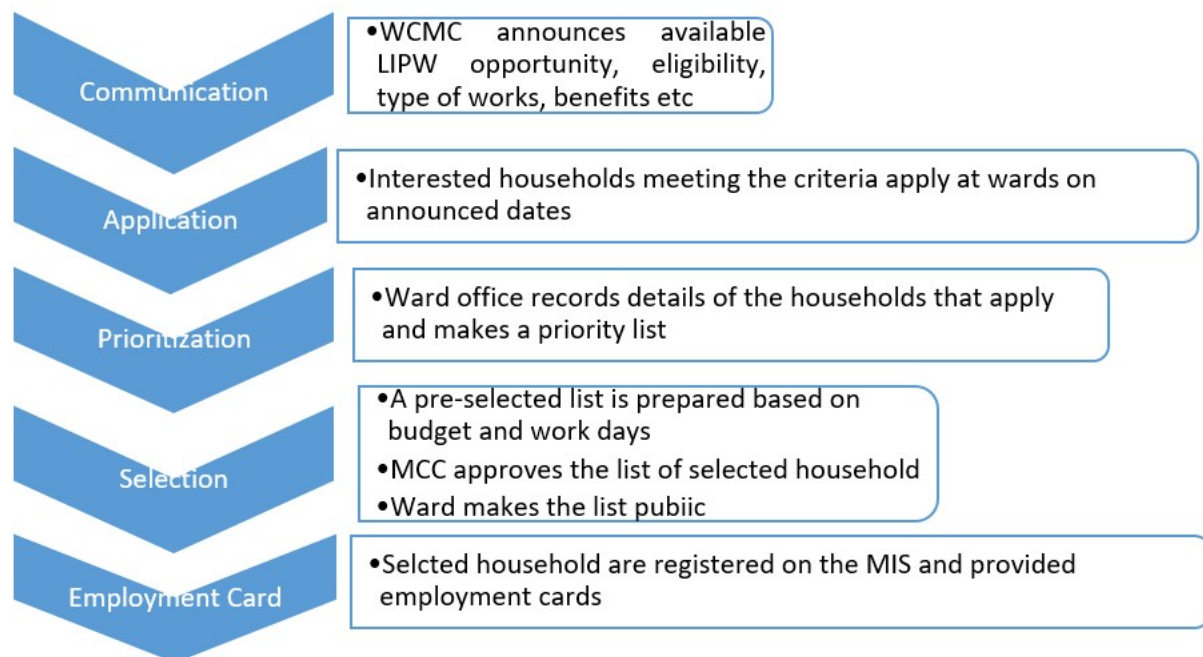


Figure 2: The Selection Process

To ensure transparency and fairness, the communication process will leverage a range of channels including as relevant, municipal and ward meetings, via radio, print media, through communications with representatives of women and indigenous groups, and via notices displayed in municipal and ward offices, to maximize opportunities for awareness raising of LIPW opportunities. Communications regarding opportunities in subproject will be undertaken to allow sufficient time for households to apply (for example, one month in advance of deadline to apply). Where required, notices will be published in the local language. Information will include information on how to lodge questions and any grievances regarding the process.

2.7 Managing environmental and social risks and impacts

2.7.1 Environmental and Social Screening

All potential LIPW subprojects will need to undergo a screening to determine subproject eligibility, environmental and social risks and impacts, and whether any further environmental and social assessment is required. The screening will also include determine risks in relation sexual exploitation and abuse and sexual harassment (SEA/SH). Given the objective is to identify projects which require less supervision and monitoring, and which can be quickly implemented, subprojects which have significant social and environmental risks or impacts will not be selected. The screening will be based on the screening checklist and guidance provided in Annex 4. The PMST will be responsible for reviewing screening reports before the PCO provides approval.

Whilst potential LIPW subprojects with significant environmental and social risks and impacts will not be selected, selected LIPW subprojects may have some potential environmental and social risks and impacts, as determined during the screening. Based on the potential subproject activities provided, as provided in Volume II Annex, potential environmental and social risks arise in relation to the occupational health and safety (OHS) of workers. Where a further environmental assessment is not required, the LIPW subproject will follow mitigation measures outlined in the screening report and will draw guidance from the NUGIP ESMF.

2.7.2 OHS considerations

Depending on budget, a sub-project can accommodate as many workers guaranteeing at least 50 days of work to a worker. Groups are also formed based on the works assigned as per the design estimate. The sub-projects should be implemented in accordance with COVID-19 considerations and guidelines. Mitigation measures to prevent the spread of COVID on workplaces are also provided in the NUGIP ESMF. The design estimate should duly consider that a group of 10-20 workers would be at work to avoid crowding in accordance with COVID health restrictions and guidelines imposed or provided by GoN, and in line with World Bank guidelines on COVID-19 and occupational health and safety (OHS). Other precautions to prevent against the spread of COVID-19 include provision of face masks and hand sanitiser, ensuring physical distance between workers, and conducting regular training or tool-box meetings to workers on COVID-19 precautions. Each project site will have a COVID-19 focal person (e.g. the site supervisor) to ensure that COVID precautions and protocols are being adhered to. The subproject will also develop protocols to cover situations for example where a workers falls sick and requires to be quarantined.

First aid kits made available at sites. Use of safety tools (such as helmets, boots, gloves, protection glasses etc.) as appropriate are provided in high risk areas. The safeguards requirements will be implemented in compliance with World Bank standards including the World Bank Environmental Health and Safety (EHS) guidelines, and government OHS safeguard policies. Specifically for LIPW, the municipalities will procure accidental group insurance scheme for workers annually. The municipalities will bear the cost from the operational costs under the LIPW grant.

Each workers group will have a group leader who is assigned additional responsibilities including attendance of group members, present attendance records to PIC, and welfare of

group members. Participants will be provided with appropriate training on construction methods, where required, and specific OHS measures, including the use of personal protective equipment (PPE), and training in regards to adhering to COVID-19 measures. The group leader will also advise workers how they can raise any workplace-related grievances or concerns.

Worksites will be provided with facilities for worker welfare and to enable women to participate to promote gender balance. Worksite infrastructure and facilities that will generally be provided include: (a) drinking water and sanitation facilities; (b) toilet (one each for men and women) and as many required depending on number of people; (c) children center if required (nearby basic school) (d) a first aid kit with (e) access to health services-health post. All employees will be required to sign a Code of Conduct before commencing work.

Gender considerations: The project will target at least 35 percent inclusion of women in the LIPW subprojects, accordingly, proper considerations need to be included to address needs and concerns of female participants. Women should be consulted on their interest in participating in the subproject, and subprojects selected should enable women to participate. Working hours should accommodate the preferences of women (for example working earlier in the day), and incorporate other provisions such as those noted above, such as separate toilets and measures to facilitate child minding. The project will also ensure that women are represented in consultations and meeting discussing the subprojects including on subproject identification and selection, and information around beneficiary selection. All workers will be required to sign a Code of Conduct to mitigate against the risk of sexual harassment on work sites.

Others: Child labor and forced labor will not be allowed. Sound worker management relationship will be maintained by treating workers fairly.

2.7.2 Stakeholder engagement

The engagement and participation of stakeholders, including vulnerable members of communities, is a key element of subproject identification and beneficiary selection. The municipalities and wards will draw on their existing mechanisms to inform communities about the purpose and objectives of the LIPW component, and will ensure that they participate in discussions regarding subproject identification and selection. As subprojects will be selected on local needs, active engagement of communities and households is an important element. Inclusion of vulnerable groups including women groups and dalit groups will be ensured through including representatives of such groups in discussion on subproject prioritisation, and also when providing information about opportunities to participate in the LIPW subprojects. Project information will be displayed at ward and municipal offices, and in local languages where required, which will also provide information how to submit questions and concerns regarding the LIPW. All consultations should adhere to COVID considerations such as the need for physical distancing.

2.7.3 Grievances redress

LIPW will ensure a grievance mechanism is available to enable stakeholders to raise any issues, questions or concerns, which will be managed and monitored by the PIU. The project will support existing mechanisms at the municipal level for addressing grievances. Where there are no existing mechanisms, a process to enable grievances and be raised and addressed will be developed and communicated to communities. All grievances in relation to the LIPW will be documented.

Workers report any workplace grievances via the established grievance mechanism or to the site supervisor. Grievance mechanisms for NUGIP is also outlined in the NUGIP ESMF. In summary, the process below will be followed.

Submission of Complaints: a) Use of complaint box located at the word office or a public space nearby project sites as appropriate b) written complaint provided to Supervisor, Ward office or Municipality office c) via phone or email. Processing: The complaint(s) received in the boxes or in person are registered and uploaded immediately in MIS that could be seen by mayor and PCO, then processed within a week. If the grievances, including environmental and social issues are not resolved technically to the satisfaction of the complaining party, it should to be submitted to the municipality's judicial committee (*Nyayik Samiti*).

Response: The *Nyayik Samiti* deals with the complaint and resolves it within a week.

Written complaints can also be made directly to PCO and WB. Such complaints should be resolved within a week of receiving. An example of a complaints handing form is providing in Annex 15.

Part III: Institutional Arrangement

Federal and Local level institutional arrangements have been made for the implementation of LIPW and are presented in detail as below:

FEDERAL LEVEL

3.1 Ministry of Urban Development

Federal-Ministry of Urban Development is the custodian of NUGIP. The ministry is the primary coordinating agency and responsible for overseeing project implementation, supervision and coordination.

The Ministry is responsible for oversight of the use of the LIPW grant by the municipalities.

The role of the Ministry is to ensure compliance with the rules as set in the POM for the grant and ensure overall effective implementation across municipalities and achieve the target of providing LIPW benefits to at least 20,000 HH.

Within the Ministry, these tasks are further delegated to the PCO at the Department of Urban Development and Building Construction.

3.2 Project Coordination Office

A dedicated NUGIP unit within the Department of Urban Development will deal with all oversight and reporting issues related to LIPW also on behalf of the Ministry. The unit is supported by a project management support team (PMST). The PCO will designate a LIPW focal person as a key contact point for the municipalities. The focal person will take the overall responsibility of coordinating with the PIU at the municipalities.

LOCAL LEVEL

3.3 Municipal Coordination Committee

LIPW will be implemented using and supporting the existing mechanisms of the GoN at the Municipalities. The only specific project requirement is the formation of a Municipal Coordination Committee (MCC) that will bring together, on a regular basis, the different parties from within the municipality to discuss progress and ensure the required coordination between the different departments and units within the municipality. The MCC has members as follows:

- Mayor, chair
- Deputy Mayor, vice chair
- Members Executive Committee, members
- Chief Administrative Officer, member
- Head of Engineering Unit, member (for technical issues & contract management)
- Head of Finance & Admin Unit, member (for financial and procurement issues)
- Head of the Planning Unit, member (responsible for reporting)
- LIPW, Focal Person ,Project implementation Unit, member-secretary

The MCC will meet as often as needed but at least once every two months. The meetings may be organized as part of the monthly meetings of the Executive Committee.

3.3.1 Project Implementation Unit

A project implementation unit under the MCC will be a key agency at the participating municipality for LIPW operationalization. The unit will be led by a full time LIPW focal person. Municipalities may delegate the functions to available human resource at the Municipality or choose to hire such a person for project duration using the LIPW grants.

3.3.2 Ward Coordination and Monitoring Committee

As LIPW sub-projects are implemented at the ward level, a coordination and monitoring committee headed by the ward chair takes overall responsibility of monitoring at the ward level. The WCMC is comprised of the ward chair, ward secretary (member secretary), and ward members-four and two CSO/NGO representatives and two representatives from workers.

The key functions of federal and local level institutions specific to LIPW delivery have been summed up in the table below:

Institutions	Level	Responsible	Associated	Key Functions
MoUD	Fed	Minister	DUDBC	Implementation, management, directions and control
PSC		Secretary-MoUD	Joint Secretaries of relevant ministries, DG-DUDBC, Mayors-representing cluster-wise municipalities and other relevant stakeholders	Overall policy, guidance and cross-sectoral coordination.
PCO		NPD-NUGIP (JS level-DUDBC)	DUDBC and supported by PMST	Oversee the overall implementation of LIPW component as per FA, PAD, Manuals, and decisions of PSC, Communication and coordination, Fiduciary roles, M&E, reporting and support to municipalities. Association of DUDBC is required for approval of annual plan, budget, wage rates etc. that relates to day-to-day administration of PCO
MCC	Local	Mayor/	Vice-chair and Members as per LIPW	Approval of sub-project and list of beneficiaries (LIPW specific) other

	Chair	POM	roles as included in LIPW-POM
PIU	Focal Person (Municipality to designate from regular staff or hire)	Municipality sub-engineer, environmental, social, gender consultant, social mobilizers/facilitators, admin/finance staff/ward secretaries, and in collaboration (where possible) with PME.P.	LIPW implementation including guidance and reviews, capital procurement and management as required, M&E, communications with PCO, sub project selection, design and estimate, payment of wages, social and environmental screening, assessment and preparation of E&S safeguard documents, orientation to workers and PICs on LIPW processes including E&S issues, grievance handling and reporting
Ward Coordination and Monitoring Committee (WCMC)	Ward Chair	Ward members, CSO/NGO representative-2, ward secretary, work group leaders (1 male and 1 female if available)	Disseminate information about LIPW, selection of sub-project/projects collection of applications of households, Prioritization of beneficiaries, formation of user committees[as regular process but additional conditions in the composition be at least 33percent from eligible workers], monitoring and recommending PIU for steps ahead

Table 1: Institutional Arrangement

Part IV: Procurement and Financial Management

4.1 Procurement

All LIPW related procurements comply with the GoN procurement rules. The budget threshold for LIPW sub-projects are kept at NRs 2 million. Procurements are carried out based on the option of implementation modality chosen i.e. through a) PIC, b) Private Party or c) Forced account. Any procurement will have to be undertaken in accordance with the provisions of GoN public procurement rules, i.e. as per the PPA/PPR and other relevant GoN rules. The PCO supported by PMST will have the overall responsibility to provide guidance to the participating municipalities and monitor the procurement management. The World Bank will review the procurement expenditures based on the final audit report.

4.1.1 Hand tools and safety equipment: A maximum of 2.5 percent of the budget for hand tools and 1.5 percent for safety equipment has been provisioned for each sub project. The list of required tools and equipment is prepared by engineering staff for the sub project. The procurement committee at the municipality procures the items and provides it to the wards. The tools and equipment after use are stored at the respective ward office for future use. The inventory is kept at the ward office. In the following year, the tools will be used and new ones if required will be procured.

4.1.2 Construction Materials: A maximum of 44 percent of sub-project cost can be provisioned for the procurement of construction materials. The PIC procures construction materials as per the estimate and gets reimbursed based on the invoices produced to the PIU.

4.2 Financial Management

As the funds for LIPW are pre-financed by GoN, and hence government systems and procedures are used. The Financial Management of the LIPW funds are hence guided by the provisions of (i) the Local Government Operations Act (2015) and (ii) the Intergovernmental Fiscal Arrangement Act (IFAA, 2017), complemented by the Fiscal Procedures and Financial Accountability Act (FPFA, 2019) as adopted by the respective municipalities. Municipalities will record the use of the LIPW funds in a separate account book. The Municipal statements of expenditure are subject to both internal and external audits including public audit.

4.2.1 Fund Flow, Disbursement Conditions and Reimbursement

As expenditure under NUGIP is pre-financed by the Government of Nepal, all LIPW funds made available to the municipalities following the government channels and procedures, and government rules and regulations apply.

The disbursement of funds to participating municipalities shall, however, also meet the following conditions:

- Participation agreement signed in between PCO and the participating municipalities
- Training cum orientation sessions on LIPW undertaken for all municipalities
- List of sub-project approved and submitted to PCO
- AWPB and implementation roll out plan developed and approved at the PCO level
- The quadrimestral releases follow the quadrimestral physical and financial progress reports. Whereas the first quadrimester release for each FY will be made based on the instructions of

MoUD/DUDBC alone (based on reports and cash flow projections), the subsequent 2nd and 3rd quadrimester releases may also be subject to the application MoF's criteria that apply to all transfers to municipalities.

LIPW component will finance (i) payment of wages (ii) expenses for works, tools and construction materials and (iii) management expenses (Consultations, Administration, and Supervisions).

In order for the GoN to be reimbursed for the expenditures made, they should be 'eligible' as per the World Bank rules and regulations, which are outlined in the Financing Agreement and Project Appraisal Document (PAD) and in this POM.

4.2.3 Accounting

Municipalities must keep records of expenses, maintain the accounts and are responsible for formal reporting to the PCO. Municipalities must ensure that the Project Implementation Committee has not made any expenses in:

- Wages of any worker who is not listed as LIPW beneficiary
- Financial donations
- Expenses beyond allocated ceilings or to any other programme
- Any third party sub-contract

4.3 Auditing

The Municipalities are free to make their own arrangements for internal audit. Municipalities will, however, coordinate with district treasury comptroller office for the audit of LIPW funds. The Internal Audit reports shall be submitted to PCO within 30 days after the end of each quadrimester and PCO will share with the World Bank by 15 days thereafter. For the external audit, the use of LIPW funds will be audited by the Office of the Auditor General and report produced accordingly. The report for each year of project implementation including the audit opinion on LIPW to be submitted within nine months from the end of each fiscal year to the World Bank through MoUD.

Further, the Municipalities ensure that each completed project will have its Public Audit conducted before the final settlements are made. The format of the Public Audit reporting has been presented in Annex 15.

Part V: M&E and Reporting

5.1 Site Supervision

The site supervisor at the sub-project will carry out the day-to-day supervision. The PIU will provide orientation to the site supervisor on E&S issues. The supervisor will then monitor the issues in the field and report to the focal person. The supervisor will report weekly progress to the PIU. The salary is paid from wages component of the budget for the sub-project and is included in the design estimate of the sub-project.

5.2 Municipal Monitoring

The LIPW focal person (who is hired) or delegated by the municipality undertakes regular monitoring and supervision and will report to the MCC. Institutions including the WCMC, MCC and conduct periodic or as when required monitoring.

5.3 Central Monitoring

The PMST will support the PCO for periodic monitoring of sub-projects.

5.4 MIS

The MIS will be a key tool used for monitoring the operationalization of LIPW. The MIS shall store all the data captured from the participant registration form, uploads the workers' attendance and also calculates the corresponding payments. The MIS also stores relevant information of wage sharing or partial wages contribution modality if being implemented at participating municipality.

The ministry will have a basic system running in place initially which will be upgraded and updated as required. The municipalities are required to maintain and update data and information on the System. The PCO monitors that the system is updated regularly. It is envisioned that the system will have a central data repository and the municipalities will be logged into the server for the data entry and generation of relevant reports. The components of the MIS, data inputs that has to be done at the ward/municipality level and the output reports that the system produces has been presented in the table below:

Components	Inputs	Outputs
Infrastructure Information	<ul style="list-style-type: none">• Project location-geographical locations• Quantities of work items	<ul style="list-style-type: none">• Project location on a map• Breakdown of work into wages and non-wages(construction materials, safety equipment, hand tools & other management expenses)
Implementation Progress	<ul style="list-style-type: none">• Schedule and targets• Monthly progress information	<ul style="list-style-type: none">• Monthly progress report of work achievements• Aggregated progress report of the entire programme (sub-project by municipality)• calculation of wages to be paid by/for sub-project as required
Employment	<ul style="list-style-type: none">• Registration of workers	<ul style="list-style-type: none">• Progress report

	<ul style="list-style-type: none"> • Attendance 	<ul style="list-style-type: none"> • Various reporting including employment by project type, location, gender, caste etc.
Cash Transfer	<ul style="list-style-type: none"> • Cash transfers to beneficiaries and dates 	<ul style="list-style-type: none"> • Cash transfer reporting at municipality, project level
Document Management	<ul style="list-style-type: none"> • Documents related to projects 	<ul style="list-style-type: none"> • Searching of documents • Downloading of documents
Communications	<ul style="list-style-type: none"> • Internal communications 	<ul style="list-style-type: none"> • Searching of communication topics • Summary of the communications
Mapping	<ul style="list-style-type: none"> • Location of households 	<ul style="list-style-type: none"> • Beneficiary maps at e.g. settlement, wards, municipality, etc.

Table 2: MIS-Components, Inputs and Outputs

5.5 Reporting

Participating municipalities are obliged to submit financial reporting and physical progress report to the PCO at DUDBC. The municipalities submit physical and financial progress reports within one month after the end of each quadrimester. Likewise the internal audit report will have to be submitted within a month after the end of each quadrimester. They will also have to submit the public audit report for each completed sub-project. All such reports will be sent to the PCO and shall be uploaded on the MIS when operational.

Part VI: Miscellaneous

6.1 Compliance and Risk Mitigation

The LIPW will have to comply with the following as risk mitigation measures:

- a) Municipalities have followed subproject identification and selection process. Funds will only be released for sub-projects that are eligible sub-projects based on environmental and social screening, including the inclusion of vulnerable and disadvantaged groups in consultations regarding subproject prioritisation, and as participants. This includes ensuring a minimum representation of women as participants.
- b) Municipalities follow all the financial management requirements as set by the Ministry of Finance
- c) Municipalities follow all environmental and social safeguard risk mitigation measures and requirements as outlined in safeguard instruments
- d) Procurement comply with the *GoN's Procurement rules for CDD*
- e) LIPW implementation adheres to the principle of zero tolerance to corruption, and
- f) LIPW implementation ensures a safe working environment, free from harassment and abuse.

6.2 Collaboration

Municipalities shall deliver LIPW in coordination or jointly with similar programmes through sharing of systems, processes and resources. Where possible NUGIP-LIPW shall work together with the employment service centers, established under the GoN's Employment Act, in the municipalities. In particular for the use of MIS a Memorandum of Understanding will be signed in between the NUGIP-MoUD and MoLESS-PMEP at the Federal level. Other areas of collaboration may include coherent technical standards and collaboration among staffs.

Volume II Annex

This section includes various forms, formats developed for processes and procedures of LIPW implementation and relevant guidance and tables.

1. Geographical Coverage

LIPW is being implemented in 12 municipalities across all seven provinces. For operational convenience, municipalities have been grouped in two clusters based on their locations.

SN	Province	Districts	Municipalities	Clusters
1	1	Panchthar	Phidim	Eastern-Central
2	2	Siraha	Golbazar	
3		Sarlahi	Hariwan	
4	Bagmati	Dolakha	Bhimeswar	
5	Gandaki	Nawalparasi-East	Kawasoti	
6		Parbat	Phalewas	
7	Lumbini	Arghakhanchi	Sandhikharka	Western
8		Dang	Lamahi	
9	Karnali	Rukum-West	Musikot	
10		Jajarkot	Bheri	
11	Sudurpaschim	Kailali	Lamki Chuha	
12		Dadeldhura	Amargadhi	

2. LIPW Grant Allocation (in NPR)

SN	Municipalities	Allocations	Year 1	Year 2	Year 3
1	Phidim	242,565,706	24,256,571	145,539,424	72,769,712
2	Golbazar	228,270,324	22,827,032	136,962,194	68,481,097
3	Hariwan	223,501,922	22,350,192	134,101,153	67,050,577
4	Sandhikharka	183,850,138	18,385,014	110,310,083	55,155,041
5	Amargadhi	222,334,676	22,233,468	133,400,806	66,700,403
6	Lamki Chuha	241,791,149	24,179,115	145,074,689	72,537,345
7	Bhimeswor	138,861,111	13,886,111	83,316,667	41,658,333
8	Musikot	179,124,119	17,912,412	107,474,471	53,737,236
9	Bheri	119,458,540	11,945,854	71,675,124	35,837,562
10	Kawasoti	220,241,131	22,024,113	132,144,679	66,072,339
11	Phalewas	174,333,074	17,433,307	104,599,844	52,299,922
12	Lamahi	225,668,110	22,566,811	135,400,866	67,700,433
		2,400,000,000	240,000,000	1,440,000,000	720,000,000

3. Examples of Sub-Project which may be selected

Types	Activities
Roads	Improved footpaths and cycle paths, concrete block or stone paving, gravelling, clearance and grass maintenance, markings and erection of road signs, rock breaking, building/maintenance of culverts, drifts, fences and gabion walls. Building bus stops, sidewalk ramps and steps, cleaning existing road infrastructure
Drainage	Lined open drainage channels, culvert crossings, gabions works, water channels, Infiltration pits
Water and sanitation	Water distribution schemes, water pipeline extension, tanks, water ponds, shallow wells, public toilets, sewer and its repair, water kiosks, public washing facilities
Health & Education Facilities	Improving School classrooms, pre-school buildings, training facilities, community clinics and health centres, childcare centres
Waste management	Garbage collection, cleaning of public spaces etc.
Public space, parks, market & community facilities	Rehabilitation of sports and recreational facility
Environment protection	Erosion protection, tree planting/greening

4. Checklist for Environmental and Social Screening

Project Details

Sub Project Title	
Nature of Project (New/ Expansion/Redevelopment/Upgradation)	
Brief about Project Components	
Project Municipality	
Project Ward/s	
Terrain- flat, ridge, undulating, Hilly, valley etc.	
Current land use (agriculture, grazing, barren, forest, settlement, road etc.	
Type Quantity of construction materials/Resource needed	
Quantity of debris that needs to be disposed	
Any hazardous materials mixed with debris	

Environmental Aspects

Checklist for Environmental Screening

S. No	Particulars	Yes	No	Can't Say	Remarks
1.	Is the site vulnerable to major natural or induced hazards such as: Landslides, Flooding, Storm surge, Severe wind damage, Earthquakes, Fire, Explosion, Other (specify)				
2.	Is the project area adjacent to or within any of the following environmentally sensitive areas? <ul style="list-style-type: none"> • Cultural heritage site (historical, religious, traditional, or cultural significance) • Protected Area (National Parks, Wildlife Reserve, Hunting Reserve, Conservation Areas, and Buffer Zones etc.) • Wetland/Ramsar Site/Simsar • Forest • Special area for protecting biodiversity/interest • Breeding/nesting ground of wildlife/occurrence of migratory species • Migration route/Wildlife corridor • Any site of national or international importance 				
3.	Likely impact on trees (including Timber & fruit bearing)and vegetation cover				

S. No	Particulars	Yes	No	Can't Say	Remarks
4.	Possibility of degradation of land and ecosystems of surrounding?				
5.	Is the project area densely populated?				
6.	Heavy with development activities/big industries nearby & type?				
7.	Alteration of surface water hydrology of waterways due to the project resulting in increased sediment in streams affected by increased soil erosion at construction site?				
8.	Chance of deterioration of surface water quality due to silt runoff and sanitary wastes from worker-based camps and chemicals used in construction				
9.	Does the sub project requires significant extraction of surface or ground water?				
10.	Increased risk of water pollution from oil, grease, fuel spills and other materials				
11.	Impact on water quality due to release of sewage/sludge?				
12.	Possibility of flooding due to sewage				
13.	Possibility of increased air pollution during preconstruction/construction/operation phase?				
14.	Other pollution concerns relating to inconveniences in living conditions that may trigger cases of upper respiratory problems?				
15.	Risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological hazards during project construction and operation				
16.	Noise and vibration due to blasting and/or other civil works?				
17.	Possibility of poor sanitation and solid waste disposal				
18.	Creation of temporary breeding habitats for diseases such as those transmitted by mosquitoes and rodents?				
19.	Accident risks associated with pre construction, construction & operation phases of project				
20.	large population influx during project construction and operation that causes increased burden on				

S. No	Particulars	Yes	No	Can't Say	Remarks
	social infrastructure and services (such as water supply and sanitation systems)				
21.	Risks to community health and safety due to the transport, storage, and use and/or disposal of materials such as explosives, fuel and other chemicals during construction and operation?				
22.	interference with other utilities and blocking of access to resource/utility				
23.	Generation of solid waste and/or hazardous waste during construction/operation of project?				
24.	Conduct of medical health screening and testing to identify the presence of suspected covid-19 positive individuals among the construction workers in the workers' labor camps or among the community members that might infect the construction workers				

Social Aspects

Checklist for Social Screening

S. No.	Particulars	Details
1	Proposed Site Location-	
	a. Land requirement for the project	
	b. Landownership of the project area: Govt. / Private lands	
	c. Is the project requires acquisition of Govt. land/structures? If yes please mention the area of land, number of affected structures, Households	
	d. Present use of Govt. Land that will be used for the project activities with Persons/Households using	
	e. Is the project requires acquisition of private land/structures? If yes please mention the area of land, number of affected structures, Households	
	f. Present use of Govt. Land that will be used for the project activities with Persons/Households using <ul style="list-style-type: none"> ✓ Agricultural purposes ✓ Residential purposes ✓ Commercial purposes ✓ Other purposes (Indicate) 	

S. No.	Particulars		Details
	g.	Is the project requires relocation of encroachers/squatters If yes please elaborate number and nature	
	h.	Is the project requires relocation of community facilities/Govt. establishment or any object that are of religious, cultural and historical significance	
	i.	Proposed project located in an area where residents are- <ul style="list-style-type: none"> • All Mainstream • All Indigenous peoples • Majority Mainstream or Non-indigenous peoples • Majority Indigenous peoples 	
2	Potential Social Impacts- Will the Project cause		
	a.	Involuntary resettlement of people? (physical displacement and/or economic displacement)	
	b.	Impacts on the poor, women and children, Indigenous Peoples or other vulnerable groups?	
	c.	Will community facilities require relocation?	
	d.	Will the sub-project disturb any traditional activity on adjoining or nearby?	
	e.	poor sanitation and solid waste disposal in construction camps and work sites	
	f.	Possible transmission of communicable diseases (such as STI's and HIV/AIDS) from workers to local populations?	
	g.	Large population influx during project construction and operation that causes increased burden on social infrastructure and services (such as water supply and sanitation systems)?	
	h.	Social conflicts relating to inconveniences in living conditions where construction interferes with preexisting roads	
	i.	Describe any other impacts that have not been covered in this screening form	
	j.	Describe alternatives, if any, to avoid or minimize displacement from private and public lands	
	k.	RAP/ARAP Requirement	

5. Guidance for Sub-Project Selection

Selection of sub-projects will be done in close consultations with representatives of vulnerable groups such as women's and Dalit groups, and validated at the ward level and municipal executive committee level before it is submitted to the PCO.

- Sub-projects are screened based on the environmental and social screening checklist provisioned in Annex 4 above.
- Sub projects are linked with annual budget and programmes of participating municipalities.

5.1 Eligibility

It is important that the infrastructure created are as close as possible to the community they serve. The sub-project should meet the following criteria:

- Labor intensive
- Address identified needs of the community,
- Approved by the MCC
- Project location close to people working on them (within the same ward/municipality) as only residents of the same ward/municipality are eligible to work in the sub-project
- Can be completed within a working season (two-three months), within the available ceiling of funds;
- Maintain, rehabilitate or upgrade an infrastructure which is functional and have a demonstrable impact.

5.2 Selection process

The following activities shall be carried out during the selection of sub projects.

5.2.1 Preliminary assessment

The potential location of the sub project within a ward is determined based on:

- Poverty levels;
- Area being highly disadvantaged with regards to supportive assets;
- Area being affected by COVID-19;

The ward chair supported by municipality staff will pick up subprojects proposed as above. Then the ward will undertake a rapid preliminary assessment in ward/s to collect/provide information on the following:

- Type of community (e.g. its ethnic composition, COVID impact);
- Economic status of the people;
- Availability of work seekers; and
- Projects prioritized by the municipality.

5.2.2 Feasibility of sub-project

The LIPW focal person carries out feasibility of the sub-projects based on

- Environmental and social screening based on E&S checklist;
- Willingness of communities to work and take ownership of the project;
- Availability of work seekers;
- Prevailing and expected wage rate;
- Types of workers available;

- Technical viability of the sub-project;
- Availability of construction materials;
- Cost of non-local materials including transportation; and
- Availability of workers in the sub-project area.

5.2.3 List of projects

- a) The ward prepares a list of a maximum of ten projects.
- b) The list of projects will be further prioritized based on field assessments.
- c) The ward forwards it to the MCC for approval
- d) All or selected projects will be implemented in priority order based on the available budget

6. Guidance for Prioritization and Beneficiary Selection

Targeting : Pro-poor targeting through a guided selection process.

Eligibility: There are two different types of eligibility criteria the beneficiaries and their households must meet: Age (18 years and above), Residency (within the project ward or municipality)

The targeting is done at a household level and one (1) member from the household can come to work in a sub-project.

Selection Criteria

The ward (WCMC) considers the following vulnerability criteria for selection
Households having income and agricultural products insufficient to feed their family

- HH with any member having a disability
- Single women headed HH
- HH with a member who was COVID +
- HH that lost livelihood due to COVID impact
- HH with migrant returnee
- Dalits, minorities, indigenous people, and landless people

Notes: Sub project will engage at least 35percent women as workers

Selection Process

Communication campaigns are conducted at wards to disseminate information on LIPW, benefits, responsibilities, application and participant selection processes.

Interested households attend application event organized at wards and their wish to participate will be recorded.

Prioritization and provisional selection of participants will be carried out based on number of employment that the sub project can accommodate.

The selection process will specifically cater to supporting vulnerable groups including the elderly, physically challenged, minorities, disadvantaged groups and household bearing the brunt of the COVID pandemic.

In COVID context, wards may have to use tele communication with existing community groups to provide inputs on identification of vulnerable population groups.

Municipality/wards can also work with partner agencies (e.g. UN agencies, CSOs) and coordinate with GoN programmes including the PMEP to identify and reach the poor and vulnerable falling outside the reach of existing projects, such as informal workers, undocumented migrants, and migrant returnees interested in LIPW works.

Use of community facilitators, leaders and community groups would be instrumental in identifying the most vulnerable household.

The selected households will attend registration events at the ward and register all the household members eligible to work.

The MCC will endorse the final list of selected workers based on the pre-selected lists produced by the Wards.

Verification of selection criteria

The criteria are applied by the WCMC subjectively based on its knowledge of the community. It is the responsibility of the respective ward to define, for example, what assets are considered valuable and are therefore an indication of wealth and a

deciding factor for exclusion from the programme or what constitutes a “large number of non-adult members” in a household.

The criteria are indicative and give the Ward a 20 percent margin of discretion to include or exclude households irrespective of the criteria. This discretion is justified to deal with cases. For example, there could be households with one member employed but still very poor or a household with a disabled member may not be among the poorest, while female-headed household may have no worker available.

The list of beneficiaries, however, hence must meet the age and residency criteria and 80percent of the households selected must belong to at least one of the prioritized categories.

The list prepared by the ward must be presented in the notice board for a week to community complain and then forwarded to municipality for approval.

Entitlement

Households are offered a specific number of days of work. The beneficiaries will be informed of this offer in advance.

Employment Card

Employment cards are evidence of households’ entitlement to LIPW.

Notes

The Municipalities will provide orientation on LIPW to WCMCs.

7. Application Form-List of Applicants

The List includes residents of a ward

Date		Ward		Signature				
SN	Citizenship No	Name	Household Head	Address	No of HH Members	Disability/ Pregnancy/ Migrant Returnee/	Phone No	

8. Household Registration Form

1	Representative at Registration event				
2	Name of Father/Mother [whose?]				
3	Name of Household Head			M	F
4	Address				
5	Ethnicity				
6	Pregnant Women/Lactating Mother	Yes	No		
6.1	If Yes Name and Age				
7	Migrant Returnee	Yes	No		
7.1	If Yes Name and Age			M	F
7.2	Name of Host country				
8	COVID Case in HH	Yes	No		
9	Number of Dependents in the HH and other earners [formal, salaried or informal]				
10	Is the HH receiving any cash support or engaged in any PWP	Yes	No		
10.1	If yes give details				
SN	11. Worker available at HH	12. Relationship with HH head	13. DoB	14. Gender	15. Picture No
1				M	
2				F	

9. Sub-Project Agreement Format

A	Representative from Project Implementation Committee/Implementing Party		
i)	Name		
ii)	Position		
iii)	Full Postal Address		
B	Sub-project Details		
i)	Name		
ii)	Address		
iii)	Objective		
iv)	Approving Authority		
v)	Start date		
vi)	Completion date		
C	Sub-project cost details		
a)	Estimated cost		
b)	Construction material Name/Source(Local/non-local)	Quantity [also put rate]	Cost
i)			
ii)			
iii)			
iv)			
v)			
c)	Wages		
D	Beneficiaries(Direct)		
HH	Population (Total)	Dalit/Janajati population	Women population

E. Project Implementation Committee

The committee shall be formed by the meeting of project beneficiaries chaired by the ward chairperson. At least two of the committee members should be the potential worker. Also at least one third of the members should be women.

a. Date of formation:

b. Office bearers:

S.N.	Position	Name	Address	Citizenship No.	Remarks
1	Chairperson				
2	Vice chairperson				
3	Secretary				
4	Treasurer				
5	Member				
6	Member				
7	Member				

c. Number of present beneficiaries during PIC formation:

F. Terms of the agreement

- a. Funds received under LIPW shall be used only for the purposes as agreed
- b. After completion of the project/for any periodic payments, the quality of works is verified by the municipality.
- c. Beneficiary community shall be informed about the details of budget and work progress and its quality.
- d. The PIC/IP shall be held responsible for timely implementation of the project and payment of wages to workers.
- e. The PIC/IP shall maintain daily workers register (and upload in the MIS; photo of the register may be acceptable)progress report including the receipt and spending of cash, kind and construction materials
- f. In case the sub-project is completed at a lower than the estimated cost, we agree to settle the accounts as per the originally agreed proportionality on wages and non-wages.
- g. PIC/IP accept any legal actions in case the project/works is implemented not by the selected workers. In such a case, if the agreement is cancelled or payments are withheld by the municipality, the PIC/IP shall make no claims.

We undertake to abide by the terms and conditions set forth herein.

On behalf of Municipality:

On behalf of Project Implementation Committee/Implementing Party:

Signature:

Signature:

Date:

Name:

Position:

Witness:

Signature:

Date:

Name:

Position:

Date:

Name:

Position:

10. Employment Card

Information

- Household with Employment Card can participate in LIPW
- One person from the HH selected/listed is eligible to work in a sub-project
- Use of heavy equipment is restricted
- Equal wage rate for male and female for same kind of work
- Wages are paid regularly
- Payment of wages will be done to individual Bank account of the worker
- This Card remains valid from.....to..... for the purpose of LIPW-NUGIP sub-project for FY.....

Card Number:



Office of the Municipal Executive

.....Municipality

....., Nepal

Employment Card

PP Size Photo of the main
beneficiary (Worker)

Authorized Signature (LIPW Focal Person)

Beneficiary (Worker) Details		<p>Work site rules</p> <ul style="list-style-type: none"> • Daily attendance will be taken twice (Once in the morning and once towards the end of the day's work). • The card must be presented at the time of attendance. • Workers cannot participate in the work without presenting the card • Drinking alcohol is prohibited at worksites • No worker shall be subject to any physical, sexual, psychological or verbal harassment or abuse • Language and behaviors that are demeaning, threatening, harassing, abusive, culturally inappropriate, or sexually provocative are prohibited • Hand tools must be used with safety precautions. • In case of loss of the tools the group leader will be held responsible. • Workers working for half day will have the attendance marked for half day. • No wages will be paid without works
HH No/Representative Name		
Father/Mother		
Identity Card (Citizenship/Voter Card)		
DOB		
Gender		
Address: Municipality-Ward-Settlement/Tole		

11. Muster Roll

Muster Roll No:		Ward:	Sub-Project:				
Date		Site Supervisor: Name and signature					
Group No				Attendance		Signature of worker	
SN	Job Card No	Name		M	E	M	E
1				Y	N	N	Y
2							
3							
4							
5							
6							
7							
8							
9							
10							

12. Measurement of Works (Summary Sheet)

Sub-Project:

SN.

Group No.:

Date of Kick off:

Date of preparation of this bill:

Date of payment:

MB No.:

SN	Description	Unit	Up-to-date work	Amount	Work from previous bill		Current work	Remarks
			Quantity		Rate	Quantity	Amount	

Total amount from this bill:

Total amount from previous bill:

Amount payable:

Deductions total::

Advance:

Net to be paid:

Group leader's signature:

Group leader's name

Prepared by.....
Municipality Sub-Engineer

Checked
by.....
Municipality Engineer

Approved
by.....
Focal
Person

13. OHS Guidelines

LIPWs subproject will comply with OHS risk mitigation measures outlined in the NUGIP ESMF, as well as complying with WB EHS Guidelines, GoN requirements and internationally accepted OHS guidelines. All participants will be provided with appropriate training on construction methods, where required, and specific OHS measures. The subprojects will be required to follow COVID-19 restrictions implemented by the GoN, as well as COVID OHS protocols and guidance developed by the World Bank and GoN. Workers must attend trainings and orientations in relation to GBV, OHS etc. as requested by the project including the site supervisor

Safety measures

- First-aid kit on site and availability of trained person (site supervisor to be trained)
- Protective goggles for stone cutting, chiseling, grinding, and welding.
- Gloves and other including boots protective clothing while using chemicals, waste and other hazardous material.
- Face masks.
- Helmets while working on sites where there is a danger of falling
- Supervisor has the information on nearest health facility and ambulance or quick transport

Health Measures

- Sufficient and clean drinking water on site.
- Latrines on or near site to be available for the workers.
- No alcoholic drinks or drugs during work.
- Hand washing facility

Tools: Helmets: Safety Boots, Gloves, Goggles and Mask as appropriate

COVID-19 Safety Tips

Sick beneficiaries do not participate in sub-projects. Any person who is experiencing symptoms or asymptomatic of COVID-19 should not be allowed to come to the public work site. Where possible, teams should collaborate with local health facilities to support the monitoring of participants' health.

- Social distancing at work sites, creating staggered shifts, allowing younger people to work while keeping older people isolated, and discouraging people from shaking hands.
- All participants at work sites to wear facemasks
- Participants, in general, are not allowed to share work tools and equipment
- Tools and equipment are sanitized
- Water and soap onsite
- Develop and post guidance to beneficiaries on how to stay safe during COVID-19 and conduct trainings for beneficiaries on the topic.
- PPE must be worn as required during work and instructions regarding OHS including COVID-19 precautions must be followed

14. Sub-Project Information Board

Details of sub-project including the cost is made public through information board placed at work sites. The Board includes the following description.

Name of the sub-project, brief description of the tasks, funding source, beneficiary population in the project site, number of workers in the project, coverage of the project, start and end date of construction works, etc.)

The cost for such information board can be included in the cost estimate for the sub-project under the non-wages component.

15. Public Audit

Public Audit Minute

1. Sub-Project Name:
2. Sub-project Site:
3. Meeting Venue:
4. Meeting Date:

5. Participants Description:

SN	Name of participants	Address	Contact Detail	Signature

6. Status of the Project

Financial Progress: Wages ----- Materials..... Management Cost.....
Physical Progress:

7. Has the work been completed within the allowed time and in the required quality and quantity? Yes/No

8. Implementation Issues

- 1.
- 2.
- 3.

9. Has the WCMC monitored, evaluated and checked up about the work completion, and quality of the work? Yes/ No

10. Decision of the Meeting

**16. Complaints handling
Complaint Form**

- Name
- Sub-Project Name
- Address:

Type of Complaint	Please Tick if relevant
Excluded from the program although eligible or deserving	
Not getting wages	
Not getting equal opportunity	
Delays in payment	
Non target households included	
Improper behavior from staff	
Fraud, partiality, lack of transparency in procurement, beneficiary selection.	
Others	

Description of the Complaint

.....

Tear off the part below and give it to the griever

Registered a complaint from.....
 of.....ward (Or Anonymous complaints collected from complaint box)

Response to the complaint will be notified within 7 days by the relevant authority
 Date: Signature of person that received the complaint

Notes: Complaints remain in the complaints register unless/until resolved.