

Government of Nepal  
Ministry of Urban Development  
Department of Urban Development and Building Construction  
Nepal Urban Governance Infrastructure Project  
Project Coordination Office  
Babar Mahal, Kathmandu  
TERMS OF REFERENCE (TOR) OF  
Team of Individual Expert Consultants for Institutional Strengthening of participating  
municipalities

## 1 Background

Government of Nepal has received loan from the International Development Association ("World Bank") toward the cost of Nepal Urban Governance and Infrastructure Project (NUGIP). The Department of Urban Development and Building Construction (DUDBC) within the Ministry of Urban Development (MoUD) is the primary implementing agency for this project, and bears the complete responsibility of project implementation, management, supervision and coordination. A Project Coordination Office (PCO) has been established under the DUDBC to oversee the project related activities and take charge for coordinating implementation of the project.

The Project Development Objective (PDO) of the NUGIP is to enhance municipal infrastructure and institutional capacity in the participating municipalities. NUGIP focuses on (a) improving access to essential services, such as expanding coverage and rehabilitating infrastructure, (b) strengthening planning and implementation systems, and (c) enhancing municipal finances. The project will benefit 17 cities in strategic urban clusters (Koshi and Madhesh Provinces in the east, Karnali and Lumbini Provinces in the west), along with supporting 4 additional cities. Additionally, it includes a Labour Intensive Public Works (LIPW) component in 12 other municipalities.

The 17 municipalities oversee planning, preparation, and implementation of municipal infrastructure investments with support from Design and Supervision Consultants (DSC) and the PCO. Simultaneously, the PCO and a team of Individual Expert Consultants will assist 21 municipalities (Refer Annex 1) in planning, preparing, and implementing institutional capacity development programs. The other 12 municipalities manage planning, administration, financial matters, implementation, and monitoring of LIPW. A Project Management Support Team (PMST) aids the PCO in overseeing all project components, coordinating with municipalities, monitoring implementation progress, ensuring compliance with agreed-upon policies and procedures, and submitting regular progress and compliance reports to the Bank task team, aligning with the Government of Nepal (GoN) and the Bank's agreements.

The NUGIP comprises of following five components:

### **Component 1: Urban Development Grants (UDGs) for strategic municipal infrastructure and service delivery (US\$100 million)**

This component will provide UDGs to participating municipalities for financing strategic subprojects in municipal infrastructure, including rehabilitation and improvements in areas such as roads, drainage, drinking water supply, and onsite sanitation.

It aims to support the launch of Nepal's inaugural urban sector conditional grant system, exclusively targeting municipal infrastructure and service enhancements at the local level. UDG allocations, determined by an objective and transparent formula, enable municipalities to develop their multi-year investment programs in the first year.

Municipalities will then identify, design, and implement subprojects following guidelines in the Project Implementation Manual (PIM). The component, with design and implementation support, assists municipalities in creating effective contract structures and implementation methods to attract private sector involvement in construction and operation and maintenance of municipal infrastructure wherever feasible.

**Component 2: Institutional strengthening of the participating municipalities (US\$7 million)**

The component will finance operational costs, goods, training, and technical assistance support to strengthen the institutional systems and capacities of 21 participating municipalities. The focus is on improving urban management and service delivery in areas such as (i) integrated urban development planning; (ii) OSR mobilization; (iii) municipal FM, procurement, and contract management; (iv) citizen engagement and gender inclusion; (v) urban infrastructure asset management system (including climate resilience). The component will also finance limited goods like office equipment, fixtures, and specific items necessary for the work program, such as software and tools for the municipalities.

Institutional strengthening will be undertaken through three types of delivery modalities: (i) assistance for developing guidelines, toolkits, and operational systems and equipment; (ii) formal learning and classroom training; and (iii) on-the-job handholding support to municipal staff. The team of individual expert consultants will provide support to the participating municipalities in identified areas of institutional strengthening through a demand-based approach. The approach is demand based, with the team, working closely with each municipality to develop and implement municipal-level Institutional Strengthening Program (ISP) within the thematic areas, addressing specific activities and delivery modalities based on comprehensive needs assessment and extensive stakeholder consultations.

**Component 3: Support to municipalities for COVID-19 recovery (US\$35 million)**

This component provides support to vulnerable groups in 12 municipalities, addressing the short- and medium-term impacts of the COVID-19 crisis through rapid LIPW. It will fund (i) wages for unskilled labour engaged in temporary employment, (ii) expenses for project-related works, tools, and materials, and (iii) costs associated with LIPW management (consultations, administration, and supervision). Targeting individuals from predominantly poor and vulnerable households, participants will receive training on construction methods and relevant occupational health and safety measures, including the use of protective gear. The beneficiary selection process will include provisions for vulnerable groups such as the elderly, physically challenged, minorities, and disadvantaged individuals, with a minimum representation of female workers in LIPW subprojects.

**Component 4: Contingent Emergency Response (US\$0)**

The project includes a Contingent Emergency Response (CER) component to respond to potential government-requested assistance in case of disasters, climate-related events and pandemics. This component will finance emergency infrastructure activities, with resources allocated as needed during implementation. Disbursements will be made against a pre-established list for critical goods, works, and consultant services, supporting immediate response and recovery needs. The GoN will prepare an Implementation Manual within the initial six months, outlining guidelines for triggering the CER component and fund utilization.

**Component 5: Project management and coordination (US\$8 million):**

This component will provide support to the 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.

## 2 Objective

The main objective of this assignment is to provide comprehensive capacity building and technical assistance to the 21 participating municipalities under component 2 in the NUGIP program, with a focus on key thematic areas: (i) Integrated Urban Development Planning, (ii) Gender and Social Inclusion (GESI) and Citizen Engagement (CE) (iii) Own source revenue mobilization, (iv) Municipal financial management, procurement and contract management, (v) Urban infrastructure asset management systems. The assignment will also include the preparation of an "Institutional Strengthening Plan (ISP)" for 21 municipalities and undertake the capacity building activities based on, but not limited to, the ISP.

The team of experts will be required to provide support across the all-thematic areas of Component 2 as described above. The team will be required to implement activities in full compliance with the Project Implementation Manual (PIM) and the Participation Agreements signed between each of the municipalities and the MoUD.

## 3 Scope of Services

The scope of services includes the following task:

- Undertake an institutional assessment of the target municipalities through desk review, field visit, stakeholder consultations at least with some of the board members, etc. Relevant documents include, but not limited to: Project results framework, NUGIP Baseline Survey, Local Government Institutional Capacity Self-Assessment (LISA) and results for the last 3 years (as available); relevant policy, annual plans and programs of participating municipalities, staffing lists, available training materials in all thematic areas, with particular attention to the ones produced via the multi-donor-funded Provincial and Local Governance Support Program (PLGSP) under Ministry of Federal Affairs and General Administration (MoFAGA) (as available)
- Review the pilot Training Needs Assessment (TNA) conducted by the PCO, and prepare work plan not later than two months from the commencement of the contract.
- Work closely with the elected representatives, municipal officials, citizens, and other key stakeholders from the participating municipalities to prepare the Institutional Strengthening Plan (ISP) of 21 municipalities, including a short priority list of ready-to-implement activities within the first six months, based on gaps and needs identified by the municipalities and the intended results to be achieved by the participating municipalities. The proposed participatory process will allow officials to seek institutional strengthening support to address those gaps.
- Assist in implementing the ISP in collaboration with the participating municipalities, following the agreed timelines. The team will contact MOFAGA and PLGSP for updated information on the thematic areas and will try to utilize provincial Good Governance Centers, wherever possible, which are the centers for delivery of capacity building for each province.
- Based on the ISPs, provide Technical Assistance support to participating municipalities on a core set of identified areas of support that can gradually be scaled up to all 293 municipalities on urban sector issues, depending on the clearances from MoUD, MOFAGA and other national level stakeholders. Table 1 presents the key sub-themes, key identified constraints and indicative TA interventions, which would be further detailed out during the preparation of ISP at the local level.

The key thematic areas include:

- i. Orient the municipalities regarding the importance of urban physical development planning
  - Training/ Orientation for municipal officials and elected representatives to review and analyse the urban profile and spatial plan/ planning, which will include the analysis of diagnostic profile of each municipality, the urbanization and economic growth pattern, urban infrastructure and service delivery gaps, investment needs, existing institutional mechanism and management systems, available financial resources; and potential urban infrastructure demand;
  - Training in planning and municipal investment planning methods.
- ii. Citizen Engagement (CE) and Gender including Women Empowerment Plan (WEP)
  - Citizen Engagement: Review legislations and existing mechanisms relevant to CE formulated by the MoFAGA/PLGSP, PCGG, and the municipalities. For this assignment, CE mechanisms will refer to three approaches: transparency and access to data and information; consultation and collaboration (participatory budgeting and planning, feedback mechanisms); and grievance and conflict management.
  - Assist the municipalities to manage and strengthen existing CE mechanisms such as communications and grievance redress mechanism, or design mechanisms.
  - Devise a CE action plan that will be incorporated into the existing CE concept note. Lead implementation of the activities outlined in the action plan.
  - Gender: Conduct a desk review of any available studies concerned with gender in the municipalities, and undertake an assessment to identify needs and demands of female elected representatives of the municipalities.
  - Review legislations and materials on GESI produced by MoFAGA /PLGSP, Provincial Centre for Good Governance (PCGG) and policies formulated by the municipalities. (Findings from the need assessment and legislation review will be incorporated into the existing Women’s Empowerment Plan (WEP) concept note developed by the PCO with support from the World Bank.
  - Provide targeted actions to strengthen the voice and decision-making capacity of female staff and representatives on planning, budgeting, and leadership in municipal functioning, planning, budgeting, and implementation as well as monitoring and reporting (as per the NUGIP PAD).
  - Support implementation of the WEP in the municipalities working closely with the GBV focal persons - Organize consultations to solicit input for WEP and CE action plan ensuring inclusive participation of female elected representatives including but not limited to the municipal executive team and staff.
- iii. OSR mobilization
  - Support municipalities in augmenting their financial resource base and municipal economic development by leveraging the revenue generation potential of the local government’s revenues - tax, user charges and other non-tax sources of revenue as per the constitution of Nepal, 2015, and Local Government Operation Act (LGOA), 2017.
  - Diagnostics and review of local revenue mobilization processes in each municipality;
  - Develop Revenue Improvement Action Plan (RIAP) along with the appropriate revenue heading and rates;

- Conduct orientation workshops and trainings targeting the revenue officials, elected representatives of participating municipalities, regarding OSR, their rate issues;
  - Establish required procedures and operationalizing effective system for revenue collection.
- iv. Municipal FM, procurement and contract management systems:
- Support the municipalities in strengthening their annual planning, budgeting, accounting, financial reporting, procurement of goods, works and services, internal controls systems for transparent and robust financial systems.
  - Conduct Trainings in recording and resolving of audit arrears; public procurement, PFM regulations;
  - Workshop to discuss on public procurement, draw up annual budgeting processes, annual procurement plan, auditing and internal controls etc.
  - The Technical support to participating municipalities in municipal FM and procurement will also be aligned with the policies and programs of the support being provided to the Federal government by the Integrated Public Financial Management Reform Project (IPFMRP) for developing and rolling-out PFM systems, guidelines and procedures as well as capacity development interventions for municipalities.
- v. Urban infrastructure asset management systems:
- Support the municipalities in developing and operationalizing asset management systems for infrastructure investment.
  - Preparation of Asset Management Plan for participating municipalities;
  - Preparation of Asset Management Guideline to be used by the participating municipalities;
  - Training in establishing asset inventories (capturing the asset details and its operational conditions, establishment & ownership details, environmental aspects), operational scheduling systems and resource management for regular and periodic O&M;
  - Orientation workshop with municipalities to discuss operations & maintenance issues;
  - Support municipalities in improving Asset management, including Asset register valuation of assets.

In addition to the core program, the team will provide support on the following areas:

- Private sector participation in municipal infrastructure and service delivery by strengthening the users' fee, local revenue base and financial management.
- Orient the municipalities in the importance to ensure environmental and social development and safeguards during the planning and implementation of municipal infrastructure projects to enhance urban resilience, resource conservation and well-being of vulnerable population.

The team will provide Technical support to participating municipalities, based on ISP, through three types of delivery modalities:

- Technical assistance to municipalities- such as developing guidelines, action plans, toolkits and operational systems, as deemed necessary by the ISP. These may include, but not be limited to revenue improvement action plans, asset management guidelines.
- Formal learning and classroom training to be conducted based on the Training Needs Assessment.
- On the job-handholding support to municipal staff in core management functions such FM, procurement, asset management etc.

#### 4 List of Key Experts

The team shall comprise one Team Leader with additional 7 experts in the given thematic areas and relevant sub-areas.

<b>S.N.</b>	<b>Key Experts</b>	<b>Positions</b>	<b>Total Time Inputs (Person-months)</b>
1	Team Leader	1	12
2	Institutional Dev and Governance Expert	1	12
3	Urban Planning Expert	1	12
4	Social Development Specialist/ Safeguard Expert	1	8
5	Gender Specialist	1	8
6	Municipal Finance and Revenue Expert	1	12
7	Municipal Infrastructure & Asset Management Expert	1	10
8	Environment /Safeguard Expert	1	4
	Sub-Total(A)	8	78

#### 5 Key deliverables

<b>Reports/ Deliverables</b>	<b>Contents</b>	<b>Submission deadlines / milestones</b>
Work Plan	Overall work plan, Detailed approaches & methodologies to each part of assignment, objectives, activities, schedule of activities, delivery modality, timing and content of deliverables, as per the Scope of works.	Not later than 2 months from the date of commencement of assignment (signing of contract)
Monthly Report	Work progress on all components, activities of the scope of Works, tasks undertaken, results achieved, meetings held and persons met, difficulties encountered, Supervision & monitoring, and forecast of assistance required from the client for each Part of the assignment	Within 7 days from the end of every month
Quarterly reports	Work progress on all components, activities of Scope of Works, tasks undertaken, results achieved, meetings held and persons met, difficulties encountered, Supervision & monitoring, and forecast of assistance required from the client for each Part of the assignment,	Within 15 days from the end of every quarter
Final Report	The completion report of the consultants providing the details of overall work progress and final documentations, activities of Scope of Works	Within 15 days from the end of the project
ISP	Institutional Strengthening Plan for 21 municipalities including situation diagnostic of municipalities in key thematic areas; identification of key activities for institutional strengthening and capacity building for participating municipality;	Within 6 months from commencement of project
RIAP	RIAPs for all 21 municipalities, including situation diagnostics.	Within 10 months from commencement of project
Overall CE and grievance redress strategy	Strategy for citizen engagement, communication and grievance redress, based on mapping and baseline assessment of CE and grievance redress mechanisms of participating municipalities, which can be adapted for individual municipality	Within 10 months from commencement of project
WEPs	WEP for 21 municipalities, including methodology, identification of needs, challenges and opportunities; development or adoption of training and mentorship programs, execution of those skill programs.	Within 10 months from commencement of project

Asset management Guideline	Asset management Guideline including procedures for establishing asset inventories (capturing the asset details and its operational conditions, establishment of ownership details), operational scheduling systems and resource management for regular and periodic O&M;	Within 4 months from commencement of project
Asset Management Plan	Asset management Plan for 21 municipalities including asset inventories, operational scheduling systems and resource management for regular and periodic O&M.	Within 10 months from commencement of project

## 5.1 Report Format

- The report shall contain/present data, information, assumptions and corresponding justification, analysis, and conclusions and recommendations.
- All reports shall include a table of contents and an executive summary, findings and recommendations and their justifications. Supporting data and analysis shall be included in the Annex, which will be referenced as appropriate in the body of the text. All paragraphs in the executive summary, main text, and Annex(es), shall be numbered to facilitate communication across the contents of reports.
- The report shall be illustrated as appropriate with such drawings, sketches, tables, graphs, S-curves of progress, and maps to aid comprehension and assimilation of their contents. The basic content/ framework of the above deliverables would be developed in consultation with the PCO, which will be reviewed and commented by the PCO. The team will incorporate all suggestions and submit the final report.

## 6 PCO input to the Consultant

The PCO will provide necessary documents and references- related to the Project on request by the consultants. The consultants shall verify and ensure the accuracy of data provided by the client. The supplied data remains the property of the originating agency and is solely for the contracted work only. Borrowed material will be returned upon completion of the assignment. Besides the provided and externally sourced data, consultants are responsible for collecting additional information through their own source, including field surveys and investigations.

PCO will facilitate communication with participating municipalities and key stakeholders and other related support as necessary during the course of work.

PCO will provide office space required for this consulting, along with internet access and necessary office supplies.

## 7 Period of Performance

The work is expected to cover about 12 months in total.

## 8 Payment

Payment will be based on the inputs of experts/ staff in accordance with the Contract and as approved by the Team Leader, as true and to the satisfactory quality. The expert/ staff requires to submit key deliverables to the satisfaction of the Team Leader.



Team Leader will be paid upon submission of the report due for the period for which the payment has been requested, unless serious comments (like incomplete and/or inaccuracies on the report).

Payment for all the (out of pocket expenses or reimbursable) OPE expenses incurred by the consultant over and above the fees will be made on actual basis after the consultant submits all the required supporting documents to the client.

## **9 Consultants Selection Method**

The Consultants will be selected Individual Selection Method (INDV)/ open source with Lump-sum Contract.

## **10 Consultants' Qualification and Experience**

### **10.1 Team leader**

Team Leader must have a Master's degree in project management/ urban planning/ infrastructure planning/ urban management/ or related discipline, with minimum 15 years, but desirable 25 years of experience, after Master's Degree, in the above fields. Higher degree and trainings are preferable.

The expert should preferably have:

- Experience in successfully leading and managing large scale (> than USD 10 M), multi-sectoral urban infrastructure and service delivery projects, mainly in context of urban municipalities;
- Experience in delivering capacity building or institutional strengthening activities to municipalities;
- Experience of leading bilateral/ multilateral development partners funded projects;
- Skills in assessment, planning, facilitation, monitoring, or evaluation of capacity building or institutional strengthening activities;
- Good communication and writing skills in English and Nepali.
- Ability to communicate and engage effectively with authorities and other stakeholders.

The focus area of the team leader shall be Management and coordination of teams, and service delivery of the team on thematic area and overall response.

### **10.2 Institutional Development and Governance Expert**

The expert must have Master's degree in Public Administration/ Public Management/ Public Policy, Development Studies or other relevant field with work experience of minimum 10 years, but desirable 20 years of experience, after Master's Degree, in capacity building, institutional strengthening activities, constitutional arrangement and unbundling of distribution of state powers amongst different levels of governments, O&M survey, human resource management in public institutions or Training need assessment. The expert should preferably have:

- Experience in working with/ for municipalities
- Experience in preparing institutional/ organisational capacity development programs for municipal level and its implementation;
- Experience in bilateral and or multilateral development partner funded projects;
- Experience in delivering capacity building or institutional strengthening activities to municipalities;
- Experience of working in government institutions in legal reform, policy analysis;
- Ability to work in an interdisciplinary team;
- Ability to communicate and engage effectively with authorities and other stakeholders.
- Good communication and writing skills in English and Nepali.

The focus area of the Institutional Development and Governance Expert shall be overall theme.

### **10.3 Urban Planning Expert**

The expert must have Bachelor's degree in civil engineering or architecture with Master's degree in urban/regional planning/ infrastructure planning or related subjects, with minimum 10 years, but desirable 20 years' of work experience, after Master's Degree, in above fields. The expert should preferably have:

- Experience of preparing physical development plans of municipalities.
- Experience in bilateral and or multilateral funded projects such as World Bank, ADB, etc
- Experience in delivering capacity building or institutional strengthening activities to municipalities;
- Ability to engage effectively with authorities and other stakeholders.
- Good communication and writing skills in English and Nepali.

The focus area of the urban planner shall be Urban Physical Development Planning and other relevant themes when required.

### **10.4 Social Development and Safeguards Specialist**

The Social Development and Safeguards Specialist must have Bachelor's degree in social science/sociology/ social works, development, or any other relevant discipline. Master's in relevant field is preferable. Minimum work experience of 10 years, but desirable 20 years' work experience, after Bachelor's Degree, in community and stakeholder engagement at the municipality level for infrastructure development projects. The expert should preferably have:

- Experience in planning, facilitating and/or conducting citizen and stakeholder consultations and engaging with communities on sensitive issues.
- Experience in designing and delivering citizen engagement training modules, particularly to local government officials.
- Experience working with local governments and the understanding of the Citizen Engagement mechanisms at the local level.
- Experience working in bilateral and or multilateral funded projects such as WB, ADB etc
- Experience in conducting social risk management (safeguards) in infrastructure, and collaborating with stakeholders to integrate social development considerations into municipal governance and infrastructure initiatives.
- Good communication and writing skills in English and Nepali; and fluent in Microsoft Office applications such as Word, Excel, PowerPoint, etc.

### **10.5 Gender Specialist**

The Gender Specialist must have a Master's degree in social science such as sociology, gender studies, development studies or relevant degree with focus on gender. The specialist must have a minimum 5 years of work experience, after Masters' degree, but 10 years is preferred. The specialist will possess a sound understanding of Nepal's transition to federalism and functioning of the local governments. The expert shall have:

- Experience of working with officials, particularly female elected representatives at the local government level, with understanding of the challenges of female participation and inclusion in decision-making in government agencies
- Prior experience of working in projects funded by bilateral and/or multilateral agencies.
- Experience in designing and delivering trainings to women, and prior experience of working in gender, utilizing the MoUD's GESI guidelines and documents.
- Good communication and writing skills in English and Nepali; and fluent in Microsoft Office applications such as Word, Excel, PowerPoint, etc.
- Individual with knowledge of Gender Based Violence is preferred.

The Gender Specialist will support implementation of the Women Empowerment Plan in selected municipalities.

## **10.6 Municipal Finance Management and Revenue Expert**

The expert must have Master's degree in Business Administration (focusing in finance), economics, finance, accounting, public finance, or a relevant subjects and minimum 5 years, but desirable 15 years of experience, after Master's Degree, in financial management, tax and revenue administration, investigation or financial analysis of government or donor funded infrastructure development projects. The expert should preferably have:

- Experience in municipal finance and development finance, local revenue, financial management.
- Experience in government system – allocation of taxations amongst different levels of governments and intergovernmental fiscal transfers, activities of National Natural Resources and Fiscal Commission budgeting and planning mechanisms, fund flow management, revenue management, accounting, auditing, reporting or expenditure management.
- Understanding of public financial management and best practices in tax revenue optimisation and management, accounting and auditing at the government level.
- Experience in local government financial management system in Nepal desirable.
- Experience in working on bilateral and/or multilateral funded projects, and familiarity with WB's Client Connection operation
- Skills in communicating with authorities and other stakeholders.
- Skills in delivering capacity building or institutional strengthening activities
- Ability to engage effectively with authorities and other stakeholders;
- Good communication and writing skills in English and Nepali.
- The focus area of the Financial Management and revenue Expert shall be Municipal financial management, budgeting, analysis of effect of tax and its rate on the municipal economy; OSR mobilization and other relevant themes when required.

## **10.7 Municipal Infrastructure and Asset Management Expert**

The Expert must have at least Bachelor's degree in civil engineering, urban engineering or a relevant field, with minimum of 5 years, but desirable 10 years of experience in above field. The Consultant should preferably have

- Experience in asset management - operation, maintenance & management of physical infrastructure and immovable assets;
- Experience in preparation of asset management plan and operation guidelines;
- Experience in delivering capacity building or institutional strengthening activities to municipalities;
- Experience in bilateral and or multilateral funded projects such as World Bank, ADB, etc;
- Ability to work in an interdisciplinary team;
- Ability to engage closely with authorities and relevant stakeholders;
- Good communication and writing skills in English and Nepali.

The focus area of the expert shall be Urban infrastructure maintenance, asset management systems and other relevant themes when required.

## **10.8 Environment and Safeguards Expert**

The Expert should have Bachelor's or Master degree in environmental science or a relevant field with a minimum of 10 years of work experience, but desirable 20 years of experience. The Consultant should preferably have

- Experience in environment auditing, environment management systems, monitoring and compliance activities relevant to municipal urban infrastructure projects;
- Experience with present environment related legislative and regulations of Nepal;
- Experience with sustainable construction practices and green infrastructure management;
- Ability to work in an interdisciplinary team;
- Ability to engage closely with authorities and relevant stakeholders;

- Experience in conducting training/ orienting the stakeholders regarding compliance of environmental regulations in urban infrastructure projects;
- Experience in delivering capacity building or institutional strengthening activities to municipalities;
- Experience in bilateral and or multilateral funded projects such as World Bank, ADB, etc;
- Good communication and writing skills in English and Nepali.

The focus area of an Environment Safeguard Expert will be to support the project designers and key stakeholders to ensure the compliance of environmental regulations in urban infrastructure projects, and implement sustainable practices to minimize adverse effects on ecosystems and communities.

## **11 Organization of Work and Core Activities**

- The entire assignment will be carried out under the overall guidance of the PCO. At all steps, the team will be required to closely engage and seek inputs from the PCO.
- The Team Leader will report directly to the Project Director, PCO and delegate responsibilities to the experts, and ensure the quality of work and timely deliverables, as directed by the Project Director, PCO.
- The experts will directly report to the Team Leader, and contribute within the team, as per direction of the Team Leader, and to the satisfaction of the Team Leader.
- Within the team, Team Leader will lead to prepare a detailed work plan and delivery mechanisms training and capacity building activities, to be approved by the Project Director, PCO, and would need to be reviewed periodically. The work plan should indicate clear timeline for the preparation of ISP; along with schedule and delivery mechanisms for training and capacity building activities, exchange visits, development of guidelines toolkits and operational systems for each municipalities, as indicated by the ISP.
- The experts would be required to work on the above mentioned thematic areas. They should be able to work in a team and transfer skills and knowledge effectively. They may work with the core task team members and consultants from the PCO, and thematic counterparts within the PMST and the DSC team, as directed by the Project Director, PCO, however in case of difference of opinions, direction by PCO should be followed.
- The experts will be required to undertake activities as per the work plans and carry out regular visits to the participating municipalities, as authorized by the Team Leader and approved by the PCO Lead.
- The experts will conduct the meetings for data collection and stakeholder consultations on their own. The Task team members from the PCO/ Bank may join some of the consultation meetings.

## Annex 1: Map of 21 Municipalities under Component 2: Institutional Strengthening Support of participating municipalities



### 12 List of target Municipalities

Province	Municipalities
Koshi Province	<ol style="list-style-type: none"> <li>1. Birtamod</li> <li>2. Mechinagar</li> <li>3. Damak</li> <li>4. Urlabari</li> <li>5. Itahari</li> <li>6. Sundarharaicha</li> <li>7. Triyuga</li> <li>8. Dhankuta</li> </ol>
Madhesh Province	<ol style="list-style-type: none"> <li>9. Gaur</li> <li>10. Dhanusha</li> <li>11. Jaleshwor</li> <li>12. Rajbiraj</li> </ol>
Bagmati Province	<ol style="list-style-type: none"> <li>13. Jiri</li> </ol>
Gandaki Province	<ol style="list-style-type: none"> <li>14. Byas</li> <li>15. Shuklagandaki</li> <li>16. Putalibazar</li> <li>17. Pokhara</li> <li>18. Baglung</li> </ol>
Lumbini Province	<ol style="list-style-type: none"> <li>19. Tansen</li> <li>20. Tilottama</li> <li>21. Ramgram</li> </ol>

**Table 1. Indicative institutional strengthening activities in each of the identified areas**

Areas of support	Sub-theme	Challenges and issues	Indicative activities
Integrated urban development planning	Overview of municipal planning	Un-connected, piecemeal and multiple plans	<ul style="list-style-type: none"> <li>• Orientation workshop with all Cluster Municipalities to discuss local-level planning issues</li> <li>• Workshop in each municipality to discuss different plans and their linkages</li> <li>• Training in importance of UDP [Physical Development Plan and land use plan] and their methodology and approach</li> <li>• Training in municipal investment planning methods</li> <li>• Training on project analysis</li> </ul>
	Spatial and land use planning	Outdated or nonexistent spatial plans (GIS etc.)	
	IUDPs and strategic planning	Lack of guidance on IUDPs; limited knowledge on Physical Development Plan	
	Sector planning	Little sector planning; no experience of sector planning	
	Investment planning	Ward-based investments dominance; absence of strategic investment plans or investment pipelines; insufficient knowledge of project analysis (like EIRR and FIRR)	
Citizen Engagement (CE) and GESI	Transparency and access to data and information Public disclosure and the communications	Absence of clear information dissemination procedures at the local level; citizens unaware of existing mechanisms on information dissemination protocol.	
	Consultation and collaboration (participatory budgeting and planning, feedback mechanisms)	Ad hoc and infrequent interactions between citizens and the local governments regarding annual budgeting and planning;  Existing mechanisms on citizen participation not employed by the LGs; poor feedback and accountability measures from the citizens.	

	<p>Grievance addressing and conflict management [procedural justice]</p>	<p>Limited mechanisms and skills for dealing with disputes and grievances; Judicial Committees unfamiliar with scope and jurisdiction; lack of familiarity with managing complaints.</p>	<p>Train municipal officials and elected representative in skills, such as planning, budgeting, leadership and effective decision-making;</p> <p>Orient the municipal officials and elected representative on enhancing procedures for public disclosure, communication, monitoring/supervision and social accountability systems; and related citizen engagement activities;</p> <p>Identify needs and demands of women officials and employees in local government and developing WEPs accordingly in all 21 municipalities and support implementation of the WEP.</p> <p>Conduct anti-discrimination and gender sensitization for all local government officers. Orientation workshop with all cluster municipalities to discuss citizen engagement issues.</p> <p>Diagnostics and review of citizen engagement processes in each municipality.</p> <p>Workshop in each municipality onto citizen engagement</p> <p>Training on Judicial Committees and grievance/complaint management</p> <p>Inter- municipal visits for peer-learning purposes</p> <p>Regular mentoring of municipal officials and staff</p> <p>Prepare GRM and internalize the practices in municipalities</p>
	<p>Strengthening women's voice and decision-making power among female elected officials and employees through Women's Empowerment Plan (WEP)</p>	<p>Limited resources and unwilling attitude of male and female local authorities to prioritize the program</p>	<p>Women's Empowerment Plans (WEPs)</p> <p>mentoring and training in annual planning, budgeting, leadership, and effective decision-making</p> <p>sensitization and orientation to all local government officers</p>

Areas of support	Sub-theme	Challenges and issues	Indicative activities
Own source revenue mobilization	Revenue Improvement Action Plans and their implementation	No coherent approach to increasing own-source revenues or strengthening revenue administration	Orientation workshop with all Cluster municipalities to discuss own source revenue authorized by constitution and NNRFC and their rate issues including its affect to the municipal economy
	Specific taxes, fees, and charges with their rate's effect on municipal economy	Lack of knowledge about specific taxes	<p>Diagnostics and review of local revenue mobilization processes in each municipality; prepare RIAPs</p> <p>Training in local taxes, fees, and charges</p> <p>Inter- municipal visits for peer-learning purposes</p> <p>Mentoring of municipal officials and staff</p> <p>Preparation of an OSR improvement plan</p>
Municipal financial management, procurement and contract management	PFM systems	Weak systems for expenditure control	Training in SUTRA (by module)
	Accounting and reporting (SUTRA)	Poor bookkeeping; lack of familiarity with SUTRA	Training in public procurement
	Budgeting	Unrealistic budgeting and revenue forecasting	Training in PFM regulations for municipalities
	Audits and internal controls	Absence of internal controls; limited follow-up to audit recommendations	Workshop in each municipality to discuss public procurement, draw up annual procurement plan, etc.
	Public procurement	Lack of procurement planning; limited knowledge of procurement processes	<p>Cluster-wide workshop (all municipalities) on annual budgeting processes</p> <p>Workshop to discuss auditing and internal controls</p> <p>Regular mentoring of municipal officials and staff</p>
	Asset management	No complete or comprehensive assets inventories	



<p>Urban infrastructure asset management systems</p>	<p>Operations &amp; maintenance</p>	<p>Limited knowledge of maintenance planning; insufficient maintenance budgeting</p>	<p>Training in establishing asset inventories</p> <p>Orientation workshop with all Cluster municipalities to discuss operations &amp; maintenance issues</p> <p>Diagnostics and review of maintenance issues and maintenance planning in each municipality</p> <p>Regular mentoring of municipal officials and staff</p>
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