

CHAPTER I

1.0 INTRODUCTION

1.1 Malawi Social Action Fund Programme

The Malawi Social Action Fund (MASAF) Programme is one of the key instruments of Government for addressing poverty reduction within the Malawi Poverty Reduction Strategy (MPRS) to be implemented through the Decentralization framework. Within the overall MASAF Programme a Community Empowerment and Development Project (CEDP), more simply known as the Third Malawi Social Action Fund (MASAF 3) has been designed for funding by the World Bank and the Government of Malawi (GOM). The Project will be a platform for the implementation of multi-sectoral Community Driven Development interventions in the areas of education, health, water, transport, communication, environment, natural resources, energy, agriculture, irrigation, and community services.

The MASAF III-CEDP has five operational components namely, the Community Development Projects (CDPs), the Social Support Projects (SSPs), Community Savings and Investment Promotion (COMSIP), Transparency and Accountability Programme (TAP) and Institutional Development. The activities of the CDP, SSP and COMSIP components are based on the community demand driven approach, which consists of the following:

- Pre-sub-project cycle activities that prepare the ground for commencement of sub-project activities.
- Sub-project cycle with key stages which should be completed within set time frames.
- Post sub-project cycle activities that consist of assessing use of and satisfaction with the services from completed sub-projects as well as the operations and maintenance aspects to ensure sustainability.

1.2 Objective of the Handbook

The objective of the handbook is to give operational guidance to stakeholders on the philosophy, design principles, institutional management framework, and operational procedures of CDP. The handbook will promote consistency, transparency, accountability and coordinated implementation of the CDP.

1.3 Rationale for CDP

The CDP Component has been designed to foster and enhance community empowerment and development. The CDP component will combine the MASAF II Community Sub-Projects (CSP) and the Public Works Programme (PWP) for effective integration of the community and Local Authority managed projects into the Decentralisation framework. During the consultative process for the MASAF III Project Concept Document preparation, there was tremendous support from the stakeholders for the activities under the CSP and the PWP to continue. This was further testified to by the overwhelming demand that was demonstrated through the large number of subproject proposals that could not be funded under MASAF II. This component will contribute to the objectives of the Human Capital Development as well as the Sustainable Pro-Poor Economic Growth Pillars of the MPRSP.

The Component will continue to finance demand-driven community-based socio-economic infrastructure and environmental projects directly managed by communities or Local Authorities (LAs), with improved facilitation and implementation delivery through the Transparency and Accountability Programme (TAP). Projects that will be Local Authority Managed (LAMs) are those with high labour intensity amenable to wider social benefits and in vulnerable areas ¹. Community managed projects (CMPs) will comprise infrastructural projects with a high degree of participatory self help inputs such as up-front material or cash contribution, self-help labour, land, time and direct project management.

Community participation throughout the project cycle stages in the CDP is paramount for men, women and the youth. Their involvement will start right from project identification, through execution, participatory community monitoring and evaluation, and maintenance and operation. Thus in addition, the CDP will, in its entire project processes mainstream crosscutting issues of gender, environment, HIV/AIDS and nutrition.

Due to the decentralization policy currently being rolled out for implementation, all projects pertaining to community development will be facilitated within the district-planning framework. MASAF, through the CDP, will work to enhance district level capacities to respond to community needs identified through participatory rural appraisal (PRA) methodologies.

¹ Vulnerable areas are those with no inadequate food production leading to consumption below the recommended daily intake for calories, poor access and accessibility, and prone to natural disaster such as flooding and drought.

CHAPTER II

2.0 DESCRIPTION OF THE COMMUNITY DEVELOPMENT PROGRAMME COMPONENT

2.1 Introduction

The CDP is a community based demand driven component comprising two forms of operations, the community managed projects (CMPs) and the LA managed projects (LAMPs). Under the CMP subcomponent, democratically elected project management committees (PMCs) will manage the implementation of single and discreet self-help funded Projects on behalf of communities. Multi-community sub-projects and those requiring labour-intensive technologies, having a safety net element while creating assets, will be implemented as LAMPs and managed by the District Executive Committee (DEC) with support from the Zone Office. The PMCs in the LAMPs will be involved in the implementation of each project with limited roles in procurement and financial management where they will only have an audit role to exert social and public accountability for quality and service delivery. The DEC will determine which projects in the District Development Plans (DDPs) will be funded under the LAMPs depending on the district poverty indicators defining the vulnerability of the particular geographical area. Specific programme funding for each Local Authority (LA) will be subject to a formula from the National Local Government Finance Committee, as approved by the Parliament. Local Authority is the broad name for both urban and rural assemblies.

As relevant capacities are developed in the LAs all CMP resources will eventually be transferred to the districts for onward disbursement to PMCs. This transition will be done on a sector-by-sector basis (health, education, roads, water, natural resources, etc.) depending on (a) the management capacity of each LA, and (b) the effective devolution of sector responsibilities to LAs.

2.2 CDP Target Group

There are two target groups under the CDP, one under the CMP and the other under the LAMPs. The LAs upon receipt of the IPF will convene a meeting to determine resource targeting based on levels of existing service delivery for CMPs and the social-economic status of the district for LAMPs.

Under the CMP target groups will be self-defined and needy communities identified by an expressed common need. These communities will have capacity to mobilize themselves and other resource endowments within reach and present their demands to the LA for funding. By design, the CDP will allow the prospective communities to exercise choice in the identification of their projects. Communities will plan and prepare for project implementation using the available local skills and materials as a demonstration of their commitment. The status of existing service delivery will be assessed against the MDG service coverage (see table 1) and consideration of other funding sources for the districts to enable the LAs to decide on the level of efforts (like PRAs) that should be put towards a particular service package in pursuit of MDG indicator targets.

In the LA managed safety net operations i.e. LAMPs, the target groups are individuals from vulnerable poor households. VAM data will be used in addition to poverty maps to identify

the poorest areas and those under consumption stress so that PRAs can be conducted there first. At the project identification stage poor households will be identified using community based targeting through wealth ranking and social stratification techniques.

Table 1: Tracking the MDGs

MDG	MDG Indicator	Malawi 2000 Baseline	Malawi 2015 Target	MASAF-LA Indicators
1. Eradicate extreme poverty and hunger	(1) Poor households receiving daily transfer or assistance of US\$0.30 or more	55%	28%	Household in receipt of: -PWP wages (M/F) for two months -SSP incomes (M/F) over two years No. of COMSICs formed and working Households in COMSICs and: -Quantity of produce by various projects -Value of produce from all projects
2. Achieve universal primary education	(2) Grade 1 children (%) reaching grade 5	20%	90%	Children in primary school, every term. Primary school facilities tracked by: -classroom block -toilets -office -water -wood lot -teacher house Functioning School Committees and PTAs
3. Promote gender and equality and empower women	(3) Girls in primary school as % of total	48%	50%	Total girls and boys in primary schools (with urban/rural split) every term
4. Reduce child mortality	(4) Under-fives malnutrition (%) using weight for age method	30%	15%	Households participating in nutrition projects. Under-fives in nutrition projects
5. Improve maternal health	(5) Births attended to by at least a trained traditional birth attendant	43%	90%	Households with access to a trained TBA Total TBAs trained under a CBO Persons reached with family planning services Number of births supervised by TBAs
6. Combat HIV/AIDS, malaria and other diseases	(6) Orphans given training and tools for production (7) Chronically ill reached with home based care (8) Households in anti-malaria program			No. of orphans supported Production tools (by trade) distributed No. of chronically ill covered by home-based care projects No. of households using impregnated bed nets
7. Ensure environmental sustainability	(9) Forest cover for non-agricultural land (%) (10) Households with sanplats for sanitation (11) Households with improved water source	77% 37%	84% 68%	Hectares planted with seedlings No. of seedlings planted No. of households given sanplats No. of households with improved water source
8. Develop a global partnership for development	(12) Households participating in functioning Drug Revolving Funds (stocked with a specified minimum list of drugs)			No. of Drug Revolving Funds fully stocked and in use No. of individuals served by Drug Revolving Funds

2.3 Goal

The CDP component will aim at improving community access and accessibility to socio-economic services in urban and rural areas (CMPs), and raising incomes for poor households through cash transfers (LAMPs).

2.4 Objectives

The major objectives of the CDP Component are to:

- a) Increase the stock of the rural and peri-urban socio-economic assets for service provision;
- b) Increase access to basic socio-economic services in both urban and rural areas on a sustainable basis;
- c) Transfer cash incomes to the individuals in targeted poor and vulnerable households in the urban, peri-urban and rural areas through labour intensive public works; and
- d) Enhance participatory development management capacities at community and district levels.

This component will contribute to the objectives of the Human Capital Development as well as the Sustainable Pro-Poor Economic Growth Pillars of the MPRSP.

2.5 Guiding Principles of the CDP

MASAF CDP will uphold the MASAF founding principles of autonomy, apolitical and flexibility in its design outlook and operations.

The following principles will guide the CDP:

- Active participation of the beneficiaries at the community level in the pre- to post sub-project cycle stages
- The sub-projects supported are within the community service packages and adhere to sector norms and standards
- Equitable participation of women and men in project management
- Participation of women, men and the youth throughout all project cycle processes to the exclusion of child labour
- Community contribution for CMPs of at least 20% of the total sub-project cost, except for capital intensive sub-projects such as water, where the contribution will be at least 10%
- Self targeting under LAMPs through payment of a wage rate 20% below the market, and linked to a defined task
- Utilization, under LAMPs, of appropriate labour based technologies that are gender sensitive
- The unskilled labour proportion of LAMPs is at least 40% of the total project cost

2.6 Scope, Selection and Funding Criteria

The CDP Component will give priority consideration to subprojects that relate to rehabilitation works. Subproject proposals for new constructions will be considered in the light of the practicalities of implementing the community service packages. The community service packages will define the requirement for the serviceability, affordability or functionality of the new asset to the community (see Table 2).

Community Service Package constitutes minimum set of interventions that are affordable and suited to community level management and maintenance supported by MASAF within

national sector norms. Community Service Packages guide will communities on activities that are eligible for funding and support under MASAF and other donors.

The Community service package approach will be explained to the communities during sensitisation period and during both the open and extended periods.

Table 2: Community Service Packages

Community Service Package	Summary contents
Essential Health	<ul style="list-style-type: none"> • Training of TBAs and Senior/Health Surveillance Assistants. • Drug Revolving Funds, anti-malaria program, and FP services. • Rehabilitation/construction/maintenance of dispensaries/health centres. • Training of Medical Assistants and Enrolled Nurse Midwives. • Health centre statistics on Community Statistics day.
Education	<ul style="list-style-type: none"> • Rehabilitation/maintenance of new facilities. • Improvement in learning environments (classrooms, water points, and sanitation) • Teachers attracted to school (teachers houses, water and sanitation) • Community involvement in school governance (enrolments, pass rates, staffing norms, teacher absenteeism, learning materials, invigilation, etc.). • Functioning School Committees/Parent-Teachers Associations. • School statistics on Community Statistics Day.
Water and Sanitation	<ul style="list-style-type: none"> • Community water points rehabilitation, new projects, and maintenances for (wells, boreholes, piped schemes, earth dams, valley dams, water kiosks, etc.) measure by access to service distance and service levels. • Sanplats.
Public Works:- - Access and accessibility. - Communications - Environmental protection.	<ul style="list-style-type: none"> • Cash transfers through construction of public assets:- <ul style="list-style-type: none"> - Community roads with, bridges culverts in place. - Post-offices. - Community afforestation (soil conservation and water management).
Household Food Security	<ul style="list-style-type: none"> • Grant-funded projects to reach the vulnerable (orphans, disabled, chronically ill, elderly, malnourished under fives) with increased incomes. • Community composting and crop diversification. • Woodlots, savings groups and crop/produce marketing.

2.6.1 Scope

The activities to be financed under CDP by sub component will, among others include:

- (a) The activities to be financed under the CMPs:
- i. Rehabilitation, extension, improvement and construction of community infrastructure such as school blocks, teachers' houses, administration blocks, hostels, perimeter fences, ventilated improved latrines, electrification, bridges, community halls and resource centres, health facilities, dip tanks, postal agencies, markets, community water kiosks, boreholes, gravity fed and protected shallow wells.
 - ii. Provision of furniture, supplies and/or installation of essential equipment including electrification by solar or the national grid for most of the assets mentioned above.
- (a) The LAMPS with safety nets operations under CDP will emphasise on:
Financing labour intensive activities, which will not ordinarily be undertaken under self-help. The activities will include:
- (i) Construction, rehabilitation and maintenance of earth roads, foot paths, bridges, rain water harvesting systems, land reclamation, sanitation and storm drainage, small scale irrigation and flood control systems;
 - (ii) Supporting environmental and agricultural activities through the establishment of re-forestation, afforestation, agro forestry, small-scale irrigation and flood control systems, terracing, sanitation and solid waste management, and compost manure making and hyacinth clearance.

2.6.2 Selection Criteria

Communities in urban, peri-urban and rural areas will generate eligible sub-projects for CDP through the normal Local Authority planning and approval systems. The selection criteria and negative list have been provided. In order to qualify, the projects will have to meet the following criteria:

- a) Address community identified needs of eligible communities in rural and urban areas through PRAs;
- b) Render improved services to the beneficiaries and contribute towards poverty reduction;
- c) Be amenable to application of simple and appropriate labour-based technologies;
- d) Sub-projects in urban and peri-urban areas must be facilitated by organisations that are mandated by the communities and are also recognized by the local Urban Local Authority;
- e) Be consistent with sectoral norms, design standards and signified by endorsement of the respective sector Ministry and LA;
- f) Should contribute towards sustainable environmental and natural resource management; and
- g) Each sub-project will be screened for any adverse effects it would have on the environment.

Box No. 1: Negative List.

Negative list

In all cases, sub-projects will not:

- **Serve private interest whether commercial or not; and**
- **Be funded if they involve involuntary resettlement.**

2.6.3 Funding Criteria

The funding limit of a subproject will depend on the type of project, its location and the ability of the benefiting community to put up its counterpart contribution. This will account for not less than 20% (twenty percent) of the total subproject cost for community managed infrastructure sub-projects such as schools and health units. For capital-intensive sub-projects, communities will be expected to contribute at least 10% (ten percent) of the total project cost.

The following are the detailed guidelines for funding under the CDP:

- a) The upper limit for each subproject total cost will not exceed US\$100,000.00; whereas the average costs for subprojects will be:
 - (i) US\$ 5,000 for borehole water
 - (ii) US\$30,000 for CMPs
 - (iii) US\$40,000 for all subproject types under LAMPs
- b) Project proposals under the safety nets operations will bear a minimum of 40% of labour intensity;
- c) At least 50 % of PMC members to be women;
- d) At least 50% of the labour force under LAMP will be women;
- e) There shall be an environmental impact assessment mainstreamed in the appraisal process for each subproject;
- f) Community borehole water subprojects will accompany a sanitation component whereby each households will be required to have a pit latrine, hand washing facility, dish rack and rubbish disposal pits as part of community contribution;
- g) Unless a borehole is part of an institution subproject, a community borehole water project will utmost comprise of three boreholes.

2.6.4 Implementation Strategy of the CDP

The CDP Component will support community empowerment and development through training, networking, information sharing and other capacity development services. Specific Component implementation strategies are:

- a) Facilitating involvement of communities in defining and developing vulnerability indicators;
- b) Effectively targeting vulnerable areas using a combination of VAM methodology and other district specific poverty indicators;
- c) Applying gender sensitive selection criteria for targeting beneficiaries;
- d) Creating and improving capacities of the implementers and beneficiaries through TAP;
- e) Facilitating community understanding of the community service package approach;
- f) Mainstreaming of cross cutting issues of gender, HIV/AIDS and nutrition and environment;
- g) Promoting partnerships and collaboration with other service providers; and
- h) Using PRA techniques at community level for determining Village Action Plans (VAPs)/Community Action Plans (CAPs);

Specifically under the CMP,

Direct financing to community managed project bank accounts for empowerment.

Specifically under LAMP,

- (a) Facilitating and fostering collaboration between MASAF and Local Authorities through direct financing to LAs for LAMPs and in project cycle management processes; and
- (b) Offering a wage 20% just below the minimum wage rate that will attract only the poor; and
- (c) Implementation of the CDP will be based on agreed performance benchmarks to be stipulated in the Memorandum of Understanding (MOU) see annex CDP 1. The MOU will be signed between MASAF and the Local Authorities (LAs). The MOU will spell out the roles and responsibilities for all parties, including performance measures, incentives and penalties for the LAs as implementers.

2.6.5 Targeting

Besides resource allocation, MASAF III-CEDP will use various ways to target those in need of MASAF's interventions. Some of the targeting aspects are integrated in the project cycle processes. Specifically targeting under the two sub components in CDP will be:

(b) CMPs

Under the CMP, targeting will be responsive to community driven demands, which will be informed by existing baseline data on MDG related indicators and Community Service Packages. PRAs will be used to produce a list of priorities for interventions.

Thus monitoring intra-district indicators, which have been identified in the District resource allocation guidelines, and keeping track of project areas will feed into the targeting process.

Annual reviews will be instituted to assess progress and identify additional areas for PRA focus.

(a) LAMPs

Under LAMPs, subprojects cost will constitute of at least 40% unskilled labour and 40% women participants. This is a deliberate effort towards leveraging resources towards the poor, and particularly focus will be on female-headed households, as they are found to be disproportionately poor. The Subcomponent will provide at least two months of income per participant. Targeting has been incorporated in the LAMP using a mix of the following aspects:

- i. **Geographic targeting:** VAM will be used in conjunction with the district poverty profile to identify the poorest areas and those under consumption stress for intra-district targeting.
- ii. **Community based targeting:** This is another viable method that will be used to verify that the right individuals are participating in LAMPs. A well functioning PRA followed by extended PRA will assist in the targeting process. In addition, through the TAP Component, awareness building and building capacity of village and traditional institutions to undertake community-based targeting.
- iii. **Self-targeting:** The policy of keeping the MASAF LAMP wage rate of 20% below the government minimum wage will be maintained so that only the very needy participate.

CHAPTER III

3.0 INSTITUTIONAL FRAMEWORK

The CDP will be implemented through an institutional framework designed to promote coordination, collaboration and effective functional linkages among stakeholders at community, district and national levels. The institutions and actors at each level will be as follows:

- a) Community Level: Communities, VDC, ADC, AEC, PMC, and other village level committees;
- b) District Level: Local Authority, DEC, DAT, MASAF Zone Office; and
- c) National Level: MASAF MU, MASAF Board and Sector Ministries/Departments.

3.1 Community Level

The major institutions acting at this level are Communities, VDC, ADC, AEC, PMC, and other village level committees.

3.1.1 The Community

The CDP is targeted at self-defined communities identified by an expressed common need. The community will have capacity to mobilize itself and other resource endowments within its reach and present its demands to the LA funding. By design, the CDP will allow the prospective communities to exercise choice in the identification of their projects. Communities will plan and prepare for the project implementation using the available local skills and materials as a demonstration of their commitment. In the LA managed safety net operations, poor households identified through wealth ranking will be targeted.

The specific roles of the communities will be to:

- (i) Identify projects through PRA facilitated processes;
- (ii) Conduct the community based targeting process for the identification of the vulnerable households for the safety net operations;
- (iii) Define the negative environmental effects of the proposed projects and determining the environmental mitigation measures;
- (iv) Determine and provide upfront and ongoing contribution;
- (v) Elect democratically a gender balanced project management committee (PMC) to manage the project on their behalf;
- (vi) Take part in the participatory community monitoring and evaluation;
- (vii) Participate in field appraisal;
- (viii) Set and agree on indicators/criteria for community monitoring and evaluation;
- (ix) Attend the launch ceremony where they are to confirm their understanding of the approved project components, budgets, implementation schedules and obligations;
- (x) Attend periodic project progress review meetings; and
- (xi) Ensure maintenance and sustainable utilization of the asset.

3.1.2 The Village Development Committee (VDC)

The VDC is a representative body from a village or group of villages vested with the responsibility of facilitating development planning and management. Membership of the VDC is as follows:

- (i) Elected member of each village within the VDC;
- (ii) Ward representative (s) as member(s);
- (iii) Four women representatives nominated by the people within the VDC; and
- (iv) Elected extension worker representative.

The functions of the VDC will be as follows:

- (i) Submit community identified needs to the ADC;
- (ii) Coordinating community based development issues with the ADC, DEC and the Area Executive Committee (AEC);
- (iii) Communicating messages from the area and district level institutions to the communities;
- (iv) Encouraging and mobilizing community resources for popular participation in self-help activities;
- (v) Supervising, monitoring and evaluating the implementation of development activities in the villages;
- (vi) Ensure maintenance and sustainability of community created assets;
- (vii) Soliciting external funding for prioritized community based projects, and
- (viii) Reporting to the GVH and ADC all activities and discussions of the committee.

3.1.3 Project Management Committee (PMC)

Each subproject will have a democratically elected and gender balanced Project Management Committee with delegated authority to organize, plan and implement the community project. The committee is first and foremost accountable to the people that elect it, and will not be presumed to fall within the organizational hierarchy of the MASAF or the LA. The PMC will be elected immediately after identifying the project idea. The names of committee members will be clearly indicated on the project application proposal forms.

Election to committee positions will be done by communities, facilitated by the Village Development Committee (VDC) /Area Development Committee (ADC) or their appointed representatives in the rural areas and community extension workers. In urban areas the Community Development Committees will oversee the elections. Election to positions will not be based on political, religion or kinship factors, but on social merit and acceptability in the eyes of the wider public.

Box No. 2: PMC membership:

Composition and Qualification of Members:

- The PMC will have at least 10 members, a Chairperson, Secretary and their deputies, along with the Treasurer and supported by five committee members;
- Holders of principal positions must be literate and numerate, as they are responsible for basic bookkeeping, documentation of project activities and preparation of written reports;
- Village or Group Village Heads should not be members of the PMC;
- The members of the PMC will be drawn from local residents within the project catchment community;
- Women should be encouraged to take up challenging positions;
- It is a requirement that at least 50% of the PMC members are females members of the community; and
- At least a female takes up one of the key positions in the PMC.

PMCs will carry out the following functions under the technical oversight of the DEC and Zone staff:

- (i) Project planning and preparation;
- (ii) Management and supervision of project implementation including management of contractors;
- (iii) Management of project funds;
- (iv) Procurement of goods and services;
- (v) Reporting to communities and VDC/ADC/CDC;
- (vi) Prepare and submit financial and monthly progress reports to the LAs and the Zone Office; and
- (vii) Under LAMPs, endorse the labour register for preparation of wages.

Box No. 3: PMC Obligations

Points to remember about PMCs

- There shall be PMCs in both CMPs and LAMPs whose members will serve on the PMC on voluntary basis, in that they will not be paid any remuneration .
- In school projects, the PMC will work in collaboration with the School Committee and Parent Teachers Association;
- The committee members will not be remunerated for the work they perform;
- The time the PMC members spend on the project management will be valued as part of community contribution;
- In case of water projects, a PMC will be elected after project identification, and will undergo pre-drilling training;
- PMCs under safety net operations will have Workers subcommittee to assist them in the day to day supervision, and support the foreman in labour conflict resolutions;
- The community can dissolve the PMC if there are proven reasons of dissatisfaction with their performance.
- Village or Group Village Heads will have oversight responsibility over project management.
- In LAMPs, these functions pertaining to direct handling and accounting for funds, procurement and recruitment of contractors will be carried out by the DEC.

3.1.4 The Area Development Committee (ADC)

The area level has the ADC and the AEC. The membership of the ADC comprises the traditional chiefs, Members of Parliament, Councillors, chairpersons and vice chairpersons of VDCs, representatives of different faiths; representatives of special interest groups (business groups, people with physical challenges, youths and women) in the area; and chairperson of the AEC. The ADC is a representative body of all VDCs under the jurisdiction of the Traditional Authority/Sub Traditional Authority TA/STA.

The functions of the ADC will be as follows:

- (i) Organize monthly general meetings of the ADC in liaison with VDCs in their designated areas;
- (ii) Consolidate VDC needs and prioritise for submission to the DEC;
- (iii) Supervise, monitoring and evaluating the implementation of projects at TA/STA level;
- (iv) Ensure maintenance of community created assets,
- (v) Receive, prioritising and preparing project proposals from VDCs for submission to DEC;
- (vi) Submit prioritised needs to DEC; and
- (vii) Mobilize community resources and soliciting funds.

3.1.5 Area Executive Committees (AEC)

The AEC is the advisory and executive wing of the ADC. It comprises all the extension workers representing different sectors and NGOs working in the traditional authorities.

The AEC has a facilitation role in the communities. Specifically their functions will be to:

- (i) Assist communities to come up with VAPs/CAPs using participatory methodologies;
- (ii) Assist the communities, VDCs, and ADCs in the preparation of project proposals;
- (iii) Carry out field appraisals of project in the area in liaison with DEC members;
- (iv) Assist in project monitoring and supervision in the area; and
- (v) Assist the communities and PMCs manage projects during implementation.

Box No. 5: Facilitation:

- Facilitation is a process where an individual or institution will assist a particular community with participatory development processes and information about sources of funding such as MASAF or with technical know-how to accomplish project objectives.
- The facilitator should not usurp the authority of the VDC/ADC or CDC as well as the decision-making powers of the PMC over a particular project.
- Government extension staff (health workers, Community Development Assistants (CDAs), Social Welfare staff, teachers and Agriculture Field Assistants) ward councillors and some NGOs staff are mandated to assist communities with facilitation in various development aspects. On the other hand, MASAF will ensure that those agencies that have a particular functional role to play are given the necessary training or orientation in order that they can serve the community well;
- **Members of Parliament and councillors are part of the facilitation cadre within the communities.**

The following will be closely observed regarding Facilitators:

- Facilitator must have proven recognition and endorsement of the community being served;
- Facilitators cannot in their own right prepare a project proposal /application form and submit it for funding; and,
- Facilitators must be seen to have no ulterior motives in the process.

Although the CDAs are in the group of Government extension staff, but by the nature of their job as community facilitators, their specific roles and responsibilities will be to:

- a. Keep the field staff of other sector, local leaders and organizations fully informed of the Ministry's policies, programmes and activities;
- b. Serve as member of the Area Executive Committee; and
- c. Advise and assist Community members, Leaders and Councillors on needs and opportunities for development within the area.
- d. Carry out Community (Local) Leadership Training Programme in the area by planning and mounting short courses designed to:
 - i. explain the principles, objectives and programmes of the sector Ministry/MASAF and services that, as a field officer, he/she can offer;
 - ii. stimulate local (community) leaders to identify local problems and initiate community projects in their areas (villages); and
 - iii. train community (local) leaders ways in which they can arouse interest and involvement of their subjects in community projects and how they can assist them to plan, organize and carry out projects through action groups.
 - iv. Provide technical advice and guidance on problems of planning and organization to local groups involved in community projects. This will be done as a follow-up to the local leadership training;
 - v. Maintain contact with representatives of other departments and agencies involved in rural development activities within the area;
 - vi. Organize literacy classes and train Literacy Instructors;

- vii. Carryout fact finding and social surveys (needs assessment) as advised by the District Community Development Officer and to maintain records concerning local conditions, traditions and developments which could influence the success of community development activities to the area.
- viii. Organize, train and link business groups to lending institutions;
- ix. Supervise community programmes and activities; and
- x. Prepare work plans and reports for submission to the District Community Development Officer.

3.2 District Level

At District level, MASAF will work with the LAs in the urban and rural Assemblies. The LAs are technically supported by District Executive Committees (DECs) and the MASAF Zone Office.

3.2.1 Local Authorities

Roles and responsibilities of Local Authorities will be to:

- (i) Ensure effective participation of DEC in all project cycles stages;
- (ii) Consider and approve district development plans;
- (iii) Approve projects within LAs' approval threshold for submission to MASAF;
- (iv) Participate in launch ceremonies including the signing of project agreements;
- (v) Monitor the implementation of projects;
- (vi) Demand accountability from DEC and Project implementers;
- (vii) Take responsibility for ownership of operations and management of community assets;
- (viii) Negotiate annual funding with MASAF and signing MOU;
- (ix) Explain safety nets principles and community based targeting mechanisms;
- (x) Mobilise community participation and contribution during execution and operation and management [utilisation stage];
- (xi) Receive and review projects financial and physical progress reports from DEC;
- (xii) Submit monthly and quarterly reports to MASAF Zone Office;
- (xiii) Publicise quarterly information on projects funding, expenditure and physical progress status for public consumption.

3.2.2 The District Executive Committee (DEC)

The DEC is a multi-sectoral institution at the District level providing technical advisory services to the District Assembly. The DAT is a subset to the DEC that has an advisory role for development activities to ADCs. The MASAF Zone Operations Manager will provide technical backstopping to LAs in terms of systems, procedures and guidelines .

3.2.2.1 The specific roles of DEC will be to:

- (i) Orient local leaders and sensitize communities on development in collaboration with local leaders;
- (ii) Conduct desk and field appraisals of community projects;
- (iii) Confirm commitment for Local Authority recurrent or maintenance costs of proposed projects;
- (iv) Carry out detailed costing of projects before submission to the Development Committee of the Assembly;
- (v) Consolidate development proposal into the District Development Plan (DDP);
- (vi) Conduct Pre-launch Training on project management skills;
- (vii) Facilitate and attend the project launch ceremony;
- (viii) Monitor projects and report to LA, DLG and MASAF at least once a month;
- (ix) Carryout procurement activities under LAMPs;
- (x) Ensure PMCs' compliance to community contracting and procurement procedures;
- (xi) Carryout expenditure justification for CMPs and LAMPs;
- (xii) Data capture and information management and sharing;
- (xiii) Conduct technical supervision of projects implementation and supervise PMCs;
- (xiv) Undertake mid-term and completion assessment of CMPs and LAMPs;
- (xv) Ensure that cross cutting issues of gender, environment, nutrition and HIV/AIDS are mainstreamed in all project processes.
- (xvi) Manage conflicts that may arise in the course of implementation between the different actors on the sub-projects in collaboration with the Development Committee of the Assembly.
- (xvii) Advising on the sectoral policy, standards, norms and requirements;
- (xviii) Assisting the Assembly to target vulnerable areas with respect to safety nets, based on information obtained from vulnerability assessments carried out by reputable organisations and institutions;
- (xix) Ensuring that project committees and communities are aware of the scope of employment generated; works planned and operational aspects of sub-projects in CDP [for both community managed and district managed projects]; and
- (xx) Ensure establishment of asset management committees and arrange for their Training during project execution.

3.2.3 Specific Tasks of some District Positions

3.2.3.1 The DC/Chief Executive will:

- (i) Ensure that the Local Authority (LA) obligations as stipulated in the MOU are enforced;
- (ii) Take responsibility for supporting the DPD in resolving issues of right of way;
- (iii) Be instrumental at project launches and monitoring the implementation process;
- (iv) Ensure that technical specifications are being adhered to by sectoral/technical staff;
- (v) Ensure that baseline data is available on most important indicators in the district;
- (vi) Ensure that the specified reports are submitted to MASAF and the Community;
- (vii) Ensure that all audit queries are responded to within the specified time; and

- (viii) Be a principal signatory to the LAMPs' and the MASAF Designated Bank Accounts maintained at the district.

3.2.3.2 The DPD will:

- (i) Provide linkages with technical departments, local leaders, NGOs and other stakeholders in subproject cycle management;
- (ii) Inform local leaders and communities of approved/deferred projects;
- (iii) Resolve issues related to recruitment of workers, recruitment of contractors, wage rate, payment schedules, transport, etc;
- (iv) Work with VDCs, ADCs and PMCs to resolve problems of right-of-way with direct support from the DC/Chief Executive;
- (v) Authorise payment vouchers;
- (vi) Oversee community based targeting of beneficiaries;
- (vii) Ensure IEC messages on development management, MASAF and other donors and cross cutting issues are developed and disseminated to the communities;
- (viii) Provide responses to audit queries relating to her/his functions;
- (ix) Compile and submit monthly and quarterly subproject implementation reports;
- (x) Organize regular DEC project management review meetings with MASAF Zone Operations Managers and produce minutes;
- (xi) Ensure procurement of goods and services according to guidelines and authorise release of goods to the technical departments on requisition;
- (xii) Manage the shared maintenance cost of roads subprojects between MASAF and LAs. and
- (xiii) Sign cheques in case of prolonged absence of any of the mandatory signatories.

3.2.3.3 The Director of Finance will:

- (i) Prepare and submit all financial reports and statements pertaining to MASAF funded activities;
- (ii) Facilitate the opening and maintenance of the designated MASAF bank account for LAMPs and TAP funding;
- (iii) Ensure that workers at project sites are paid on time;
- (iv) Ensure logistical support to pay parades;
- (v) Certify justification reports for CMPs and LAMPs;
- (vi) Ensure that the LA funds from MASAF are insured as per the MOU;
- (vii) Ensure proper maintenance of accounting records for stores and cash in accordance with MASAF Procedures;
- (viii) Prepare and submit responses to all internal and external audit queries are responded timely;
- (ix) Sign cheques on the LAMPs' and the designated MASAF District Bank Account; and
- (x) Brief members of the DEC and Local Authority on the Financial Status of the projects.

3.2.3.4 Director of Public Works will :

- (i) Facilitate the identification of potential construction LAMPs in the designated vulnerable EPAs identified through appropriate methodologies by working with the DPD in consultation with local leadership, extension workers, other donors, NGOs, etc;
- (ii) Carry out a technical assessment and compile an inventory on construction subprojects to facilitate costing;
- (iii) Prepare the technical design of proposed construction projects and ensure that they are approved by DEC;
- (iv) Carryout costing of the proposed subprojects;
- (v) Assign tasks to the works supervisors and foremen to be achieved in a specified period;
- (vi) Scope out works for inclusion in the road maintenance programme on cost sharing basis with MASAF;
- (vii) Ensure technical quality and standards are achieved in all subprojects;
- (viii) Carryout on job refresher training of the works supervisors and foremen;
- (ix) Ensure that only targeted beneficiaries are participating in the LAMPs;
- (x) Supervise and report on the technical progress of the works against standards and bench marks such as person hours, quality of works, materials used;
- (xi) Ensure that District Technical Supervisors certify progress of works for purpose of validating the expenditure justification reports;
- (xii) Initiate acquisition of relevant tools and materials according to budget, time and activity schedules;
- (xiii) Requisition tools and Maintain tools stocks;
- (xiv) Provide responses on audit queries relating to her/his function;
- (xv) Assist the DEC in identifying contractors for structural supervision; and
- (xvi) Ensuring effective management of contractors and consultants.

3.2.3.5 The District Forest Officer (DFO) will :

- i. Enforce and interpret forestry policy and law;
- ii. Conduct Forest resource assessment and mapping;
- iii. Protect forest resources;
- iv. Promote and assist communities to establish forest plantations;
- v. Ensure that communities protect catchment and other fragile areas;
- vi. Promote multiple use of Forest Resources;
- vii. Empower communities in management of forest resources taking into account gender issues;
- viii. Co-ordinate forest development activities with other stakeholders;
- ix. Train staff based on forestry sector requirements;
- x. Produce, package and disseminate forestry related information;
- xi. Undertake supervision of subordinate forestry staff;
- xii. Provide information on management and prices for forest products;
- xiii. Write-up of project proposals for the communities and LA;
- xiv. Implement and co-ordinate donor funded projects;
- xv. Plan, monitor and control financial resources for the projects;
- xvi. Ensure that Village Natural Resources Management Committee (VNRMC) are adequately trained on natural resources management; and
- xvii. Prepare and submit reports to the DPD.

3.2.3.6 The Environmental District Officer (EDO) will:

- (i) Enhance the capacity and awareness of the district and village level institutions in their planning system, monitoring and evaluation systems with respect to environmental issues;
- (ii) Take a lead role in environmental appraisal during desk and field appraisal of proposed subprojects;
- (iii) Prepare detailed EIA Reports after project appraisals and submit;
- (iv) Take a leading role in preparation of the District Environmental Plan;
- (v) Advise the DEC on environmental management and natural resources management and utilisation;
- (vi) Compile the district state of the environment reports; and
- (vii) Update the LAs data base on the state of the environment.

3.2.3.7 The District Community Development Officer (DCDO) will:

- (i) Community mobilisation throughout subproject implementation;
- (ii) Monitoring and supervising subprojects;
- (iii) Manage all MASAF funded activities;
- (iv) Ensuring that community monitoring cards are completed and collected;
- (v) Facilitate development of IEC messages on development management, MASAF and donor funding requirements and cross-cutting issues;
- (vi) Provision of support to the extension staff on participatory community monitoring and accountability; and
- (vii) Support DPD in the production of district level reports for submission to the LA/DEC/MASAF/DLG.

3.2.4 MASAF Zone Office

The CDP Component will operate at the field level through three Zone Offices having nine Field Offices. Zone Offices will have a Zone Operation Manager (ZOM) who will report to the Executive Director on all operations. The ZOM will be supported by two PRA/IEC Officers, one Engineer, M&E Officer, an MIS Officer, an Accountant, one Justification Officer, a MASAF Technical Officers in the Field Offices, two Administrative Assistants, Justification Assistant, (one for each LA) a messenger/cleaner and five drivers.

3.2.4.1 Functions and Responsibilities of Zone Offices

The work of Zone and Field offices will change from management to technical backstopping units so that Local Authorities can build up the required management capacity to support communities in the implementation of sub-projects using the sub-project cycle. The key roles of the zones are to:

- h) Offer technical backstopping to LAs to deliver according to agreed benchmarks;
- i) Ensure accountability at district and community levels; and
- j) Link the districts to the MU on monitoring, evaluation; and
- k) Reporting.

Support will specifically be targeted at DEC and staff employed by LAs. Specifically, Zone and Field Office staff will:

- a. Facilitate extended PRAs;
- b. Backstop district financial management;
- c. Supervise community accountability systems;
- d. Facilitate training of project implementing agencies;
- e. Ensure project launching procedures;
- f. Facilitate development communication (IEC);
- g. Ensure adherence to community contracting and procurement procedures;
- h. Supervise, monitor and evaluate programme performance; and
- i. Facilitate participatory community monitoring and reporting;

3.2.4.2 Zone Operations Manager

All communications between the community, LAs/DEC and MASAF will take place through the Zone Office. The ZOM will responsible for:

- (i) Orientating of DEC members on MASAF operations;
- (ii) Providing IEC and sensitisation messages for local leaders (ward councillors and chiefs) and communities;
- (iii) Responding to inquiries about MASAF from LAs, communities, potential facilitators and other interested parties;
- (iv) Ensuring data capture in District MIS on subproject processes;
- (v) Organize and ensure effective participation of DEC in all subproject cycle stages;
- (vi) Supporting the DEC organize the subproject launch ceremony;
- (vii) Ensuring that PMCs receive adequate pre-launch training;
- (viii) Preparing monitoring plans and undertake regular monitoring of subprojects;
- (ix) Preparing annual work plans for submission to MASAF MU;
- (x) Supporting the DEC in identifying independent supervisors to oversee execution of works by contractors in both community managed and Local Authority projects;
- (xi) Assist in the certification of finished/completed projects and the inauguration ceremonies;
- (xii) Prepare budgets for operations and maintenance of the Zone Office;
- (xiii) Prepare and submit adhoc reports, monthly and quarterly and reports on progress of work;
- (xiv) Support the DEC in identifying contractors and independent supervisors;
- (xv) Foster efficient and effective working relationships with key institutions at the district level; and
- (xvi) Conducting final review of projects in the district projects investment plans in relation to costings and adherence to set parameters.

3.2.4.3 PRA/IEC Officer will:

- i. Manage and coordinate the development and implementation of projects under all operational components (CDP, SSP, COMSIP and DAP) in his/her designated Zones within given policy guidelines in order to facilitate the enhancement of the planning and implementation capacities of Local Authorities (LAs) and project communities.
- ii. Facilitate extended PRA processes in collaboration with LAs and the other stakeholders;
- iii. Coordinate the activities of LA appraisal teams and provide the necessary leadership to ensure consistency and coherence in the implementation of MASAF criteria in the evaluation of project proposals;
- iv. Conduct joint sessions with Project Implementation Committees (PMCs) and Project Implementation Agencies (PIAs) in formulating short and long term implementation plans starting with pre-launch training through all the implementation stages;
- v. Organize seminars and workshops with stakeholders when required to address specific issues and to promote awareness and understanding and working knowledge of MASAF systems and procedures;
- vi. Monitor the progress of on-going projects to ensure adherence to set standards and specifications and agreed implementation time schedules;
- vii. Facilitate Zone IEC and Knowledge Information Sharing System (KISS) activities in liaison with the Development Communication Unit and Operations Directorates and providing frontline public relations functions for MASAF;
- viii. Supervise community accountability systems developed by the Development Accountability Programme;
- ix. Facilitate participatory community monitoring and reporting;
- x. Ensure that appropriate community based indigenous knowledge is considered in zonal operations;
- xi. Ensure overall project compliance with sector norms, policies and agreements such as the MOU signed between LAs and MASAF; and
- xii. Advise and make recommendations to component Directors through the Zone Operations Manager on appropriate implementation strategies, projects targets and operational problems through regular or adhoc reports and review meetings.

3.2.4.4 MASAF Zone Engineer will:

- (i) Support DEC's with field appraisals to assess feasibility of proposed projects and review cost estimates of schedules of materials, labour, transport, tools and occasional bills of quantities to ensure correctness and reflect actual requirements;
- (ii) Support the supervision of project operations by DEC subset and Project Committees for construction of subprojects and ensure timely completion of projects within agreed financial targets, standards and specifications;
- (iii) Verify justification of expenditure against physical progress from the DEC;
- (iv) Co-ordinate work of district officials from sector ministry (DCDO, DPW, DPD, etc.) to ensure timely and accurate production of monthly financial and physical reports;
- (v) Carry out technical orientation of DEC's, technical staff; training of foremen, contractors, consultants and workers to ensure compliance with norms;

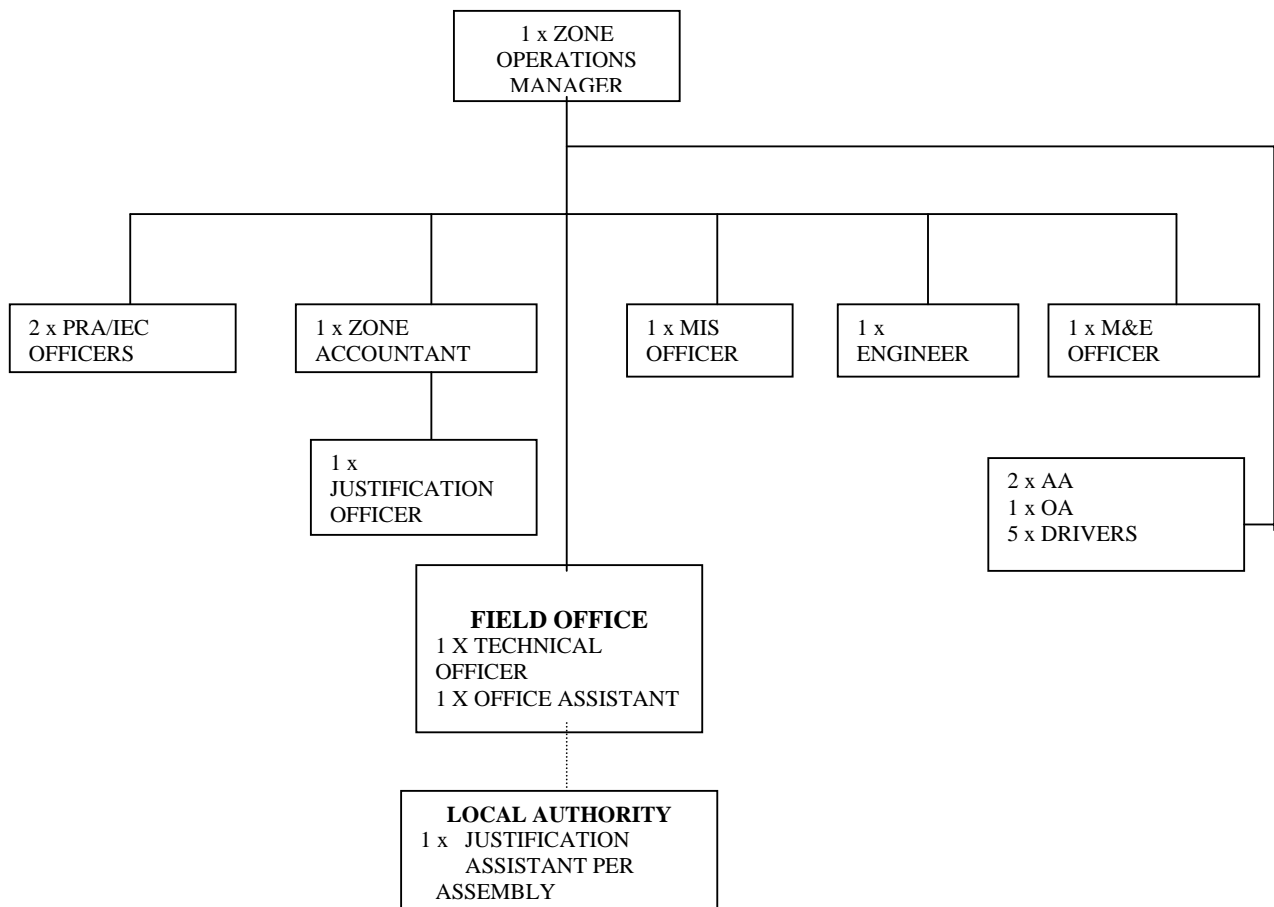
- (vi) Monitor progress of on-going projects for adherence to set standards and specification, agreed procurement plans and implementation strategies and project targets; and
- (vii) Draw up terms of reference to serve as basis for engaging minor consultants to assist in supervision of project implementation.

3.2.4.5 MASAF Technical Officer (MTO)

There shall be a MASAF Technical Officer for each district based at the Field Office, reporting to the Zone Engineer. The main function of the MTO will be to ensure improvement in all construction work on site within the District in order to ensure quality possible as laid down in the principles, procedures and guidelines. The MTOs will be located in nine Field Offices and will work in close collaboration with the LA Director of Public Works and the District Technical Supervisors. The specific roles of the MTO will be to:

- (i) Supervise and monitor all construction works to ensure quality control according to design specifications;
- (ii) Enforce all safety rules and regulations;
- (iii) Ensure adherence to construction procedures, procurement, storage and issuing of materials;
- (iv) Verify the expenditure justification by matching the physical progress of the project;
- (v) Liase and work in close collaboration with the Director of Public Works; and
- (vi) Produce and submit reports to the engineer and DCDO.

Figure 1: Zone Structure for MASAF 3-CEDP



Box No 6: Zones, Field Offices, and Local Authority coverage

Zone Office	Field Offices	Local Authorities covered
Mzuzu x 9	Karonga	Chitipa, Karonga, Karonga Town.
	Mzuzu	M'mbelwa, Mzuzu City, Rumphi, Nkhatabay and Likoma
Lilongwe x 12	Kasungu	Kasungu, Kasungu Town, Ntchisi and Nkhotakota
	Salima	Salima, Salima Town, Dedza, Dedza Town, Ntcheu.
	Lilongwe	Lilongwe City, Lilongwe Rural, Dowa, Mchinji.
Blantyre x 18	Liwonde	Mangochi, Mangochi Town, Machinga, Liwonde Town, Balaka, and Balaka Town.
	Zomba	Zomba, Zomba Municipality, Chiradzulu and Phalombe.
	Blantyre	Blantyre City, Blantyre Rural, Mwanza and Neno, Chikwawa and Nsanje.
	Luchenza	Mulanje, Luchenza Town, Thyolo.

3.2.5 Sectoral Linkages

At the district level MASAF will work with the District Executive Committee (DEC) that includes all sectoral heads at that level. In line with devolution plans each sector is expected to spell out certain benchmarks as standards for LA performance within the MTEF. Based on pre-defined community service packages, MASAF will agree with each LA on the feasibility of sub-project requests to be funded in the context of recurrent expenditure support prior to subproject implementation refer to Table 1 on Community Service Packages and Table 2 on Sector Specific Benchmarks.

These will constitute part of the content of the MOU to be signed between MASAF and Assemblies. The benchmarks for sectors will include confirmation that previous assets have been successfully maintained and are operational.

3.3 National level

At national level the institutional framework is designed to promote coordination, collaboration and effective functional linkages of stakeholders.

3.3.1 MASAF Management Unit

Community Development Programme. This division will have a Director of CDP, two assistant directors and an Administrative Assistant. The Director for CDP (DCDP) will report to the Executive Director of MASAF. The Division will be responsible for development of the Division's strategic, plans and co-ordinating operational and logistical support to enable the MASAF deliver the services to communities and the Local Authorities in an efficient and effective manner. The Division will be supported by the following service Divisions/Units: Transparency and Accountability Programme, Finance, Internal Audit, Engineering, Development Communication, Information Technology, Human Resources and Administration, Procurement, and Monitoring and Evaluation.

3.3.1.1 Specifically, the Division will:

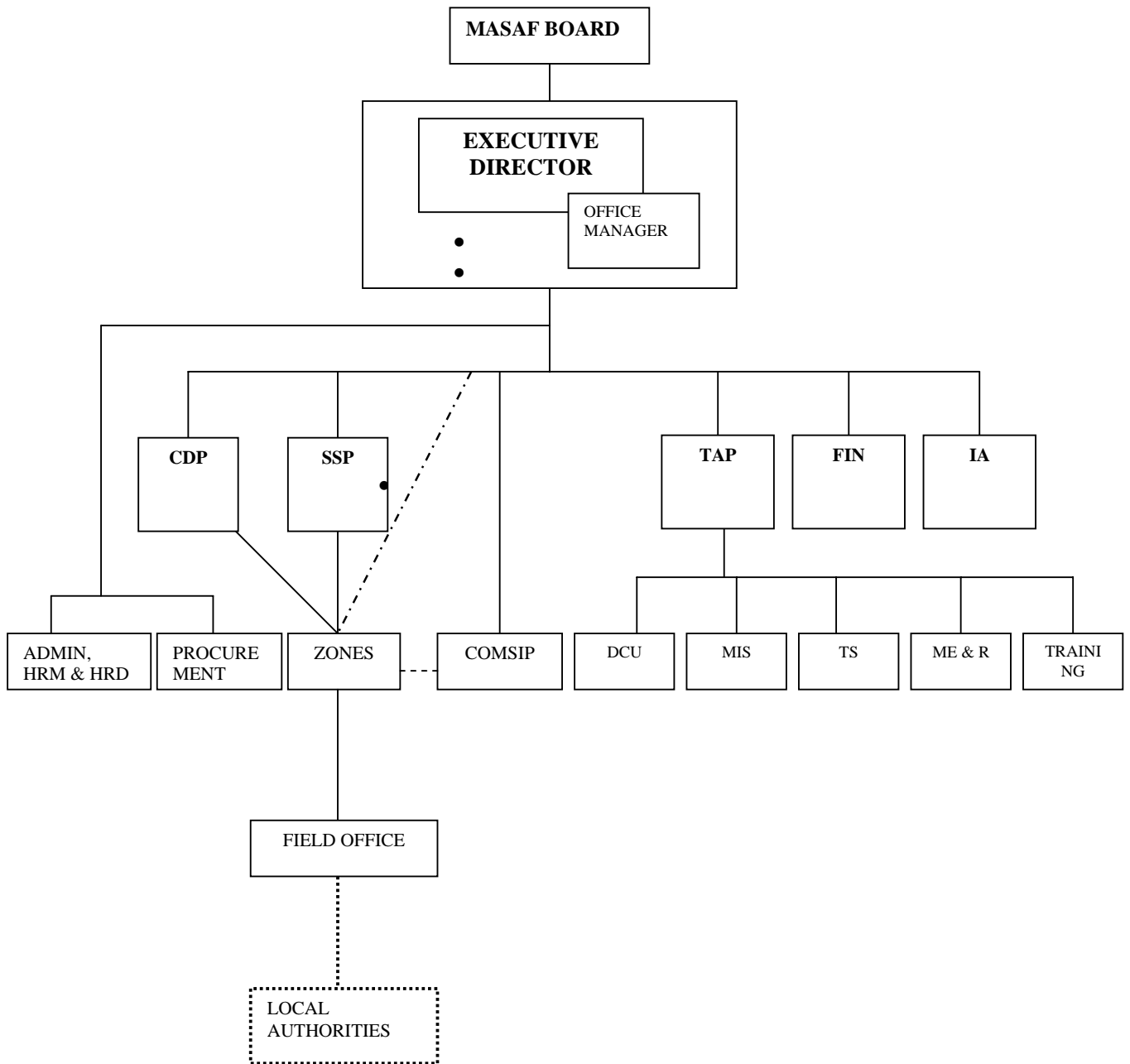
- (i) Initiate development of procedures and policies for the effective implementation of the CMPs and LAMPs;
- (ii) Co-ordinate information on vulnerability in liaison with Economic Planning and Development within the context of wider safety-nets;
- (iii) Facilitate technical review of project proposals for funding and disbursement approval;
- (iv) Initiate themes for Development of IEC messages, beneficiary assessments, special studies and identify operational constraints for capacity enhancement;
- (v) Ensure adherence to projects implementation targets and overall MOU benchmarks;
- (vi) Ensure the adequacy and completeness of data collection from the field and prepare documentation in collaboration with MISU and M&E Units;
- (vii) Monitor and supervising Zone operations against set targets, accountability and quality of service delivery.

- (viii) Facilitate consultative and collaborative interactions among key CDP stakeholders such as safety nets working groups, NGOs, and donors, consistent with MASAF guidelines and policies;
- (ix) Ensure that crosscutting issues of gender, nutrition, HIV/AIDS, indigenous knowledge (IK) and environmental concerns are integrated into the project cycle processes;
- (x) Production of periodic reports for the MASAF Board and Government;
- (xi) Periodically update the CDP handbook; and
- (xii) Carry out joint supervision missions with DLG and NLGFC to LAs.

3.3.2 The MASAF Board

There shall be a MASAF Board, which will meet at least quarterly to provide overall policy guidance on MASAF operations. The Board will have two standing committees namely the National Technical Advisory Committee (NTAC) and National Advocacy Committee for Community Empowerment and Accountability (NACCEA). The composition and the specific functions of the MASAF Board and its subcommittees are detailed in the Project Operational Manual.

FIGURE 2: MASAF INSTITUTIONAL STRUCTURE²



KEY
 ——— Technical reporting
 - - - - - Administrative reporting
 ······ Staff reporting

²KEY: AA: Administrative Assistant; ME&R: Monitoring, Evaluation and Research; CDP: Community Development Programme; MIS: Management Information System; TAP: Transparency and Accountability Programme; PO: Projects Officer; DCU: Development Communication Unit; SP: Social Support Programme; ED: Executive Director; TO: Technical Officer; HRM: Human Resources Management; TS: Technical Services; IT: Information Technology; ZAA: Zone Accounts Assistant; JO: Justification Officer; ZOM: Zone Operations Manager

3.3.3 Sectoral Linkages

MASAF will work with national level sectoral departments with respect to policy direction, and enforcement of standards and norms. Key line ministries will be represented in the technical committees of the MASAF Board.

At the district level MASAF will work with the District Executive Committee (DEC) that includes all sectoral heads at that level. Each sector is expected to spell out certain benchmarks (see table 2) as standards for assessing LAs' performance. A Memorandum of Understanding (MOU) will be signed between the LA and MASAF in which, among other aspects, the roles and obligations of sectoral heads at LA level will be spelt out

TABLE 2: Sector Specific Benchmarks

Sector	Benchmarks
Education	<ul style="list-style-type: none"> • 100% of schools operational • 25% of educational facilities maintained • At least 70% of the required staff in place. • At least 75% rating by community reports cards. • At least 30 % of schools have functioning school committees. • At least 50% of schools in the district to have 100% supply of teaching and learning materials for core subjects.
Health	<ul style="list-style-type: none"> • At least 70 % of health facilities operational and maintained • At least 50 % of staff in place. • At least 80 % drug supply requirement. • At least 65 % rating by community reports cards.
Water and Sanitation	<ul style="list-style-type: none"> • At least 75% of boreholes operational and maintained • At least 50% of the required staff at district level in place. • At least 60 % rating by community reports cards. • 100% CBM training conducted within 6 months
Public Works	<ul style="list-style-type: none"> • At least 50% of roads operational and maintained • At least 60% of the required staff at district level in place. • At least 40 % rating by community reports cards. • At least 60% Village Natural Resources Committees functional

CHAPTER IV

4.0 THE CDP SUBPROJECTS CYCLE PROCESSES

The CDP subproject cycle processes, as described below have been defined in accordance with the requirements of the CMPs and the LAMPs. The processes have been informed by the procedures stipulated in the District Development Planning Handbook (2001) and experiences of MASAF I and II. The CDP project cycle processes have also taken into account seasonality conditions and varied DEC capacities to come up with the annual funding approval cycle, which will allow for a focused approach and emphasis of effective community participation at all project cycle stages.

This section discusses principles guiding the CDP cycle processes, the pre-subproject and the subproject cycle stages, roles and responsibilities in the implementation and management of project cycle processes and the post cycle stage.

4.1 Principles guiding the Cycle Processes

The following are the guiding principles of the cycle processes:

- (a) Assemblies are expected to facilitate the general or open Participatory Rural Appraisals (PRAs) for scoping community needs. Sub projects for MASAF financing will be subjected to extended-PRAs to capture MASAF specific requirements;
- (b) The MASAF Board will approve the IPF for CDP, six months prior to budget presentation to Parliament by the Ministry of Finance. The IPF will be for three (3) years in line with the MTEF;
- (c) The information regarding the approved IPF will be communicated to the LAs disaggregated into the CMP and LAMP subcomponents in line with specific poverty parameters to reflect the nature of the projects and its intended target groups. This is in line with the MASAF principle of leveraging public resources for the poor;
- (d) MASAF will review and fund projects quarterly;
- (e) The maximum cost of a subproject that can be funded will **not exceed US\$100,000.00**, whereas the average costs for subprojects will be:
 - i. US\$ 5,000 for borehole water
 - ii. US\$30,000 for schools
 - iii. US\$40,000 for all subproject types under LAMPs
- (f) For CMPs community contribution will account for not less than 20% of the total project cost for CMPs such as schools and health units. For capital-intensive projects such as water and bridges, communities will be expected to contribute at least 10% of the total project cost;

- (g) Due to the varying nature and types of subprojects, **implementation duration** will differ between subprojects but should **not exceed 12 months**;
- (h) **Crosscutting issues** relating to environment, gender, HIV/AIDS, nutrition **are mainstreamed** in all subproject processes as appropriate;
- (i) All projects proposed for funding under CDP will be subjected to **environmental screening** and appropriate mitigation measures will be proposed and costed as part of the total project budget. Environmental checklists to be used at community and district levels will be the key instruments for verifying that environmental concerns are addressed;
- (j) Subprojects which serve private interests, whether commercial or not, and projects that involve resettlement will not be funded under CDP;
- (k) As part of community capacity building and re-enforcement of accountability, all members of the benefiting communities will **attend a public launch** of all projects funded in their community;
- (l) Prior to project launch, all subproject implementers will have been **trained** in project management and MASAF procedures for a period not exceeding 5 days; and
- (m) Upon successful completion of subprojects, **an inauguration ceremony** will be held to officially commission the facility where all community members including local leaders are supposed to attend and **confirm on operation and maintenance arrangements**.

4.1.1 Principles Governing LA approval Thresholds and Disbursement of Funds

MASAF will allow Local Authorities an approval funding threshold of \$20,000 for CMPs and \$40,000 for LAMPs. Depending on the performance of a particular LA, as measured through sub-project delivery benchmarks, MASAF will grant that LA more responsibility.

Generally, the following disbursement principles will be applied:-

- (a) There shall be a designated MASAF Bank Account in each district where MASAF funds will be deposited for those activities requiring direct fund management by the LA such as LAMPs and capacity enhancement activities under TAP.
- (b) Funds will be released to Local Authorities and PMC.

4.1.2 Flow of Resources from MASAF to Target Groups

Funding to projects will be released in tranches of 30%, 40% and 30% of the project budget except under SSP and COMSIP where activity based tranching will be used. A Justification Report of the expenditures incurred will be submitted as a precondition for the release of the second tranche once at least 60% of the first tranche is spent. The third tranche will be released when 100% of the first tranche and at least 60% of the second tranche are successfully justified, and on production of a mid-term assessment report. These released tranches will be followed up by formal communications to DEC and zones that in-turn will

notify the respective PMCs. For the CMPs, funds will be transferred directly from MASAF to the Community Project Bank Accounts. PMCs will be responsible for management of projects activities.

For LAMPs, funds will be transferred into a designated MASAF Bank Account maintained by the Local Authorities. Under this arrangement, the LAs are entrusted with the responsibility to manage funds and implement labour intensive public works.

Capacity enhancement initiatives are cross-cuttings interventions to be managed through the Transparency and Accountability Component. MASAF will centrally manage these activities from the MU. Depending on the implementation arrangement for the activity, funds for TAP may be channelled to a designated MASAF Bank Accounts managed by the LAs or Zone Bank Account.

The sub-project appraisal process and delivery benchmarks for a typical sub-project is described in Table 3 and summarised in Tables 3.1 and 3.2. Districts that under-perform due to justifiable capacity problems will be assisted with capacity strengthening funds in order to improve their performance levels.

FIGURE 3: FUNDING FLOWS

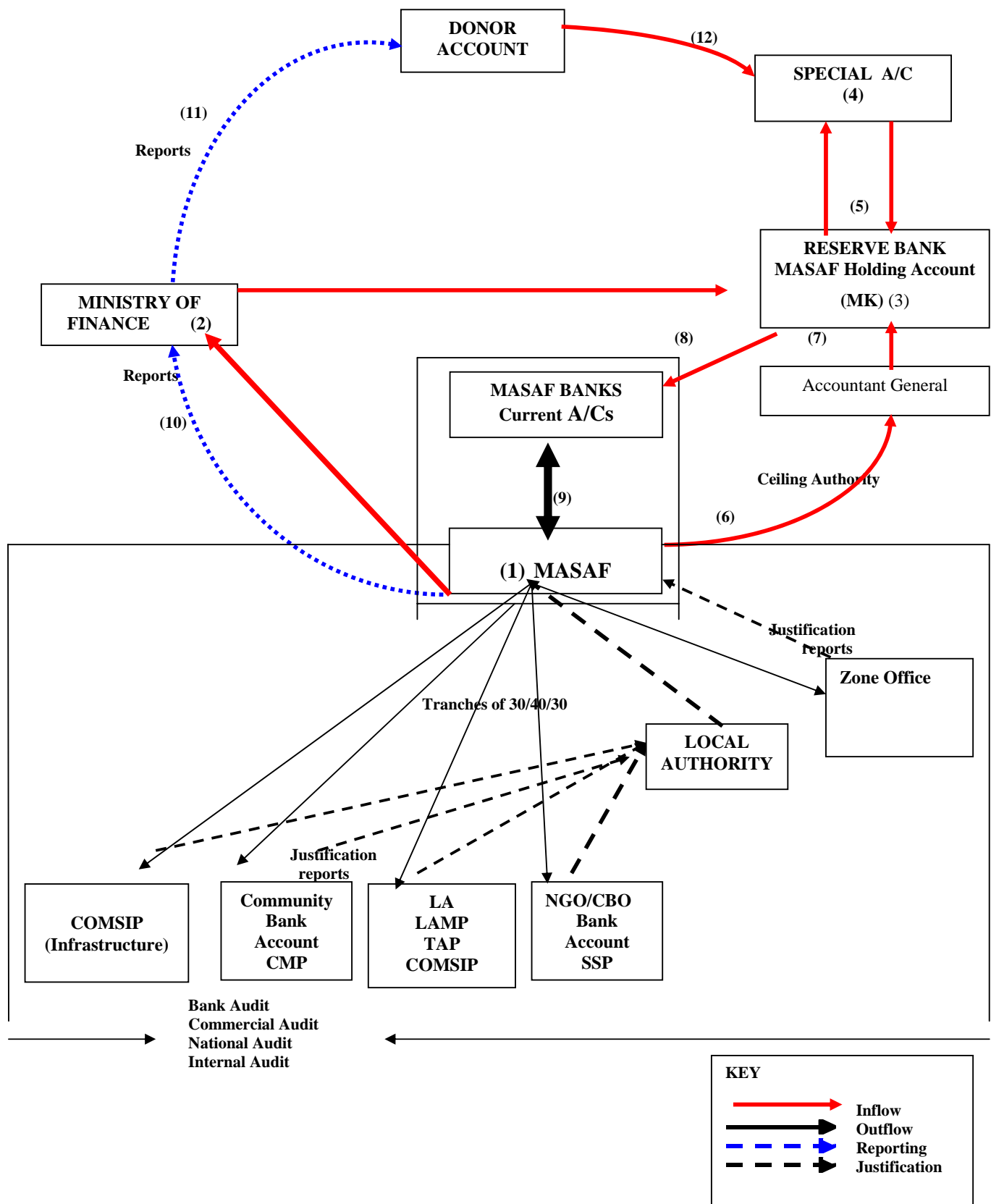


TABLE 4: SUB-PROJECT CYCLE DELIVERY BENCHMARKS WITHIN A 12 MONTHS IMPLEMENTATION CYCLE

ACTIVITY	KEY ACTORS	COLLABORATORS	DURATION	TRANSITION SLACK
PRE-SUBPROJECT CYCLE Sensitization <ul style="list-style-type: none"> IPF and intra-district resource targeting Needs Assessment/Open ended PRA MOU signing 	-DC/CE -Local Leaders	Sector staff Private Agencies Stakeholders MASAF MU/ZOM		
SUB-PROJECT IMPLEMENTATION CYCLE Project Identification <ul style="list-style-type: none"> Needs confirmation (Extended PRAs) Proposal preparation 	DCDO	AEC – Chair VDC CDAs ADC MA's MASAF-PO	18 Days	7 Days
Desk Appraisal <ul style="list-style-type: none"> Completeness of the forms Sectoral screening 	DPD	Sec. Heads DC/CE PO	1 Days	2 Days
Field Appraisal <ul style="list-style-type: none"> Rapid community/social appraisal Technical appraisal and final costing 	DPD and Sectoral experts	Relevant sector staff EDO MASAF-PO/Engineer	2 Days	14 Days
District Approval* <ul style="list-style-type: none"> Relate to the IPF Submission to MU for funding approval 	DC/CE	ZOM Relevant DA sub committees	2 Days	14 Days
MU/NTAC Review and Approval <ul style="list-style-type: none"> MU verifies and vets projects (including screening for adherence to MASAF funding principles) 	Directorates NTAC	MASAF Board ED	14 Days	10 Days
Implementation <ul style="list-style-type: none"> Pre-launch Training ⇒ Project Management training 	DCDO	DOF and Sector experts Zone staff (Training consultants)	5 Days	7 Days
<ul style="list-style-type: none"> Launch Ceremony ⇒ Signing of financing agreement 	DC/CE	Sector staff Local leaders	1 Day	2 Days
Project Execution <ul style="list-style-type: none"> Opening of Bank Accounts Works/activity scheduling and implementation Procurement Book-keeping and Accounting Justification Supervision/Monitoring/Accountability <ul style="list-style-type: none"> Physical, progress and financial monitoring and reporting. Completion <ul style="list-style-type: none"> Completion Assessment 	PMC DEC Sector staff Community leaders	ZOM Sectoral experts/staff DPD Sector staff DPD	207Days	7 Days
INAUGURATION <ul style="list-style-type: none"> Commissioning and issuing of Completion Certificate Maintenance Agreements 	DC/CE	Local leaders Zone staff	7 Days	
POST CYCLE STAGE <ul style="list-style-type: none"> Service Coverage/functionality of assets Maintenance Ex-post Evaluation 	LA AMCs	Communities/sectors LA/Community/ sectors Consultants/ MASAF	Continuous	

* District approved sub-projects up to the threshold of US\$40,000 for LAMPs and US\$20,000 for CMPs. Projects above these thresholds will be approved by NTAC. In this case the LA and MASAF Board will endorse the approved projects.

*Slack period is a period from the time the previous activity is completed and the latest time the next activity has to start

Table 5.1: LAMP Benchmarks

Sub-project cycle stage	Indicator	Duration
1. Approved sub-projects: starting with Limited-PRAs	Limited-PRA Project identification Project preparation Desk Appraisal Field Appraisal Approval	4 months
2. MASAF MU review	Presentation to MASAF Board	1 month
3. Implementation: measured by Financial Accountability	Timely payment unskilled labour, at least 40% of sub-project costs. Administrative costs and audits. Financial reporting Technical reporting	7 months
4. Completion	Commissioning	1 day
5. Evaluation (with operation and maintenance)	Asset maintenance through provision of funding for unskilled labour on a declining scale of:- 75%, 50%, and 25% from MASAF; and. - 25%, 50%, and 75% by LA (within MTEF)	1-3 years after completion

Currently, LAs are responsible for all technical work needed to implement CMPs, with MASAF MU retaining the financial management and backstopping functions. Any LA which meets the LAMP benchmarks will be appraised on the benchmarks on CMPs with a view to taking over the disbursement of resources to PMCs.

Table 5.2 : CMP Benchmarks

Sub-project cycle stage	Indicator	Duration
1. Approved sub-projects: starting with Extended-PRAs	Extended-PRA Project identification Project preparation Desk Appraisal Field Appraisal Approval	4 months
2. MASAF MU review	Presentation to MASAF Board	1 month
3. Implementation: measured at tranches 1, 2, and 3)	Pre-launch training Launch Procurement Financial compliance Technical reporting Disbursement compliance	7 months
4. Completion	Inauguration and commissioning.	1 day
5. Evaluation (with operation and maintenance).	Community satisfaction survey. Report on usage and impacts.	1-3 years after completion.

4.2 Pre-subproject Cycle

The pre-subproject stage comprises two activities namely Sensitisation and Needs Assessment through open-ended PRAs. These activities take place at the community level.

4.2.1 Project Identification and Targeting

4.2.1.1 Sensitisation

In order to come up with viable projects for funding under CDP, DEC will sensitise communities about the following:

- Development objectives;
- Selection and funding criteria;
- Design and operative principles;
- Community service packages (See Table 1);
- Cross cutting issues of environment, HIV/AIDS, gender, water rights extraction; and
- Water and sanitation.

The community sensitization by the DEC will be done through development of relevant messages and disseminating them in accordance with the MASAF Information, Education and Communication strategy and in conjunction with strategic partners. Details of the strategy are contained in the Development Communication Handbook.

4.2.1.2 Needs Assessment

Participatory Rural Appraisal (PRA) is a community research methodology that uses a number of investigative techniques which include wealth ranking, resource mapping, focus group discussions, transect walks, and problem ranking. Communities will carry out needs assessment through open-ended participatory rural appraisals (O-PRAs). O-PRAs are a process where members of the community shall meet to discuss their needs and prioritise the analysed needs before taking a course of action or applying for external assistance. To ensure that community needs are systematically and objectively analysed and prioritised, PRA literate government extension staff and NGO personnel working in the community will facilitate the process. The result of such participatory processes will be Village/Community Action Plans (VAPs/CAPs).

MASAF will be responsible for coordinating the district staff and providing logistical support to carry out these PRAs. In addition MASAF, through TAP will support LAs in orienting staff on the PRA processes.

4.2.1.3 Prioritisation of Needs into VAPs/CAPs

The O-PRAs will be conducted as part of the District Planning process. The process will include the community's own definition of poverty in order to underscore the need for targeting resources towards the poor. O-PRA will assist communities to identify their priorities, rank them and come up with preliminary costed VAPs/CAPs. Further, PRAs will also assist planners to understand the extent of social vulnerability in the community for resource targeting purposes and appreciate the environmental concerns. During the O-PRAs

discussions will not include any funding sources. Participatory facilitation techniques such as community stratification, which, ensure that all groups in a community are adequately involved in decision-making, will be used. The community service package approach will also be explained during this time (See Table 2 in Section 2.6).

During this stage key action steps by the communities will be:

- Scooping out possible negative and positive environmental effects with the use of community environmental checklist annex CDP CI;
- Selection of PMC;
- Selection of the Asset Management Committees (AMCs);
- Preparation of project proposals;
- Consolidating the needs into VAP/CAPs;
- Submitting the VAP/CAPs to the ADC; and
- Carrying out a participatory community based targeting exercise to identify beneficiaries for possible safety nets operations.

Box No. 6: Points to remember on Community Based Targeting for Beneficiaries

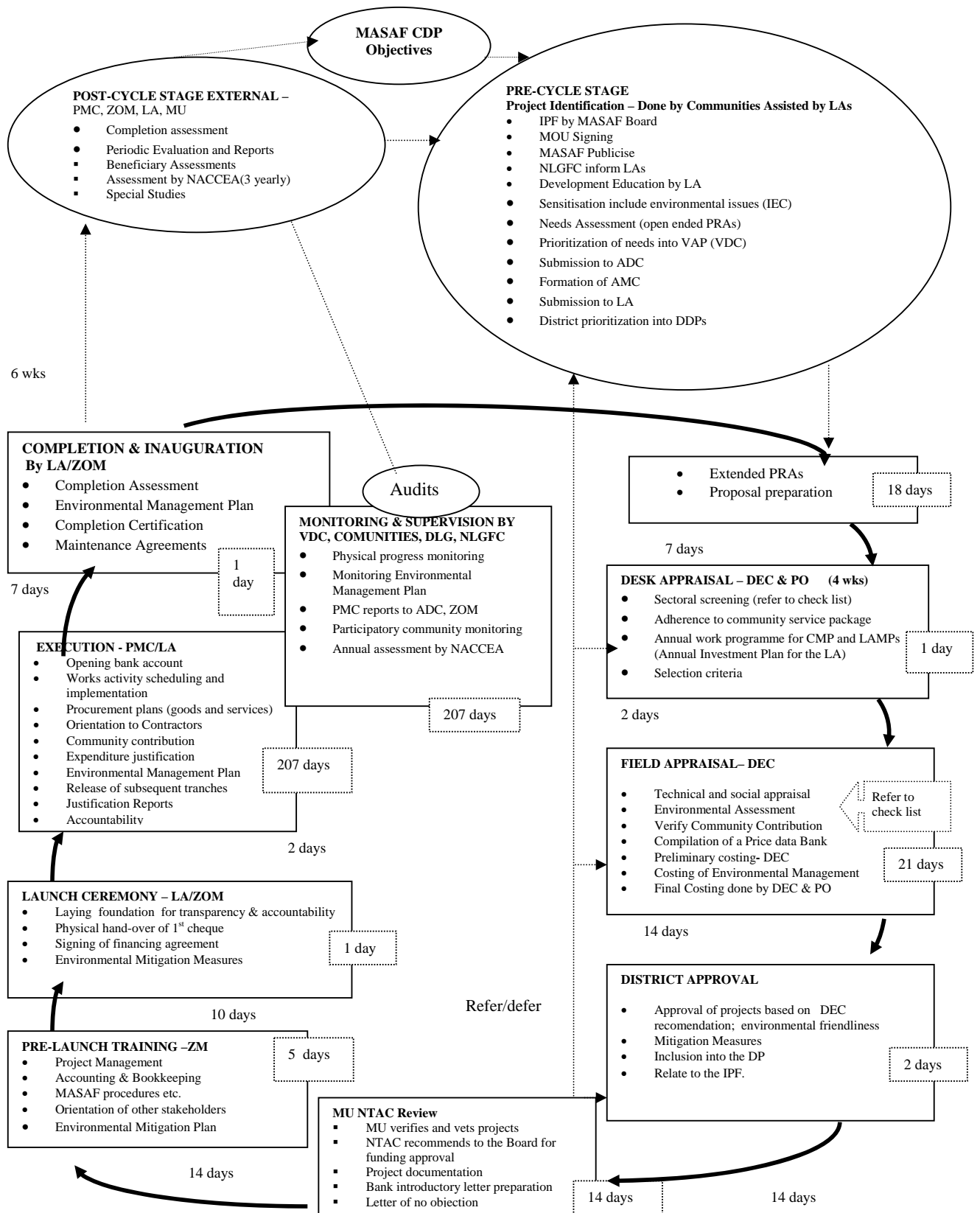
Points to Remember on Community Based Targeting for Beneficiaries

Community based targeting is a process of identifying needy households in a community using participatory social ranking and stratification techniques during the process of producing VAPs.

4.3. Subproject Implementation Cycle

Under the Sub Project Implementation cycle, various agents will carry out a number of planned activities. These activities will include extended PRAs, project appraisal, district approval, MU review, implementation, monitoring and supervision, and project inauguration see Figure 4. The implementation stage to be managed by the PMCs/DEC will take about 207 days (which is seven months) as stated in the guiding principles at section 4.1 (g).

FIGURE 4: CDP PROJECT CYCLE



4.3.1 Extended PRA

At the beginning of MASAF III-CEDP it is expected that most districts will already have District Development Plans produced through detailed PRAs. In such districts, projects earmarked for funding under the CDP will be further subjected to **an extended PRA (E-PRA) process**. The stage is specifically included to ensure that there is a detailed discussion of projects identified for MASAF III-CEDP funding and that such projects are in line with the prescribed **Community Service Packages**. The ultimate product of the E-PRAs is a re-confirmed Community Action Plan. For LAMPs it will be through E-PRAs that communities will confirm the participatory community based targeting used to identify needy households.

The E-PRA process will selectively use the investigative PRA techniques depending on the nature of the proposed project. The E-PRAs will further assist to establish possible environmental effects and determine mitigation measures where appropriate. It is during this exercise that preliminary costing of projects, including the financial requirements for environmental mitigation measures other than resettlement, will be done. At this stage communities will determine under which MASAF component their project proposal will be financed.

Having produced a need-based CAP, communities will put in place a democratically elected gender balanced PMC, which will prepare the project proposals using the MASAF application forms CDP F2 for submission to the LA. The PRA/IEC Officer and the DCDO will lead the process during the extended PRAs.

In those districts where DDPs were formulated without the PRA or VAP process, MASAF will support the PRA or VAP process in order to build capacity and lay foundation for subsequent planning processes. The capacities of Districts to formulate future VAPs will form part of the assessment criteria for gradual handover of MASAF project preparation support functions.

4.3.2. Project Appraisal

The PRA/IEC Officer and DCDO will consolidate project proposals that have undergone extended PRAs for appraisal at district level. Project appraisals will be done at desk and field levels.

Box No. 7: Appraisal Requirement of Projects in current DDPs

Appraisal Requirement of Projects in Current DDPS

The first round of DDPS have been produced without the full involvement of the Zone Operations Managers as such it is a requirement by MASAF that all in the DDPS projects earmarked for funding by MASAF shall be thoroughly appraised to ensure that the development philosophies which MASAF fosters are adhered to.

4.3.2.1 Desk Appraisal

DEC will undertake a technical desk appraisal of all projects using the standard checklist. The decisions by DEC will be reached using a scoring process contained in annex CDP F3. The DEC will, among other things, check if projects have considered the following:

- (i) Completeness of the application form as per guidelines;
- (ii) Whether the proposed project falls within the scope of CDP;
- (iii) Whether the project has gone through both the open-ended and the extended PRA processes;
- (iv) Whether the project is meeting sectoral norms and district objectives;
- (v) Whether the project has considered appropriate environmental mitigation measures;
- (vi) Whether there are plans/measures on other crosscutting issues;
- (vii) Whether the proposed technology is appropriate for the community;
- (viii) Adherence to the community service packages requirements
- (ix) Adherence to sector specific benchmarks; and
- (x) Whether the proposal include architectural / engineering plans, where necessary.

If a proposal fails to meet any of the above criteria, the PRA/IEC Officer and the DCDO will undertake a follow-up action with the communities to gather more information. If the results are still unsatisfactory, the project proposal will be rejected. If any project fails to pass this stage, DEC will undertake to notify the community with explanations.

The desk appraisal process for a project has been allocated one day in the subproject management cycle. The DEC will decide during desk appraisal which of the project proposals are amenable to labour intensive works and put them under LAMPs. If a project is selected for labour intensive works, DEC will complete Form LAMP F1. The DEC will further carryout the intra district distribution following the poverty profiles.

4.3.2.2 Field Appraisal

The primary objective of the field appraisal is to determine implementation feasibility of the proposed project and to assess community capacity and readiness to implement the project. The field appraisal will be carried out to cross check the information contained in the application form and confirm the commitment of the community to the proposed activity. The DEC lead by the DCDO and PRA/IEC Officer, will carry out the field appraisal meetings, attended by community members and other relevant stakeholder.

DEC will use the field appraisal form CMP F1 and LAMP F1 a to c and District Environmental Checklists C1 and C2. The field appraisal will concentrate on two main aspects namely community and technical assessments.

On community assessment, the appraisal team will check for the following:

- a) Whether the community qualifies as a CDP target;
- b) Whether the community participated fully in needs identification;
- c) Whether the project represents communities' highest priority;

- d) Confirm community service packages;
- e) Whether an all inclusive representation of different groups participated in the preparation of the village action plans. The Appraisal team will interview a sample of the community;
- f) Assess their understanding of the project;
- g) Confirm availability of community contribution at 20% of the project budget; and
- h) Assess availability of local resources pledged for the project.

In carrying out the appraisal, the team will need to carry the following:

- i. Report on needs assessment
- ii. Report on E-PRAs
- iii. Application form
- iv. Environmental checklist
- v. Desk appraisal report
- vi. Minutes of the village/community meetings including attendance list
- vii. Sketches and designs and
- viii. Budgets

Under technical assessment, the team will ensure that the following are done:

A. Technical feasibility: A District technician or consultant in a relevant field will lead the DEC in carry out the technical appraisal. The specifically the district technician or consultant give guidance on:

- a. Taking all necessary measurements (an inventory) of existing structures or site measurements for purposes of costing;
- b. Ascertaining the availability of local and other materials;
- c. Ascertaining arrangements for procurement;
- d. Ascertaining availability of skilled and unskilled labour;
- e. Ascertaining availability of contractors;
- f. Ascertaining the need for a project assistant;
- g. Ascertaining the need for augmenting supervision capacity through an independent supervisor;
- h. Ascertaining the communities ability to raise funds for meeting water extraction rights for borehole water projects and
- i. For **maintenance and sustainability**, ascertaining that the community has the ability to manage the project during O & M period. The team will require the community to put in place the AMC.

B. Environmental screening: The DEC led by the EDO will:

- a. Using the Community and District Community Environmental Checklist CDP C1 and CDP C2 determine the effects of the project on the environment;
- b. Ascertain sufficiency of the community proposed environmental mitigation measures;
- c. Where necessary make further recommendations on additional mitigation measures, see annex CDP C3;
- d. Ensure that the mitigation measures that need financing are costed for inclusion in the project budget;
- e. **Ascertain that the proposed subproject will not cause any involuntary**

resettlement of some members of the community; and

The field appraisal process for a project will normally take a period of not more than 21 days for all the projects the LA has earmarked for CDP funding. If any project fails to pass this stage, DEC will undertake to notify the community with explanations.

Costing: DEC/Technical Services using guidelines from MASAF with respect to donor and Government requirements will conduct project costing. This information will be shared with project management committees, project implementers and Local Authorities.

Costing process will include:

- Costing of all the possible environmental mitigation measures that will require finances and which could not be contained in the communities' contribution;
- Assessing possibilities of recruitment of consultants to carry out technical feasibility studies and cost complex projects like flood control projects; and
- Signing of the appraisal form by the PMC and the Appraisal team at the end of the appraisal process. The signature of the PMC's chairperson will signify their participation and the team will sign to signify satisfaction with the project proposal and the process.

There will be three possible actions at the end of the field appraisal namely, reject, defer for more information, or pass the proposal for approval and funding consideration.

The chairperson of DEC will have the responsibility of submitting the costed projects to the Development Committee, which will consider the project listing and submission to the full Assembly for ratification.

Box No. 8: Project Costing

- The communities will do preliminary costing.
- DEC will further refine the costing at desk and field appraisal stages using sectoral norms and standards.
- The MASAF Zone office will facilitate the costing process;
- The Zone Engineer TSU from MU will provide technical support
- For safety net activities, the total unskilled labour wage bill to total estimated budget should not be less than 40%.
- DEC will at this stage categorise projects into different components.

4.3.3 LA Approval

The LA will receive a summary report of appraised CMPs and LAMPs for programme portfolio approval. The LA will consider and approve the projects in line with the indicative financial envelop for CDP. CMPs that are below US\$20,000 equivalent and LAMPs below \$40,000 will be approved directly by the LA. Projects above these thresholds will be approved by MASAF-MU. **Notwithstanding the above, LAs will submit all projects to MASAF for further review by the National Technical Advisory Committee (NTAC) before final funding approval by the MASAF Board.**

In the event that some projects could not be included in the final list due to funding constraints, the LAs will inform the respective communities of the status of their project

proposals. The LAs will inform the communities whether or not their projects have been approved, including giving reasons where appropriate. The LA will request for funds from MASAF by completing and submitting Form CDP F4 together with all the profiles of the approved proposed subprojects to MASAF MU.

4.3.4 MASAF Review

The approved projects contained in the Local Authority's AIP earmarked for MASAF funding will be submitted to the CDP Directorate at the MU for review in conjunction with the NTAC. This review process will not exceed two weeks.

NTAC in collaboration with the CDP Directorate and the Engineer will undertake the following activities in addition to using form CDP F5.

- (a) Programme review to check consistency with MASAF principles and appraisal requirements.;
- (b) Review adherence to sectoral norms and standards including environmental screening report;
- (c) Review project costing on sample basis to ensure adherence to standards, design specifications and prices as contained in the price data bank;
- (d) Making recommendation for approval of projects by the Board;

After the Board approval, the projects will be funded. The CDP Directorate will:

- (a) Prepare project management documents;
- (b) Incorporate the approved projects into the MASAF Project Tracking System (PTS)/Management Information System (MIS) (by LA and IT/MIS);
- (c) In liaison with the DCU, prepare press releases of approved project listings and funding for each district;
- (d) Make arrangements for signing of MOUs (CDP F1); and
- (e) Preparation of first cheques by Finance Division.

The projects funded under the CDP will form part of total MASAF work programme for the LA. The DEC will inform communities of the funding approval of LAMPs by issuing an Approval Letter, annex CMP L1 which will also contain the necessary logistical arrangements to prepare the communities for project implementation. In the case of LAMPs, MASAF MU shall issue the approval letter (annex LAMP L1) to the LAs. The Zone will issue a bank introduction letter CMP L2 to the PMC soon after pre-launch training.

4.3.5 Implementation

The CDP Component will support community empowerment and development through training, networking, information sharing and other capacity development services.

Project implementation will start with notification by LA to the Project benefiting communities regarding pre-launch training preparatory requirements. For both the CMPs and LAMPs implementation comprises several sub-stages and these are described below:

4.3.5.1 Pre-launch Training

Prior to the sub-project launching, PMC members in both CMPs and LAMPs for cost effectiveness, will be trained jointly where applicable, for at least five days, for adherence to MASAF procedures, and consistency in project management. Participants to the pre-launch training sessions are all PMC members, Group Village Heads and foremen in the case of LAMPs. Ward Councillors will be invited as observers for a day to witness part of the training process. The Pre-launch training to be conducted by the DEC supported by MASAF Zone Office, will assist enlightening members on:

- (i) MASAF principles and procedures;
- (ii) Transparency and accountability in delivery of subproject activities;
- (iii) Leadership and management skills;
- (iv) Fiduciary responsibility;
- (v) Procurement, contracting and stores procedures;
- (vi) Project Supervision, monitoring and reporting;
- (vii) Project management;
- (viii) Project maintenance and sustainability;
- (ix) Strategies for Cross cutting issues – environment, HIV/Aids, Nutrition and Food Security;
- (x) Project obligations;
- (xi) Quality Assurance; and
- (xii) Participatory Community monitoring and evaluation.

In addressing environmental concerns, the training will focus on how the PMCs will implement the mitigation measures while for other service projects or activities, additional relevant training will be conducted covering management aspects.

During the pre-launch training ZOM, DEC, Village Heads and all participants will make arrangements for a launching ceremony of the subproject(s) and this should take place **within two weeks** after the end of training. The Zone Operations Manager will prepare a pre-launch training report and submit it to MASAF MU.

PMCs and other stakeholders will be given the necessary follow-up training on site during implementation.

4.3.5.2 Project Launch

PMC with members of the community will organize the subproject launch and invite key stakeholders such as traditional leaders, DEC members, Zone Operations Manager, civic, traditional and political leaders. Launches will take various forms depending on whether the subproject is under CMP or LAMP (see Box 9 below). Where feasible and for the sake of time and cost management, subproject launches in the same ward under the CDP Component will be combined.

At the project launch, the following will take place:

- a) Clarification of respective roles and responsibilities of different stakeholders during implementation will be carried out;

- b) Emphasis will be made on requirements for transparency and accountability and participatory community monitoring (refer to the Launch Ceremony Checklist CMP C);
- c) For CMPs, the PMCs will sign the Financing Agreement (FA) on behalf of the community, and the Executive Director will sign the FA on behalf of MASAF; and
- d) For LAMPs the DEC will sign the Financial Agreement on behalf of the LA and the Executive Director on behalf of MASAF.

The FA is a legally binding agreement that outlines the responsibilities of the parties in the implementation of the projects. Details in the FA include: roles and responsibilities of the LAs, PMCs. Requirements and procedures for maintaining completed asset/facility. See box 10 below for more details.

During the launch, the DEC will carefully go through the contents of the Financing Agreement (FA) see annex CMP F8 to ensure that the community understand and agree to the terms of the agreement. This Agreement is the basis of the relationship between the community, the LA and MASAF during project implementation and beyond. For LAMPs the LA will sign a Financing Agreement with MASAF (CDP F6a).

Box No. 9: Launch Ceremony

<p>CMP launch ceremonies will be held for each project to:</p> <ul style="list-style-type: none"> ▪ provide information, ▪ clarify roles and responsibilities in implementation; ▪ emphasise requirements for transparency and accountability; ▪ emphasise crosscutting issues of gender, HIV/AIDs, environment, rights based approach and Nutrition; ▪ Explain the funding and banking procedures, community contribution, participation and obligations for maintenance; ▪ signing of a financing agreement by Chairperson of PMC, DC and Zone Operations Manager; and ▪ the PMC will open a bank account and deposit the first cheque. 	<p>LAMP launch ceremonies will be held for each project to:</p> <ul style="list-style-type: none"> ▪ inform the community of the objectives of the safety nets operations; ▪ community based targeting recruitment process; ▪ community monitoring; ▪ wage rate; ▪ work norms; ▪ attendance; ▪ responsibility for tools; ▪ crosscutting issues of gender, HIV/AID and environment will be thoroughly covered; ▪ signing of a financing agreement by Chairperson of PMC, DC and Zone Operations Manager; ▪ DEC will open a bank account and deposit the first cheque.
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Box No. 10: Financing Agreement

<p>The Financing Agreement specifies:</p> <ul style="list-style-type: none"> • The estimated amount that MASAF has agreed to financially contribute to the project; • The agreement by the community, as represented by the project management committee signatories, to provide self-help contributions as specified; • The agreement by the community to carry out the project in accordance with MASAF procurement, management and financial requirements; • MASAF’s right to inspect by itself or jointly with other agencies, the site, work, materials and relevant records and documents; • MASAF’s right to suspend or terminate the use of funds allocated to the project in case of negligence or misappropriation; • The obligation of the DEC to report regularly on the progress of implementing the subproject; and • Legal actions to be taken in case of breach of contract.
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4.3.5.3 Financial Management

Financial Management by PMCs and LAs for LAMPS will follow MASAF procedures to ensure that funds are used for the intended purposes. More details on are in the POM Chapter 9 Section 9.6 and the Financial Management Handbook. Implementers will periodically be assessed based on their performance and sanctions will be applied upon proven mismanagement of resources.

(a) Disbursement

Disbursement of funds to projects will be done basing on the specified criteria depending on the receiving account. Under CMPs funds will be disbursed directly to the community project current Bank account while under LAMPs funds will be disbursed to a special designated MASAF current bank account maintained by the Local Authority (see project and funding flow charts Figure 4 and 5 below).

Funding to projects will be released in tranches of 30%, 40% and 30% of the project budget. A Justification Report of the expenditures incurred will be submitted as a precondition for the second tranche once at least 60% of the first tranche is spent. The third tranche will be released when 100% of the first tranche, 60% of the second tranche are successfully justified and on production of a mid-term assessment report on the physical progress. See Box 11 on EJR. These tranches will be followed up by formal communications to DEC and zones that in-turn will notify the respective PMCs.

MASAF will ensure that PMCs and LAs are accountable for the resources given by MASAF for the implementation of the subprojects. This will be achieved by the support the Zone Accountant will render to the Las and the PMCs.

(b) Project Bank Account

The PMCs will be required to open current bank accounts for each subproject with a reputable bank within the subproject locality. The signatories to the PMC's bank account will be the chairperson, secretary and treasurer. The DEC will be required to open a designated MASAF current bank account for all the projects. The signatories for the LAMPs account will be the Chief Executive/DC, Director of Finance, the Director of Administration and the Director of Public Works or Town/Municipal/City Engineer. The Director of Administration will sign cheques when the Chief Executive/DC is away on a period longer than one week. The Chief Executive/DC will be principal signatory to the bank account.

4.3.5.4 Procurement

The PMCs and DECs will be required to prepare a procurement plan, which will guide all procurement activities relating to specific project milestones. For more details see the POM Chapter 12 and the Procurement Handbook. For CMPs the PMC members for will draw a procurement plan for the project, while, the DEC will come up with a procurement plan for the LAMPs. The Engineer and the MTO will provide technical backstopping in procurement matters. The Procurement Officer will carryout post review on selective random basis. This

will check against misprocurement by the implementers. The PMCs and DEC will procure materials following the procurement plan and the bills of quantities as prescribed in the subproject costing, and account for the funds using the justification procedures.

PMCs and DEC will be required to solicit a minimum of three written quotations, which will be checked against the price databank maintained at the Zone Office. The PMCs and DEC will be required to maintain a record of the quotations they get to guide their decisions on procurement.

For borehole water projects, see detailed processes under execution by the PMCs for CMPs in Section 4.3.5.5 (b) below.

PMCs under CMPs will choose at least three members on rotational basis to procure project materials. Rotation of members is for accountability purposes and capacity building of the members. For LAMPs, the District Public Works Officer, the District Sector Technical Supervisor and the Justification Assistant will be responsible for collecting quotations from suppliers and contractors. The quotations will be evaluated by the DEC, (DC/CE, DPD, DOF, DPW, DCDO). Once a decision has been made on the preferred supplier then procurement will be carried out.

In procuring contractors, PMCs and DECs will:

- Advertise locally about the opportunity that exists for contractors;
- Receive applications and invite the applicants for interviews;
- Hire competent and reputable contractors and procure goods from reputable suppliers. For instance contractors for bridges, schools, community earth dams and health centres must have proper documentation proving their reputation and registered with NCIC;
- Give preference to contractors and suppliers from within the project locality as long as they prove their proficiency and competence in the trade; and
- Enter into a contract with the successful bidder. Contract documents will be concluded and signed before commencement of works at all times. See Form CMP F7 and LAMP F9 for contract documents.

For water projects, LAs will advertise for drillers when opportunities for drilling boreholes arise in the communities.

4.3.5.5 Execution of Project Activities

It is a MASAF policy that all cross-cutting issues (environment, gender, HIV/Aids, Nutrition and Food Security) will be mainstreamed in all MASAF operations and project processes. This will be achieved through close collaboration at district level and including dissemination of extension materials to the communities. Throughout the project implementation period, communities and PMCs will be encouraged to use community environmental checklists while district and national level staff will in addition to community checklists use district environmental checklist with technical assistance from Environmental District Officers.

For both CMPs and LAMPs the District Technical Supervisor/Sector Technical Staff and the MTO will carryout **Mid-Term Evaluation**. Subprojects will be evaluated at mid-term in order to finalize the justification and determine if the approved materials are adequate for

completion. At this stage adjustment to components could take place depending on the amount of community contribution and other factors affecting the project.

(a) Interest on Community Project Account

Each PMC/DEC will be requested to open a cheque current account. However, in the event that funds in the subproject account has an interest, the following steps will be taken with respect to the interest earned:

- (i) The PMC/DEC must report the interest earned to MASAF through the monthly financial and subproject Progress Report CDP F8; and
- (ii) The PMC/DEC will use the interest in the implementation of the project and will be shown in the normal EJR.

(b) Execution of CMPs

i) Two days after the Launch Ceremony the PMC will:

- Open a bank account and deposit the first cheque;
- Within two weeks following from the Launch:
 - Draw a procurement plan;
 - Commence procurement of a contractor, a project assistant and the specified materials that can be accommodated in the first tranche;
- Under no circumstances, obtain goods or services on credit;
- Directly manage the contractor and the project assistant up to project completion stage; and
- Prepare an EJR and other reports for submission to the VDC and the DEC. During the implementation period the VDC will put in place an AMC and arrange that they be thoroughly inducted on the required operation and maintenance stage.

During the project execution period extension workers will support the VDCs and communities in monitoring progress and mobilising for community contribution. The MTO and the DTS will provide technical support while the DEC will have overall monitoring responsibility.

ii) Implementation of Borehole Water Projects: Unlike the other types of CMPs, borehole water projects will involve substantial oversight responsibilities on the part of DEC members. The DEC will be responsible for identifying drillers, awarding contracts and certifying for completed works to MASAF MU for payment. This procurement method falls under the community procurement guidelines. For supervision of Borehole Water Projects see Box 13. PMCs will be responsible for participating in proposing possible areas where the borehole will be drilled; monitoring drilling operations; and certifying the completed works for payment purposes. The PMCs certification will use a special community monitoring form.

Procurement in borehole water projects will follow following process:

- For cost effectiveness and quality control, DEC will collate all funded boreholes water projects and consolidate them into packages;
- DEC will put to tender the borehole packages;
- DEC will advertise the packages in the national press and local public notices;

- Bidders will provide quotations for each single package of boreholes;
- DEC will evaluate the bids in terms of price, capacity of bidders to carry out the works, past experience of bidder to undertake similar works and estimated time to complete the works;
- DEC will prepare an evaluation report which will form the basis for decision-making on subsequent award of contracts; and
- DEC will a copy of the evaluation report to the Zone Engineer for post review purposes.

The DEC will incorporate in the tender document a statement stating, “The client is not bound to accept the lowest bid or any bid.”

The successful driller will enter into contract with the respective PMCs, witnessed to by the DPW and the Zone Engineer.

The Director of Public Works, Director of Planning and the PMC will certify these reports and submit to MASAF MU for payment. MASAF MU will centrally make payment to contractors (drillers) upon receiving certified drilling reports.

The Zone Engineer will use the following mechanism for quality assurance:

- Checking and verifying the drilling logs submitted by the driller to ensure that required specifications have been met.
- Checking and verifying the invoice submitted by the driller. This includes checking the calculations and that the charges are in accordance with the agreed prices.
- After verifying the above, recommendation will be made for 90% payment on completed boreholes. After the four months defects liability period the 10% retention money will be paid. The retention payment will be released only after receiving certification from the Director of Public Works, Director of Planning and the PMC that the boreholes are still functioning. This certification will be checked and verified before payment is released.

Community Based Training: The DEC will carry out the Community Based Training (CBM) training on the completed boreholes using its own staff. In the event that the capacity to carry out the training by the DEC staff is inadequate, the DEC will contract out the training to consultants. Consultants can either be NGOs or independent firms. The process of engaging such consultants will follow the same procurement process for engaging a driller.

(d) Execution of LAMPs

PMC members for LAMPs will not ordinarily be paid any wages, unless they fall in the group of the identified and targeted beneficiaries and that they are part of the labour force on the project site.

(i) PMCs for LAMPs during project execution will:

- On regular basis, monitor subproject processes;
- Monitor implementation of environmental mitigation measures;
- Monitoring whether or not gender concerns are being addressed;
- Assist the foremen in labour recruitment and subproject management;

- Certify labour attendance registers by signing on the pages in the registers;
- Sign-off the master roll before submission to the district;
- Sign-off on the labour pay sheets signifying that only bona fide workers have been paid ;
- Identify premises where project materials will be kept;
- Resolve issues relating to of right of way;
- Hear and resolve labour conflicts;
- Sign on the monitoring Activity Form each time an official from the District or the Zone Office visits the subproject;
- As a voice of the workers, ensure that there is a conducive working environment; and
- Demand visitors to sign in the subproject's visitors' book.

(ii) Workers' Committee (WC): The WC will be democratically elected from amongst the workers as soon as the recruitment of workers has taken place. There will be a WC for each localised work section. For effectiveness, most of the functions of the PMC will be delegated to the workers committee to ensure adherence to procedures during implementation. The WC will be oriented on their roles and responsibilities by the foreman on site. The specific duties of the WC are to:

- Oversee the distribution of appropriate tasks to each worker or group of workers;
- Ensure that project tools and materials are properly managed by the users;
- Ensure that the specified standards of workmanship are complied with;
- Settle disputes arising amongst workers;
- Certify labour registers on daily basis to check against malpractices;
- Sign-off the master roll before submission to the district;
- Ensure that only bona fide workers are paid during pay parades;
- Sign-off on the labour pay sheets signifying that only bona fide workers have been paid ;
- Maintain a visitors' book;
- Signing-off the Field Activity Monitoring Forms for any visiting District and national level staff; and
- As a voice of the workers, ensure that there is a conducive working environment.

(iii) Foreman: A foreman will be engaged for each subproject or a section on a road subproject or such other subprojects that are covering a wider area the LA considers too big for one foreman to effectively manage works. The Foreman will report on work progress to the District Technical Supervisor. Technically, the subproject/section foreman will be:

- Responsible for the overall execution of the works in conjunction with the PMC and workers committee;
- Manage the workers;
- Allocate daily tasks to the workers;
- Write and submit report to the Technical Supervisor;
- Ensure that the workers' productivity is maintained to avoid cost overrun from idle labour; and
- Ensure quality work.

(iv) Extension Workers (which includes CDAs, Agriculture Field Assistants, Forestry Assistants): Extension workers will:

- Provide technical support and facilitation to communities to ensure that poor households have been targeted for safety nets;
- Facilitate E-PRAs and using wealth ranking technique come up with information on vulnerability which will be used for recruiting labour recruitment;
- Facilitate participatory community monitoring and accountability using community report cards;
- Support community level operations in promoting and mobilising savings; and
- Ensure that the PMCs are implementing the planned environmental measures, nutrition and gender action points.

v) **Zone/DEC:** The DEC members and PRA/IEC Officer will:

- Supervise the recruitment of labour at the subproject sites
- Ensure that work opportunities are first offered to female household heads; and
- Ensure that the old men and women who are recruited are engaged in light duties such as carving hoe handles for men while the older women work as child minders (nannies).
- Open a designated MASAF current bank account before the Launch Ceremony and deposit the first cheque.
- Within two weeks from the date of the Launch, prepare a procurement plan, commence recruitment process for contractors and foremen, and procure material as may be accommodated by the first tranche; and
- **Under no circumstances shall the DEC obtain goods or services on credit;**
- Supervise to ensure that the planned project activities are carried out timely and according to set procedures for procurement, field visits, pay parades and reporting;
- Led by the EDO and the PRA/IEC Officer, ensure that environmental mitigation measures are being implemented;
- Through the DCDO ensure that all vital statistics and information on communities' entitlements on the subproject is posted at all the project sites and at the village headpersons homestead or at the nearest public place such as school/health centre/church/mosque/etc; and
- At all times implement LAMPs in line with the guidelines detailed in Annex 6 in the LAMP forms/annexes.

(vi) Consultant /Independent Supervisor (IS): A consultant will be an independent firm or individual hired to offer technical assistance and to augment capacity in a Zone. The DEC, upon submission of satisfactory progress reports will pay these from the subproject funds upon certification by the DPW and the DPD. The consultant will submit reports to the DEC and the Zone Operations Manager. The Zone Operation Manager will provide support to the DEC in managing the consultant. Specific minor contracting forms, procedures, and norms for the consultant; fees, etc. have been developed by MASAF, by adapting current Government practices.

The DEC will receive and analyse reports from the IS. On the basis of the acceptability of the IS's report the payments will be effected to the IS.

The LA shall receive monthly progress reports from DEC and submit to MASAF MU. PMCs will also receive monthly financial reports from DEC.

4.3.5.6 Financial Accountability

The PMCs, and DEC's will:

- Keep record of all financial transactions for audit purposes. Financial records will include: Petty cash balance report, bank statements; paid cheques, payment vouchers, original receipts and cash sales signed by the suppliers; a bank reconciliation; quotations, proforma invoices, delivery/good received notes and stores management records.

Key stakeholders like Councillors, MPs, ADCs, VDC and communities will Monitor and get regular reports on the flow of funds and general financial processes. The DEC will ensure that information regarding all CDP funded subprojects is posted on the Assembly's notice Board for public consumption. Copies of these reports will be shared to all Assembly members.

PMCs will prepare an Expenditure Justification Report (EJR) (Box 11) and CMP F4 and CMP F5, LAMP F8, CDP C4 and CDP C5 and submit it to the Director of Finance in the Assembly. The financial and physical report form CMP F8 should be dully completed, authorized and signed by the appropriate PMC members. Original receipts, vouchers, labour payment sheets, etc. should be included, completed and signed/witnessed as required, and there should be a recent bank statement and returned cheques (see CDP C4).

For LAMPs, the DEC will complete and submit on monthly basis annexes LAMP F3 a-c, depending on the type of subproject being reported on. DEC's will prepare EJR's (Box 11) and forms LAMP F6 and LAMP F7. The paid labour payment sheets should be endorsed by the PMC chair and one other member to signify that all bona fide workers have been paid their due wages.

Financial reporting: The following will the process for financial reporting:

- PMC prepare and submit the EJR (see annex CDP F7 and F8) to the LA;
- The Justification and the designated Cashier for MASAF funded activities will be the first point of checking the EJR;
- LAs DOF checks by the EJR;
- DOF, issues a certificate if the EJR is query free;
- TS verifies by visiting the project to see if the progress of works at the field is commensurate with the financial expenditure levels;
- DC/Chief executive issues a certificate that the physical project status is commensurate with the financial expenditures and sends it to MASAF MU; and
- MASAF MU will be advised by the Justification Assistant to release subsequent tranche.

For LAMPs

- The DEC prepares an Expenditure Justification Report (EJR) (see Box 11 below); The financial and physical report form should be filled-in completely and signed by the appropriate PMC/DEC members. Original receipts, vouchers, labour payments, sheets, etc. should be included, completed and signed/witnessed as required, and there should be a recent bank statement and returned cheques;

- JA assists in the initial preparation of the EJR;
- JO and or Accountant from the Zone Office check it at the district; and
- Zone Accountant certifies and advises MU to release the subsequent tranche.

In the justification process there will be a series of reports and certificates that will be generated through the District Based Project Management System, see CMP F 15 to 21 and LAMP F 11 to 16 in the separate volume for forms and checklists.

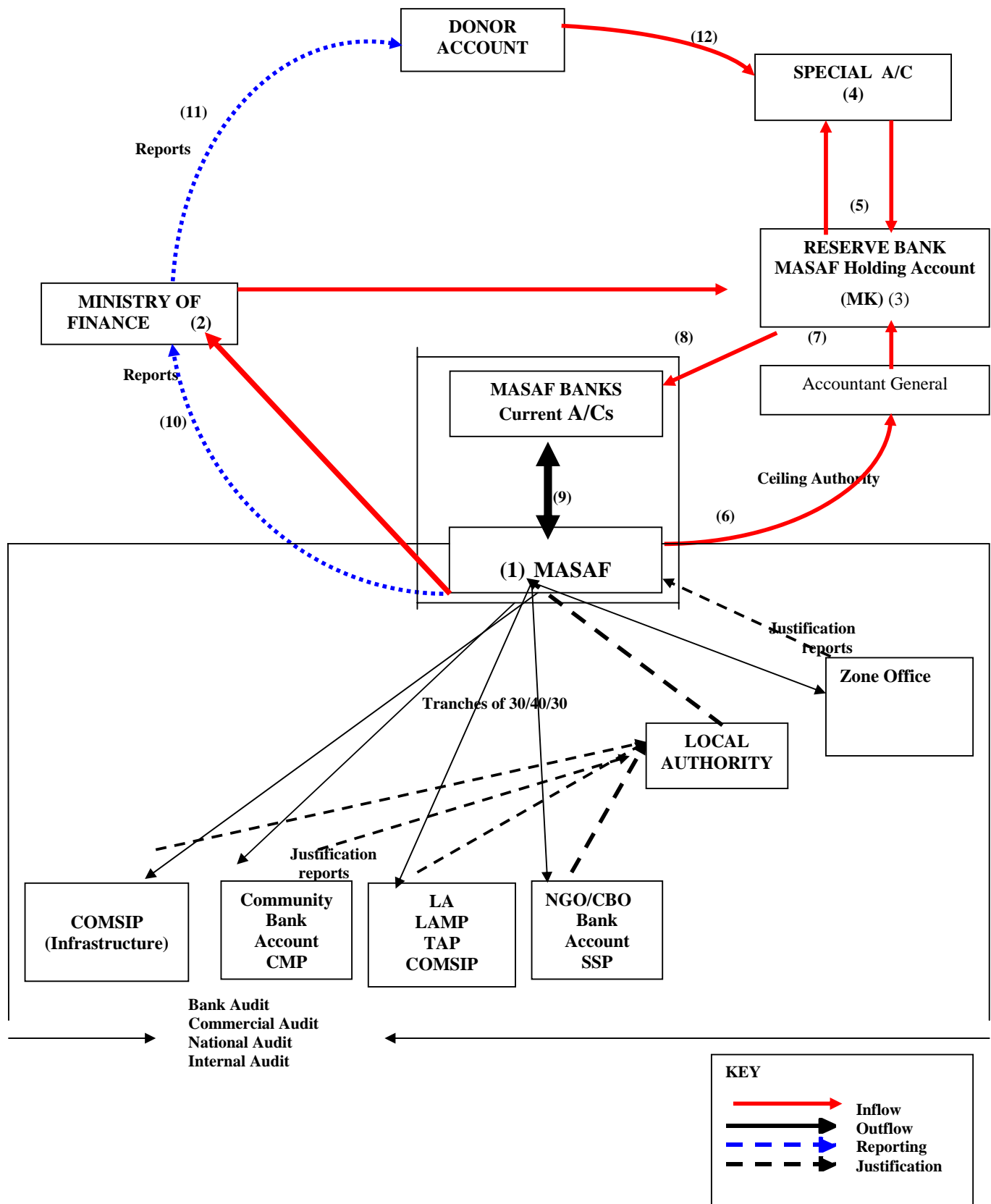
Box No. 11 Expenditure Justification Report

Points to remember:-

- There should be a Financial report, Petty Cash Balance Report, bank statement of the reporting period; paid cheques, payment vouchers, invoices; original receipts and Cash sales signed by the suppliers; quotations, proforma invoices, delivery/goods received notes; a bank reconciliation if the Bank Statement Balance does not tally with Reports' Bank Balance;
- All payment vouchers should have supporting documents;
- In case of CMPs, the chairperson, treasurer, secretary and one committee member should authorize payment and not the recipient of the cheque or cash;
- For LAMPs, the DPD will authorize payment by signing the payment vouchers while the DC/CE, Director of Finance and DCDO will be signatories for the projects bank accounts.
- The statements of income and expenditures on the report form should match with the documentation of expenditures and the bank statement and paid cheques;
- The reported expenditures and purchases should be consistent with the project components and bills of quantities. The materials, labour and other expenditures should be within the project plans;
- If there are any deviations from the standard procedures/requirements, a clear explanation should be provided;
- Since the financial reports contain original documents for which there are no copies, they should be hand delivered by the PMC to DEC.
- After successful justification the DEC will prepare justification certificate which will form the basis for request funding from MU
- Incomplete project progress reports and unsuccessful justification will result in funds being withheld and the Assembly being requested to make good of the short fall.

Figure 5 below shows the procedure of flow of funds from the donors to MASAF through the relevant banking institutions. The same figure 5 shows the expenditure justification reporting process from the project implementers to MASAF.

Figure No. 5: FLOW OF FUNDS, JUSTIFICATION AND REPORTING – MASAF III



4.3.5.7 Community Reporting

The PMC must convene a community **meeting once a month** and present a written Project Financial Report that provides details of funds received from MASAF, expenditure incurred by category and the balance of funds. Community members will scrutinise this report and any other supporting documentation must be made available. The information must also be displayed in an appropriate site in the community for wider public scrutiny.

If the a PMC's performance on financial management is unsatisfactory, the VDC will cause an audit or report the matter to the Police or decide to replace part or the whole PMC.

4.3.5.8 Auditing

MASAF will cause periodic audits of all projects. The PMC and DEC members are expected to:

- (i) Provide support to audit teams by making available all relevant records and providing explanations as may reasonably be requested;
- (ii) Act on the internal audit findings by taking corrective action on the identified areas of weakness; and
- (iii) Share the result of the audit findings with all other relevant stakeholders.

LAs will commission audits of their subprojects, and submit the audit report to MASAF within 4 weeks, as stated in the financing agreement and the MOU.

4.3.6 Monitoring and Supervision

The objective of monitoring and supervision in CDP is to ensure better planning, targeting, feedback to relevant stakeholders and timely decision making in order to improve service delivery. Monitoring and supervision of CMPs and LAMPs will be done at three levels namely community, district and national. MASAF will institutionalise participatory community monitoring and accountability.

Box No. 12: CDP M&E System

The MASAF-CDP M&E system will use the following methods:

- Periodic Field Visits;
- Project Tracking System (PTS) based on agreed indicators;
- Periodic Reporting as feedback to relevant stakeholders;
- Internal and external audits; and
- Periodic Evaluations: These shall include baseline studies, beneficiary assessments, mid-term evaluations, ex-post and impact evaluations (**see the POM**)
- Participatory community social and public accountability system. (**See the POM**)

- (a) At the local level monitoring will be undertaken through:
- the communities and structures such as VDCs, PMCs and workers committees who will visibly check actions of the project activities implementers regularly;
 - Each PMC maintaining a visitors book in which all guests sign, signifying their having visited the projects. The visitors' book will act as a source of information for noting as to who visited the project from amongst the stakeholders.
- (b) At the district level, monitoring will be carried in the following manner:
- DEC will periodically visit projects in the district;
 - DEC will produce detailed work plans at regular management meetings;
 - DEC will assign specific project tasks and resources to various DEC members to visit field operations;
 - DEC will visit each ongoing project once every month;
 - Sector Technical Supervisor (STS) will visit each project at least once a week on average;
 - Visiting DEC members will sign the visitor's book maintained at the site as an accountability measure;
 - DEC member will for each visit, file the Field Activity Monitoring Report forms LAMP F4a-c and CMP F2, which will support their claims for allowances;
 - Technical monitoring of projects will be done by the MASAF Technical Officers, Director of Public Works /District Technical Officers, and independent supervisors contracted by MASAF to ensure quality of work. Technical monitoring will take place monthly or frequently at critical stages of the construction;
 - DEC will prepare and submit comprehensive reports to the LA;
 - The LA will in turn submit monthly reports to MASAF; and
 - The zones and districts will use decentralized project tracking system to monitor and report on projects.

The monitoring will ensure that the designs and specifications for the project are being adhered to. Monitoring and supervision will focus on the following:

- a) Critical project delivery stages, checking expenditure versus physical progress, community participation and contribution;
- b) Technical certification of works and physical checking and enforcing all safety rules and regulations on site;
- c) Adherence to MASAF procedures and sector norms;
- d) Assisting PMCs monitoring delivery and storage of project materials and tools;
- e) Organizing and attending regular site meetings with PMCs and VDCs;
- f) Checking integration of cross-cutting issues such as gender, environment, HIV/AIDS, nutrition, governance etc into project operations; and
- g) Facilitating close working relationship between communities, PMCs, Workers Committees, foremen and contractors.

All staff will be required to complete the Field Activity Monitoring Report Form LAMP F4a-c and CMP F2, to be counter-signed by the PMCs.

Zone Operations Manager will monitor on-going projects at least once every two months except for complex and problematic projects, which will be visited as often as the situation dictates (see Box 14). The ZOM will be required to sign the visitors' book as an accountability measure. Once the visit has been conducted the field monitoring form LAMP F4a-c and CMP F2 will be completed and then relevant data will be captured in the PTS detailing the latest status/progress.

Box No. 13: Supervision of Water Projects

Supervision of Water Projects
<ul style="list-style-type: none">▪ For water projects, MASAF will ensure that the Ministry of Water Development staff resident at the district will monitor and supervise the implementation by drillers;▪ In supervising they will ensure that drillers comply with technical specifications set by the Ministry;▪ Releases of funds to the driller will depend on certification of the works by the PMC., the supervisor, Director of Public Work and the Director of Planning and Development; and▪ The Ministry of Water Development is expected to provide the overall policy on borehole implementation.

Box No. 14: Handling of Complex Problems

Handling of Major Problems in Projects.
<ul style="list-style-type: none">▪ Projects with problems that are not covered in the implementation handbook or other guidelines should be referred to MU for guidance.▪ MASAF will develop standard policies for recurring specific problems and circumstances, which will be incorporated in the operational handbooks to enable most problems to be solved at the zone level.▪ All extenuating circumstances being experienced in the field will be formally reported to MU in monthly, quarterly reports and at MASAF Management Review Meetings.▪ The information will feed into a decision-making and policy review process to guide operations.

(c) At national level, MASAF and the ministry staff will periodically monitor adherence to implementation plan, financial flows, procurement and physical progress. The visiting staff will make separate or joint visits to LAs.

4.3.6.1 Major Performance Monitoring Indicators

It is MASAF policy to assess its project management systems and procedures in respect of their relevance, effectiveness, efficiency and impact at community, district and national levels. This will be carried out through input, process, output and impact indicator tracking.

(a) The following are the Input Indicators

- i. Number of project proposals received, appraised and presented to the Local Authority by:-

- ii. Sector and geographic distribution;
- iii. Number of projects approved by the district by sector and geographic distribution;
- iv. Number of project funded by MASAF by sector and geographic distribution;
- v. Amount of funds injected into a sub-project;
- vi. Speed of processing of project proposals; and
- vii. Quantity of community contribution.

(b) The following are the Process Indicators

- i. Number of project visits made by DEC, MU and Zones in support of community projects;
- ii. Number of project management review meetings;
- iii. Numbers, types and work of facilitators in projects;
- iv. Proportion of women in project committees;
- v. [Community participation in project processes];
- vi. Proportion of people who participate in project work against the total population;
- vii. Funds committed and disbursed;
- viii. Number of employment opportunities created;
- ix. Person-months of employment created;
- x. Percentage of unskilled labour cost to total sub-project budget/cost;
- xi. Duration between specific sub-project milestones;
- xii. Number of query free justification reports;
- xiii. Breakdown of community project costs by expenditure category by common project types; and
- xiv. Numbers, types, media and outreach of IEC messages.

(c) The following are the Output Indicators

- i. Numbers of applications rejected and returned by each cycle stage at time of rejection and reason for rejection/return;
- ii. Percentage of problem projects (after approval) by types of problem, sector and geographic distribution;
- iii. Number of facilities/structures/components constructed/rehabilitated
- iv. Number of beneficiaries reached; and
- v. Population reached.

(d) The following are the Impact Indicators

- i. Unit costs by component for common projects compared to standards and costs to other;
- ii. Donor/Government/NGO funded projects;
- iii. Management unit overhead costs compared to CMP/LAMP project costs;
- iv. Number of structures/facilities under utilization by sector.
- v. Number of structures/facilities maintained by sector;
- vi. Value of community contributions achieved by geographic distribution; and
- vii. Cross cutting issues, environmental, gender, HIV/Aids, Nutrition and Food Security.

4.3.7 Completion and Inauguration

A project shall be deemed complete if all the agreed components/targets have been accomplished to the required quality, timeframe, cost and when all the funds have been properly accounted for.

4.3.7.1 Project Completion Assessment

Before a project is deemed complete, the following actions will be carried out:

- (i) Communities shall democratically elect a gender balanced Asset Maintenance Committee (AMC) that will report to the communities and VDC;
- (ii) Preparation of a completion report for submission to VDC and DEC;
- (iii) PMC will make available a listing of AMC members to VDC and DEC; and
- (iv) Underwriting the communities commitment to continued environmental sustainability.

It is important that CMPs and LAMPs are completed within the agreed timeframe. PMCs and DEC members will complete and submit final justification reports to LA and MASAF within four weeks of project completion. For community water borehole water projects, a final completion inspection report will be submitted after a four months defects liability period. MASAF Zone and LA will visit all completed projects, conduct a final assessment and issue a completion assessment report.

Once the Completion Report CDP F8 is justified and cleared by the LA Director of Finance the PMC Treasurer and the Director of Finance will close the books of Accounts for the completed CMP and LAMP, respectively. The Bank will provide a final Bank Statement upon request for reconciliation with the final Financial Report. Any balances in form of savings or unused funds, will be returned to MU. Box 15 defines savings and unused resources.

Box No. 15: Savings and Unused Resources

“Savings” and “unused” resources

- “Savings” shall mean resources have been prudently used and all the planned targets achieved, and there is a balance of funds. Savings shall be reallocated to the same LA over and above the subsequent year’s allocation for reprogramming.
- “Unused” shall mean realisations after resources that have not been used due to certain limitations in the absorptive capacity of the PMC and DEC.

4.3.7.2 PMC/DEC completion assessment report format

Once the subproject is completed, the PMC/DEC will submit a Completion Report (see format at annex CDP F14 simultaneously to the LA and MASAF. The report will cover the following aspects:

- (i) Description of the planned project activities and accomplishments;
- (ii) Detailed statements of project costs compared to original estimate;
- (iii) Detailed statements of construction time compared to original schedule;
- (iv) Explanation for variations in the delivery period, targets and cost;
- (v) Analysis of lessons learned;
- (vi) Details of performance on cross cutting issues – environment, gender, HIV/Aids; Nutrition and Food Security; and
- (vii) Actions taken to manage maintenance and recurrent cost issues.

The Report will be reviewed by DEC and site visit meetings will be convened by the DEC/ZOM to examine and discuss implementation experiences, and operation and maintenance arrangements with the benefiting community including its leadership.

4.3.7.3 Project Inauguration

Once a project is completed an inauguration ceremony will be held for purposes of officially commissioning the asset. At this ceremony a project completion certificate Appendix 6 will be presented to the community. The community, represented by the Asset Maintenance Committee (AMC) in various sectors such as village natural resources committee for afforestation projects and school committee for educational projects, will be required to sign an Asset Maintenance Agreement (AMA) with MASAF and LAs for all projects.

4.4 Post Cycle Stage

4.4.1 Project Operation and Maintenance

The PMCs and DEC will implement their maintenance arrangements agreed during the inauguration ceremony. An inauguration ceremony is where the PMC/DEC will be handing over the asset to the VDC and the community, and the community will be commissioning the work of the AMC. The VDC, CDC, and DEC/Planning Department in City Assemblies will continue to monitor the functionality of completed projects based on agreed indicators.

The PMC and DEC will be required to submit a Post Implementation Report at least six months following the commissioning ceremony. The process will be carried out by the DEC led by the DPD and supported by the Zone Operations Manager. This report will provide a description of the status of the works and outline any issues pertinent to the maintenance and sustainability of the project. Post implementation monitoring will be important for purposes of evaluating the effectiveness and functionality of the MASAF funded assets. The results of this monitoring will feed into the fine-tuning of the design and appraisal of subsequent projects. The post completion report will cover the following details:

- a) **Technical performance:** The extent to which the constructed asset or equipment functions satisfactorily;
- b) **Utilisation:** The extent of use of the facility or service;
- c) **Beneficiaries:** Analysis of the number and composition of the people benefiting from the subproject and the beneficiaries' own assessment of the value of the asset and the return on their investment;
- d) **Community obligation:** The degree to which the community has met its obligations to manage, maintain the structures, collect user fees and promote use of the service/facility;

- e) **LA/Sector obligation:** The extent to which the LA or sector department met its agreed to obligations (staff, operating costs or other inputs);
- f) **Environmental mitigation:** Assess whether the measures have been fully applied.
- g) **Skills developed** during the course of implementation; and
- h) **Overall assessment of impact:** which will capture lessons learned and propose future actions.

MASAF will not consider any subsequent proposals from this community and/or PMC/DEC until the Post Implementation Report has been completed.

4.4.2 Cost sharing of maintenance costs

For roads and flood control subprojects there will be a cost sharing arrangement between MASAF and the LAs for subsequent years' maintenance works. MASAF will fund a road project once. Should the road require maintenance the following year, MASAF will meet 75% of the maintenance cost while the LAs will meet the 25%. The following year MASAF will meet 50% of the maintenance cost and the LAs will take on the other 50%. In this arrangement the LAs will be required to use contractors from the communities. These will be contractors who will have formed contractors association.

CHAPTER V

5.0 TECHNICAL ASPECTS IN CDP

All stakeholders involved in the implementation of CDP projects will ensure that projects are carried out according to sector standards, specifications and designs. Detailed instructions on the implementation of projects' civil works in CDP will be contained in the Technical Handbook.

5.1 Construction of infrastructure projects

Construction of infrastructure projects will include erection of buildings (schools, health centres, community halls, postal agencies, markets, judicial courts), civil works on roads and bridges, water reservoirs, flood control systems, borehole drilling etc. For roads and bridges the guideline are contained in the District Road Improvement and Maintenance Programme (DRIMP) manual and as amended from time to time by the National Roads Authority. All technical processes in the implementation of projects will have to conform to the standard guidelines and specifications detailed in the MASAF Infrastructure Handbook.

5.2 Establishment of Non-Construction Community Projects

Projects under this category will be software type of projects that will include afforestation, land reclamation, compost manure making and removal of hyacinth.

Establishment of these types of community projects will utilise the existing community institutions and follow operational guidelines from the particular sector, refer to specific annexes for CMP and LAMP.

5.3 Management and Supervision of Works

Each project budget shall have a supervision line item. MASAF will ensure that competent and qualified supervisory services are engaged. Local Authorities will, to this effect, be required to engage independent supervisors to augment technical capacity inadequacies at district level.

5.3.1 Contract Management: In order to get quality projects for the communities and full participation of the private sector and development NGOs in the implementation of the CDP, all works will be executed by contractors procured according to the set procurement procedures. The contract documents have been made user-friendly bearing in mind that most of the contractors will be from the rural areas and are not highly literate but without compromising the desired technical standards and specifications.

In order to foster the spirit of partnership, NGOs shall participate in management of works in CDP. The NGO contracted to execute the project will manage the resources and will be fully accountable to the Local Authority, the community through the PMC and MASAF.

5.3.2 Directly Managed Works: Under safety nets operations, the DEC will use Force Account to directly work with PMCs on Project Management. Foremen hired by the Local Authority will direct the day-to-day works and submit the attendance register to the Director of Public Works/District Technical Supervisor for payment. DEC will be encouraged to engage contractors for the implementation of projects to get more involvement of the private sector. However the DEC will orient such contractors on safety nets objectives and the Labour Based Methods and requirements.

5.3.3 Contracted Supervision: Consultants/Contracted supervision for both CMPs and LAMPs will be engaged in the form of a cadre of independent supervisors for the districts. The independent supervisors will exist to augment the technical supervisory capacity of the community, district and zone levels to ensure that projects are completed to specified quality and standards. The cost of engaging an independent supervisor will be borne by the project budget. Under this arrangement standard MASAF and IDA Approved Minor Contractor procedures and methods will be used **(See Annex CDP F15 and CDP F16).**

The DEC and the PMC will have to be fully aware that the engagement of the independent supervisors is a must for purposes of ensuring that the assets being created is durable and according to set standards and specifications. .

5.4 Labour Work Norms

Labour norms already exist for the daily output of unskilled labour under sector ministries, in relation to the following activities:

- a) Roads- works comprises activities such as bush clearing, stumping, levelling, embankments, setting out, ditching, and drainage and cambering;
- b) Water retaining structures- the works comprise activities such as clearing, excavation, hauling, compaction, grassing, stone pitching and well construction;
- c) Afforestation- the works comprise activities such as clearing, nursery establishment, fencing, sowing of seeds, watering, excavation of pits, transplanting seedlings, weeding and fire-breaking; and
- d) Catchment protection/land reclamation, hyacinth clearance- the works will be done in consultation with Land Resources Department.

Box No. 16: Wage rate and work norms under Safety Nets Operations

Wage Rate and Work Norms under the Safety Nets (LAMP) Operations:

- Under the safety nets operations work norms have been adjusted to take into account the following:
 - (i) people employed should not be deprived of time to do other household chores and on farm activities;
 - (ii) most of the unskilled labour employed will initially have no experience on the works and will be employed for relatively short periods;
 - (iii) workers will be paid a wage based on the daily task rate; and
- The prevailing wage rate will from time to time be stipulated in the most up to date MASAF (MU) financial circular.

Table 6: Summary of Roles and Responsibilities by Sub-components

Process	CMP	LAMP
Sensitization	Extension workers, DEC, PO, NGOs, CBOs, Donors	LA members, Pos, Donors, NGOs, Extension workers, DEC
Extended PRA	DEC & Extension workers, POs	DEC & Extension workers, PO
Appraisal	DEC	DEC
Approval of projects	LA	LA
Disbursements to:	PMCs	LA
Implementation by:	PMCs	DEC
Signatories to the bank accounts	PMC, LA	LA
Reports to:	LA, MASAF	MASAF
Justification Reports done by:	PMC, LA	LA
Completion reports done by:	PMCs	LA
Inauguration done by:	LA	LA
O&M	AMC	LA, AMC

CHAPTER VI

6.0 ENVIRONMENTAL ASSESSMENT, PROCESS AND PROCEDURES

6.1 Introduction

Environmental concerns will be actively integrated into the project processes to ensure that CEDP contributes to the sustainable management of the natural habitat. To this end, an Environmental Assessment and Mitigation Strategy (EAMS) has been instituted with a view to achieving effective environmental assessment and mitigation in MASAF CDP operations. The current EAMS builds on the experiences of MASAF II in the implementation of the environmental guidelines that were prepared on the basis of a programme Environmental Impact Assessment carried out in 1998 and approved by the Government in the same year. In the current Project, Environmental Affairs Department (EAD) has approved that CEDP generally be implemented under the guidelines for MASAF II.

In the preparation of CEDP the Government through the EAD and the Project Preparation Team have studied the World Bank's Environmental Safeguard Policies and created a "safeguard matrix" showing what aspects are considered relevant to monitor during the implementation of CEDP funded activities. The only safeguard policy, which is relevant to CEDP, is the Environmental Assessment, whose objective is **"to ensure that Bank-financed projects are environmentally sound and sustainable, and that decision making is improved through appropriate analysis of actions and of their likely environmental impacts"**. In response to this, the CEDP has developed an environmental assessment and mitigation system and strategy that is described in this Chapter.

It has further been agreed that in any proposed sub-project where local agreement is not reached on such issues that might bring about involuntary resettlement, the proposed subproject will not be approved for funding. This has been the policy in MASAF II as well, and has resulted in some projects being rejected.

This section describes the general Environmental Assessment and Mitigation System and Strategy (EAMS). Specific details pertaining to Environmental Assessment and Mitigation Measures including checklists, safeguard matrix and appraisal forms are contained in annexes CDP F2, CDP F3 and CDP F3a.

6.2 Objectives of the Environmental Assessment Mitigation System

The Environmental Assessment and Mitigation Framework under MASAF seeks to institute a consistent and effective environmental assessment and mitigation mechanism for all MASAF activities at the community, district and national levels. Specifically, the following are the objectives of the MASAF environmental assessment and mitigation framework:-

- To ensure that environmental assessments are undertaken at every Project Management sub-system level;

- To support and empower communities to implement and monitor mitigation measures on MASAF funded activities.

6.3 Implementation Strategy

The CEDP strategy for environmental assessment and mitigation will follow and support the government environmental management plan, through community empowerment and environmental protection. The strategy will build on the experiences of MASAF II in applying Environmental Impact Assessment guidelines for sub-projects.

MASAF will encourage community based natural resources management projects, which might include productive projects, which use natural resources in a sustainable way. It will also promote adoption of appropriate environmental friendly technologies for use in the implementation of projects. In addition, MASAF will support capacity building and information dissemination for communities to be aware of and be able to carry out environmental assessment and implement mitigation measures for environmental protection. The Strategy will include supporting projects that contribute to the rehabilitation of the environment such as, afforestation, using suitable tree species.

The MASAF environmental assessment and mitigation system is designed to ensure that it is amenable for application at all levels of project management. Essentially, it will entail identification of activities with negative environmental effects and the institution of measures to limit the undesirable effects arising from project activities. Various actors at the community, district and national levels will be responsible for environmental assessment and mitigation on MASAF assisted activities-see figure 7.1 below.

6.3.1 Integration into the Project Cycle Processes

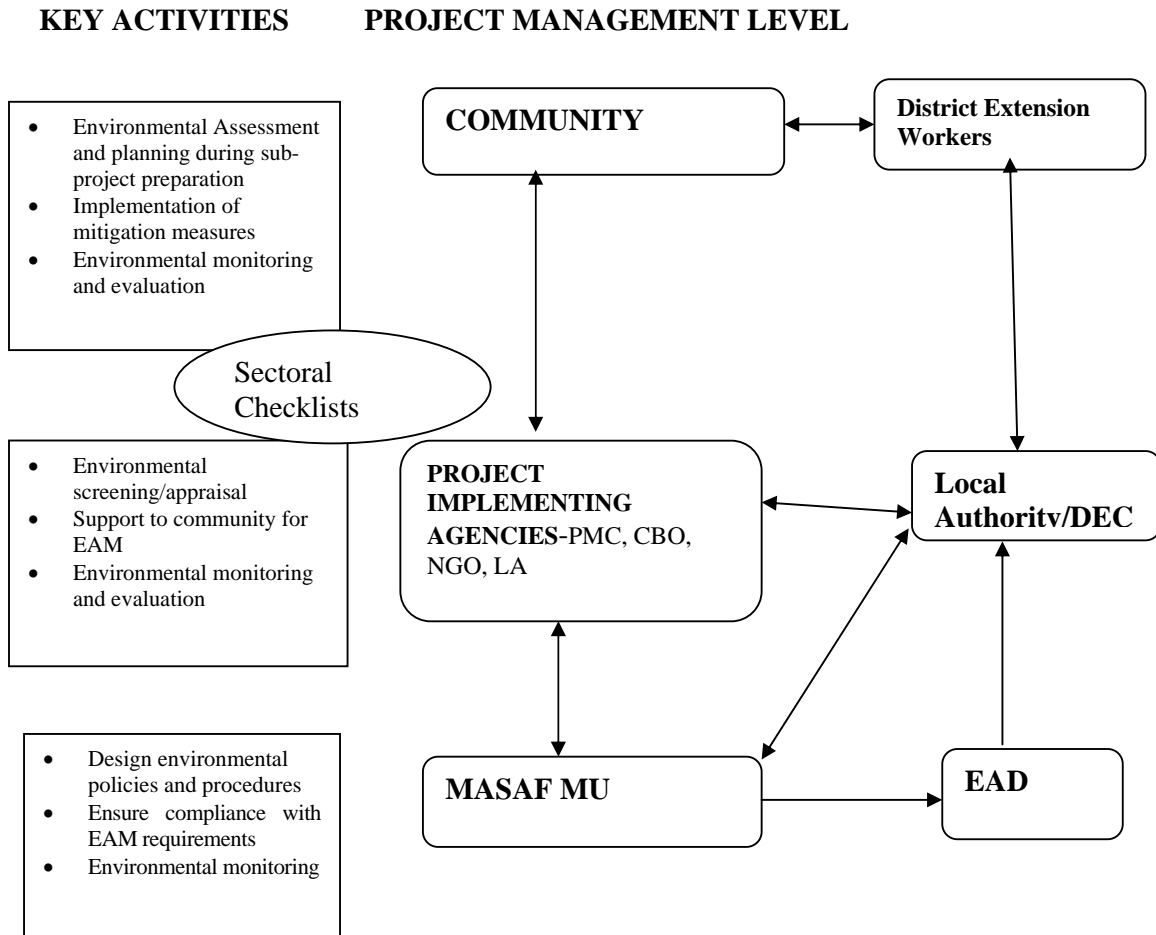
The project cycle for each program will require that each activity supported by MASAF is screened for environmental effects and that this process is integrated as a routine activity within the sub-project cycle processes. In this connection, project application and appraisal forms have been designed to include aspects requiring that environmental assessments are undertaken, and that where necessary, action plans to limit the negative effects arising from project activities are instituted. Sectoral checklists that have been developed for each sector will also guide the environmental assessment and mitigation planning.

6.3.2 Use of Sectoral Checklists

In addition to the EAD general checklists for environmental assessment, checklists for each sector have been prepared to facilitate environmental assessment and action planning for mitigation measures. These will ensure that a systematic approach is followed in assessing project activities for environmental effects. In addition, they will allow for capturing adequate information pertaining to environmental assessment and mitigation for sub-projects. Main features of the checklists include a detailed description of the activities to be undertaken, potential negative effects

(environmental concerns), mitigation measures to be undertaken and the organisation/person responsible for each activity.

Figure No. 6 : MASAF ENVIRONMENTAL ASSESSMENT AND MANAGEMENT FRAMEWORK



6.3.2.1 Community Level

To facilitate community environmental assessment at community level, self-instructive project application requiring assessment of the activity for environmental effects will be used. Extension workers such as Community Development Assistants (CDAs) will support communities using sector specific checklists to elicit environmental related information and possible mitigation measures. Communities will be informed about the importance of environmental assessment and management, and that this aspect will be one of the key criteria for deciding whether a sub-project gets funded or not.

The community will also be responsible for environmental monitoring once the project is approved and under implementation. This function is expected to be carried out jointly by Project Management Committees (PMCs) and Community Based Natural Resources Management Committees (CBNRMCs).

6.3.2.2 District Level

At the district level, the District Executive Committee (DEC) led by the Environmental District Officer (EDO) will appraise the project applications from the communities at desk and field appraisal stages for environmental effects. At desk appraisal, the DEC will screen the proposal for information on Environmental Assessment and Mitigation (EAM). Applications that do not contain information on environmental assessment will be referred back to the communities.

At field appraisal, the DEC team conducting the filed appraisal will assess the information contained in the application form on the environment and assess the adequacy of mitigation measures proposed. A checklist requiring the appraisal team to include information on steps that the community went through in conducting the environmental assessment and proposed mitigation measures is an integral part of the field appraisal process. At this stage, the DEC will go through the community proposed action plan on environmental management and assist the communities in strengthening the proposed mitigation measures. Once the project is approved, the communities as well as the district and MASAF Zone office will monitor this plan.

The EDO will play a critical role in coordinating activities geared at supporting communities in environmental assessment and mitigation. The EDO in conjunction with the MASAF Zone Manager will provide reports to MU and EAD on environmental assessment and mitigation management for each district.

6.3.2.3 National Level

At the national level, MASAF in conjunction with Environmental Affairs Department (EAD) will be responsible for checking whether environmental assessment for each proposed activity has been carried out or not. Where the environmental assessment was not carried out, MASAF will request the relevant LA to ensure that the environmental assessment is carried out before funding is released for that particular activity.

MASAF will also be continually responsible for providing targeted messages designed to increase environmental awareness and promoting the use of alternative technologies such as cement blocks where appropriate.