

Nepal SREP-Supported Extended Biogas Project (TF16552)
Implementation Review and Support Mission
November 16 – December 2, 2016

AIDE MEMOIRE

I. INTRODUCTION

1. The World Bank Team¹ led by Tomoyuki Yamashita (Task Team Leader) carried out the implementation review and support mission of the Nepal SREP-Supported Extended Biogas Project (NSEBP) from November 16 to December 2, 2016. The objectives of the mission were to review the project implementation status and progress since the last mission in May 2016.
2. The Bank team expresses its appreciation for the time taken by officials of the Government of Nepal (GoN) and all other participants collaborating on this mission. A list of the people met is attached in Annex A.
3. The Bank team's main findings, recommendations and agreements are summarized in this Aide-Memoire (AM), which was shared with the concerned agencies for discussion at the wrap-up meeting chaired by the Secretary of the Ministry of Population and Environment, Dr. Bishwa Nath Oli, held on December 1, 2016. As agreed at the wrap-up meeting this Aide Memoire will be classified as a public document under the Bank's Access to Information Policy.

II. KEY PROJECT DATA

Project Data		Project Performance Rating		
		Summary Ratings	Previous	Current
Trust Fund Approval	August 27, 2014			
Effective Date	November 24, 2014	Achievement of PDO	MU	MU
Closing Date	December 31, 2019	Implementation Progress	MU	MU
Midterm Review Date (Planned)	February 1, 2017	<i>Financial Management</i>	<i>MS</i>	<i>MS</i>
Grant Amount	US\$7,900,000	<i>Project Management</i>	<i>MS</i>	<i>MS</i>
		<i>Counterpart Funding</i>	<i>S</i>	<i>S</i>
		<i>Procurement</i>	<i>MS</i>	<i>MS</i>
		<i>Safeguards</i>	<i>S</i>	<i>S</i>
Amount Disbursed (as of November 30, 2016)	US\$329,321 (4.17%)	<i>Monitoring & Evaluation</i>	<i>MS</i>	<i>MS</i>

Note: Rating: HS=Highly Satisfactory; S=Satisfactory; MS=Moderately Satisfactory; MU=Moderately Unsatisfactory; U=Unsatisfactory; HU=Highly Unsatisfactory; NA=Not Applicable; NR=Not Rated.

III. ACHIEVEMENT OF PROJECT DEVELOPMENT OBJECTIVE (PDO)

4. The Project Development Objective (PDO) is to promote large off-grid biogas generation in Nepal. There are two PDO indicators: (1) off-grid biogas generated for thermal application from large-scale projects (>12.5 m³) and (2) off-grid biogas-based electricity generated. The number of large biogas proposals

¹The Bank team consisted of Mr. Tomoyuki Yamashita (Sr. Energy Specialist and TTL); Mr. Ashish Shrestha (Renewable Energy Consultant); Mr. Drona Raj Ghimire (Sr. Environmental Specialist); Mr. Jun Zeng (Sr. Social Development Specialist); Mr. Ramesh Raj Bista (Procurement Specialist); Ms. Timila Shrestha (Financial Management Specialist); and Ms. Alina Thapa (Program Assistant).

submitted for investment evaluation has reached 124 since the project launch in February 2015. However, only five biogas plants had been commissioned as of November 2016. By commissioning these five commercial plants, cumulatively 8,550 m³ of annual thermal application biogas (or 0.6% of the project target at 1,445,000 m³) were produced. No biogas-based electricity has been generated so far. The overall rating for achievement of the PDO is therefore kept at “**Moderately Unsatisfactory**”.

IV. CURRENT IMPLEMENTATION STATUS

5. The implementation status of the project is also retained at “**Moderately Unsatisfactory**”. This is based on the mission’s assessments of the sub-project pipeline status, promotional activities, demonstration sub-projects progress, and project disbursement as described below. Actions and timelines agreed during the mission are summarized in Annex C.

6. **Pipeline Sub-project Status.** Among the 113 **commercial sub-projects** in pipeline, 53 applications are incomplete and thus, the feasibility study (FS) for these sub-projects have not started. The AEPC Project Implementation Unit (PIU) approved 60 sub-projects to execute the FS. The FS is in progress for 28 sub-projects, nine FS reports have been submitted and are under review, and the Technical Review Committee (TRC) has approved the FS for 23 sub-projects. Detailed design (DD) is in progress but yet to be submitted for four sub-projects; DD report has been submitted and is under review for one sub-project, and the TRC has approved the DD for 18 sub-projects. Among the 18 sub-projects that have been given TRC approval for construction, construction has not been started for three sub-projects. Among the remaining 15 sub-projects approved for construction, nine have been completed and six sub-projects are under construction. Out of those nine constructions completed ones, five are already commissioned and the other four are in process of testing and commissioning (T&C). Among the 11 **municipal sub-projects** in pipeline that have submitted the application, Memorandum of Understanding (MOU) has been signed with eight municipalities and MOU with three municipalities are yet to be signed, FS process has been initiated for six sub-projects, and two sub-projects have completed FS and are in developer selection process.

Stage	Application			MOU Signed for MSW plants and applications eligible for FS (commercial)	Feasibility Study (FS)				Detailed Design (DD)					Construction Phase			Commission		
	Submitted	Incomplete	Approved		Ongoing (yet to be submitted)	Submitted and under review	TRC discussed but pending	TRC Approved	Developer Selection Process	Ongoing (yet to be submitted)	Submitted and under review	TRC discussed but yet to be approved	TRC Approved	Construction Approved but not yet started	Construction Ongoing	Construction Completed*	Process of T&C	Commissioned	
No. of projects	CMC	113	53	60	60	28	9	0	23	0	4	1	0	18	3	6	9	4	5
	MSW	11	0	11	8	6	0	0	2	2	0	0	0	0	0	0	0	0	0
	Subtotal	124	53	71	68	34	9	0	25	2	4	1	0	18	3	6	9	4	5
	Total	124	53	71	68	68				25					18			9	

7. **Promotional Activities.** The AEPC PIU has made good progress on promotional activities to: (i) address gaps in understanding of biogas technologies among developers and other stakeholders; and (ii) further develop the sub-project pipeline to achieve project targets. Completed and planned activities are as follow:

- Data collection on potential demand for large biogas from various sources, including Ministry of Livestock, Ministry of Industry, Department of Cooperatives, the Bank-financed Project for Agriculture Commercialization and Trade (PACT) and other business associations, has been completed. Primary data collection from regional workshops and field visits is underway.
- Promotional tools such as the web portal, bulk Short Message Service (SMS), and toll free number for responding to inquiries from identified developers have been developed. Promotional materials have been prepared for cow farms and pig farms, and similar materials are being developed for other sub-sectors such as poultry farms and municipality. A terms of reference (ToR) has been prepared

for media campaigning, which includes preparation of radio jingles and talk programs. The prepared jingles shall be broadcasted in national and regional FM radios.

- Training has been provided to officers from 35 District Energy Environment and Climate Change Units (DEECUs). This training included capacity building of DEECUs to conduct promotional activities at the district level, feasibility studies, demand assessment, screening for plant sizes up to 35 m³, environmental and social safeguard screening, and verification and safeguards monitoring. The DEECUs will serve as one stop windows for information dissemination and demand generation at the district level. They will also assist potential sub-project developers in lodging online application and also support AEPC in screening sub-projects.
- An incentive structure will be introduced to motivate DEECCU staff to identify potential sub-projects and facilitate screening.
- Detail mapping of biogas potential and energy demand in 35 districts shall be done through DEECUs. Biogas potential based on secondary data, shall be done through DEECUs. Once the data from potential mapping assignment have been received, the districts with the highest potential shall be prioritized.
- Regional promotional workshops for potential sub-project developers have been conducted in three districts namely Morang (Biratnagar), Chitawan, and Rupandehi (Butwal). Preparation is completed for the workshops in five more districts, and the workshops are planned to begin from December 2016. All 5 regional workshops shall be completed by the end of February, 2017. After gauging and recording interest in large biogas development from these regional workshops, match-making events between potential large biogas developers and technology providers will be scheduled.
- The AEPC PIU's outreach efforts will prioritize relatively larger sub-projects (> 100 m³). For municipal scale sub-projects, the AEPC PIU will coordinate with various municipal waste management projects to integrate biogas into the waste collection/management system.

8. **Demonstration Sub-projects.** The following consulting firms have been contracted to do the DD of the demonstration sub-projects in Pokhara and Biratnagar: Minergy Pvt Ltd for Pokhara, and a joint venture of Smart Consult Private (Pvt.) Limited (Ltd.) and Sundaram Pre-Fab Pvt. Ltd., India for Biratnagar. The detailed designs for these demonstration sub-projects are due by the end of December 2016, and commissioning of them are envisioned for early March 2017.

9. **Other Activities.** A first of three batches of training program for construction companies for modified Gobar Gas Company (GGC) plants up to 100 m³ shall be conducted by December 30, 2016 and all three trainings shall be completed by the end of December, 2016. Other training programs, such as training of trainers (ToT) on environmental and social safeguards and electrification from biogas, are on schedule. A call for feasibility study was carried out in the national newspaper and contract has been awarded to 5 different consulting firms to carry out the feasibility study of 6 municipalities. The AEPC PIU is in the process of hiring a consulting firm for testing, commissioning and verification of large biogas plants. A template for Request for Qualification (RFQ) of developers for municipal sub-projects on Design, Build, Finance, Operate and Transfer (DBFOT) basis has been completed, and a template for Request for Proposal (RFP) document to proceed further is in the preparation stage.

10. **AEPC PIU Staffing.** Establishment of a monitoring and evaluation (M&E) system for the project was commenced in July, 2016 with concrete result based monitoring and evaluation system. However, implementation of the same is behind schedule because the M&E Expert in the AEPC PIU resigned in July 2016. AEPC is in the process of hiring a consultant for this position, which will be completed by December 2016.

11. **FS and DD Clearance.** To address implementation delays due to the FS and DD clearance procedure currently in place, the following changes to the clearance process have been agreed: (i) a simplified template will be used for FS of plant size up to 35 m³, and (ii) approval of DD for cow dung based projects up to 500 m³ in size will be provided by a national Independent Technical Expert (ITE), subject to 'no-objection' by the World Bank. Currently, for sub-projects larger than 100 m³, review by an International Independent Technical Expert (IITE) is required, but the national ITEs have sufficient familiarity with cow dung as a

substrate, so the engagement of IITEs for cow dung based projects up to 500 m³ is not considered necessary. For substrates other than cow dung, the current system described in the POM shall continue to be followed.

12. **Disbursement Schedule.** Disbursable amount for the Fiscal Year (FY) 2016/17 1st trimester (closed on November 15, 2016) of about US\$ 200,000 was significantly lower than the planned amount of US\$ 680,000, since completion and commissioning of commercial plants were delayed due to the rainy season from May to September and the major holiday periods in October and November. In addition, initiation of FS for the two demonstration sub-projects was delayed due to the prolonged project restructuring process (signing on the revised GA took 2 months for the Government of Nepal). In order to expedite disbursement, the AEPC PIU and the Bank team agreed to prioritize the execution of six sub-projects for the 2nd trimester, consisting of: 1 commercial sub-project (commissioning of Envitec sub-project), 3 municipal sub-projects (completion of DD approval by the TRC for Dharan, Biratnagar and Vyas Municipality sub-projects), and 2 demonstration sub-projects (commissioning of Pokhara and Biratnagar demonstration sub-projects). Planned disbursement for these six prioritized sub-projects in the 2nd trimester is US\$ 900,000, which would raise total project disbursement for the trimester to US\$ 1,150,000. The AEPC PIU and the Bank team also agreed to accelerate the implementation of the municipal sub-projects since their implementation process is longer than commercial ones, but project costs are much larger than commercial ones and thus contribute to larger disbursements. Annual projected disbursement for FY 2016/17 is expected to be US\$ 2,300,000.

V. FIDUCIARY MANAGEMENT

13. **Financial Management (FM).** The Bank team noted good efforts made towards maintaining financial management system for the project. The agreed actions of maintaining sub-account heads in the system based on categories and maintaining required supporting documents have been completed. The disbursement for expenditures incurred up to June 30, 2016 have also been claimed with the Bank. The Bank team noted up-to-date books of accounts. The financial reports are being submitted on time with no outstanding financial report for the project. However, the external audit for FY 2015/16 has not yet been initiated. The AEPC PIU informed that the Office of the Auditor General has been requested to conduct the same as soon as possible in order to meet the submission timeline of January 15, 2017. The internal audit for FY 2015/16 has been conducted but the report is yet to be received. The Bank team noted that reimbursement against sub-grant payments have not yet been claimed with the Bank. The Bank team reminded the AEPC PIU to make such claim only after meeting all of the required provisions of the Grant Agreement, specifically on independent verification of sub-projects in terms of selection, payment, operations etc. It was also agreed with the AEPC PIU to maintain accounts based on program budget by December 31, 2016. Based on above assessment, the financial management performance of the project is retained at “**Moderately Satisfactory**”.

14. **Disbursement.** Total budget allocated for FY 2016/17 under IDA is Nepali Rupees 56.69 million out of which expenditures of around 37.81% (USD 21.43 million) has been incurred till the end of first trimester (November 15, 2016). With payments for sub-grants, expenditures are expected to increase in subsequent trimesters. As of November 15, 2016, the disbursement rate is around 4.17% (USD 0.33 million) of the total commitment. The disbursement rate is expected to improve with reimbursement claim for sub-grants.

15. **Procurement.** The Bank team noted that good progress has been achieved in consultant selection in the review period. Selection of consulting firms to assess the potential for waste to energy projects (QCBS²-2.1 and QCBS-2.2) and for conducting DD of demonstration sub-projects (LCS³-6) have been completed, the latter being funded through the GoN. An individual consultant hired for Quality Assurance, Monitoring and Evaluation has resigned; AEPC has initiated the hiring process for the replacement and recruitment is expected to be completed in December 2016. It is noted that the planned recruitment of an individual consultant for testing, commissioning and verification has been changed to hiring of a firm, which needs to be reflected in the procurement plan. The RFPs for hiring of firm for training of construction companies has been issued, but this is behind schedule. Some of the training activities on electrification from biogas, as well

² Quality and Cost Based Selection

³ Least cost selection

as outreach programs, are also behind schedule and have been postponed to January and February 2017. AEPC needs to submit the updated procurement plan for FY 2016/17. It was agreed that AEPC would submit the updated procurement plan by December 30, 2016. Considering the overall progress in the implementation of procurement plan, the procurement performance rating is retained as “**Moderately Satisfactory**”.

VI. SOCIAL AND ENVIRONMENTAL SAFEGUARDS

16. The AEPC PIU has implemented safeguard actions agreed during the previous mission. The activities carried out, for example, includes training consultants and DEECCUS on Environmental and Social Management Framework (ESMF), site verifications of the social and environmental screening prepared by developers, etc. The AEPC PIU has been ensuring quality of safeguard documents and monitoring safeguard performance during implementation and operation. The AEPC PIU has been issuing customized ToR for preparing Environmental and Social Management Plan (ESMP) of each Category C sub-project, reviewing and providing clearance to ESMPs, reviewing and recommending ToR for Initial Environmental Examination (IEE) and IEE Reports, and reviewing and providing feedbacks on feasibility reports and Detail Project Reports (DPRs) etc.

17. Two safeguard trainings were organized since previous mission. Safeguard training, focusing on screening verification and construction phase safeguards monitoring, for the engineers in DEECCUs was organized from September 26 to 28, 2016, in which 35 DEECCUs officers participated. Another safeguards training was organized from November 8 to 13, 2016 for consulting firms in which, 20 environmental specialists from 20 different consulting firms have participated. As of November 2016, the AEPC PIU has conducted site verification of the environmental and social screening of 27 sub-projects (23 commercial, 2 municipal and 2 demonstration sub-projects) for which FS have been completed. The site verification pointed out that locations of a few sub-projects have been incorrectly reported in the FS. Accordingly, the FS have been corrected. Further, the site verification of the 27 sub-projects did not indicate significant environmental and social issues. They are generally proposed within developer’s private land and hence no land acquisition is needed and have not caused displacement of people. They are not having adverse impacts on sensitive environmental places and features such as protected area, rare and endangered species, physical cultural resources, etc. Out of the 23 commercial sub-projects screened, ESMPs of a total of 14 commercial sub-projects have been reviewed and cleared. One commercial sub-project is of Category B requiring IEE study, which was prepared by the developer earlier and approved by the government. The IEE Report has been further revised/ updated based on the review by the AEPC PIU and the Bank team, and the project will ensure that the updated/revised report will be implemented.

18. The mission discussed the need for and ways to simplify safeguard management. The AEPC PIU has proposed to engage DEECCU officers/ engineers for site verification of sub-projects’ social and environmental screening and for safeguard monitoring during implementation. It was agreed that the AEPC PIU, through trained and qualified DEECCU engineers and/or through consultants, may manage the site verification and monitoring of low risks sub-projects subject to quality control and backup support from the AEPC PIU’s Environmental and Social Safeguard (ESS) consultant staff. For this purpose, AEPC will develop criteria for identifying low risks sub-projects of which site verification and monitoring may be carried out by the DEECCU engineers/consultants. For example, AEPC may engage DEECCU engineers, after training on safeguard/ESMF, for site verification and monitoring of sub-projects that would not fall in the following types: collection and transportation of substrates/wastes from another area or region, processing of wastes other than ordinary wastes (cow dung, poultries, pig manure, toilet waste and food/kitchen wastes), long term storage requirement, located in or close to environmentally/socially sensitive areas/ features, and relatively large size plant (e.g. more than 500 m³). The ESS consultant staff will desk review each sub-project to confirm that it is a low risk sub-project before engaging DEECCU engineer/consultant for site verification and monitoring, and the ESS consultant staff will post-review through site visit to random samples of such sub-projects. The Bank team and the AEPC PIU will further discuss the need for and ways to simplify the review and clearance of ESMPs of Category C sub-projects, and agreed to arrive at a conclusion by next mission.

19. The APEC PIU was reminded that the project also triggered the OP 4.10 on Indigenous People (IP) due to presence of IP communities in proposed project areas. Free, prior, and informed consultations should be conducted with local communities and support from the communities on selection of project sites should be gained. Process and minutes of these consultations should be included in the environmental and social screening forms.

20. Going forward, the following actions will be carried out: (i) completion of 50 sub-projects (cumulative) screening verification, including Municipal Solid Waste (MSW) sub-projects by the ESS consultant staff; (ii) completion of 40 ESMPs (cumulative) and 3 IEEs of MSW sub-projects (viz. Biratnagar, Vyas and Dharan); (iii) construction monitoring visits to 10 sub-projects, and operation period monitoring visits to 5 sub-projects, (iv) organization of ToT on ESS.

21. Social and environmental performance has been retained as “**Satisfactory**” considering the progress in implementation of the actions agreed during the previous mission and having no significant social and environmental impact.

VII. KEY ISSUES IN IMPLEMENTATION

22. Two urgent actions need to be executed by the AEPC PIU to accelerate project implementation: (1) prioritize the execution of selected six sub-projects (one commercial, three municipal, and two demonstration sub-projects) in the 2nd trimester; and (2) expedite implementation of all municipal sub-projects.

23. Since execution of the prioritized six sub-projects is urgently required to raise disbursement back to projected levels, a detailed implementation schedule and a progress monitoring plan have been prepared for each of the six sub-projects. Progress of these sub-projects will be carefully monitored every two weeks during the 2nd trimester period to prevent any further delays.

24. Municipal sub-projects tend to be relatively large and will contribute to significantly increasing disbursement. However, their implementation process is lengthier than that for commercial sub-projects. Thus, to accelerate project disbursement, the AEPC PIU and DEECCUs need to fully support municipal sub-projects from identification to commissioning.

VIII. TIMING AND FOCUS OF NEXT MISSION

25. Agreed actions and deadlines during the mission are summarized in Annex C. The next implementation review and support mission will be the mid-term review scheduled for February/March 2017. Its objectives will be to confirm the progress and achievement of the agreed actions and the latest project implementation status toward achieving the PDO, and to discuss necessity of the project restructuring at the middle of the project implementation period.

ANNEX A: LIST OF PEOPLE MET

Ministry of Population and Environment (MoPE)

Dr. Bishwa Nath Oli Secretary

Alternative Energy Promotion Centre (AEPC)

Mr. Ram Prasad Dhital Executive Director
Mr. Nawa Raj Dhakal Director
Mr. Chandra Kishor Chaudhary Sr. Account Officer

SREP-Supported Extended Biogas Project Implementation Unit

Mr. Prakash Aryal Biogas Sub-component Manager
Mr. Uttam Jha National Advisor, NRREP
Mr. Sushim Amatya Sr. Biogas Program Expert, SREP
Mr. Anupam Bhusal Biogas Program Expert, SREP
Mr. Sujesh Shrestha Environmental & Social Safeguards Expert, SREP
Ms. Swasti Aryal Business Development Expert (Municipal), SREP
Mr. Bipul Shrestha Business Development Expert (Commercial), SREP
Mr. Sushrut Dhakal Financial Management Expert, SREP
Mr. Keshab Babu Aryal Procurement Expert, SREP

ANNEX B: RESULTS FRAMEWORK AND MONITORING
Nepal: SREP-Supported Extended Biogas Project (NSEBP)

Project Development Objective (PDO): To promote large off-grid biogas energy generation in Nepal.													
PDO Level Results Indicators	Core	D=Dropped C=Continue N= New R=Revised	Unit of Measure	Baseline	Achievements						Target	Data Source/ Methodology	Responsibility for Data Collection
					2015	2016	2017*	2018	2019	2020			
Off-grid biogas generated for thermal application from large-scale projects (>12 m ³)		C	m ³ /year (Cumulative) [Annual Target]	0	– (–) [0]	1,600 (1,600) [1,432]	6,950 (8,550) [304,568]	[686,000]	[453,000]		1,445,000	Meter Reading Report	AEPC
Off-grid biogas-based electricity generated**		C	GWh/year [Annual Target]	0	– (–) [0]	0 (0) [0.0]	0 (0) [0.7]	[2.4]	[2.6]		5.7	Meter Reading Report	AEPC
INTERMEDIATE RESULTS													
Intermediate Result (Component 1): Technical Assistance													
No. of large biogas proposals submitted for investment evaluation		C	Proposals/year (Cumulative) [Annual Target]	0	– (–) [0]	69 (69) [69]	55 (124) [191]	[90]	[0]		350	Monitoring Report	AEPC
No. of companies trained to evaluate and appraise large biogas sub-projects		C	Companies/year (Cumulative) [Annual Target]	0	– (–) [0]	0 (0) [0]	0 (0) [8]	[0]	[0]		8	Monitoring Report	AEPC
Intermediate Result (Component 2): Financing of Investments													
No. of off-grid generation plants created and operational by the project - Commercial		C	Plants/year (Cumulative) [Annual Target]	0	– (–) [0]	1 (1) [0]	4 (5) [88]	[169]	[83]		340	Monitoring Report	AEPC
No. of off-grid generation plants created and operational by the project - Municipalities		C	Plants/year (Cumulative) [Annual Target]	0	– (–) [0]	0 (0) [0]	0 (0) [0]	[3]	[7]		10	Monitoring Report	AEPC

Note: * Data as of November 25, 2016.

** A reference conversion rate of 1.4kWh per m³ of biogas is used.

ANNEX C: AGREED ACTIONS

Action	Due Date	Responsibility	Remarks	
A. Procurement Plan				
A-1	Submission of revised procurement plan, new action plan and AEPC's new annual work plan as per project restructuring	July 15, 2016	AEPC	Completed
A-2	Providing the clearance to the revised procurement plan	August 1, 2016	IDA	Completed
A-3	Prepare new standing list for consulting companies for FY 2016/17	September 30, 2016	AEPC	Completed
A-4	Prepare new standing list for construction companies for FY 2016/17	September 30, 2016	AEPC	Completed
A.5	Second Revised Procurement Plan	December 30, 2016	AEPC	
B. Project Restructuring				
B-1	Completion of restructuring	August 31, 2016	IDA/MoF	Completed
B-2	Revised SREP result framework prepared and endorsed	July 10, 2016	AEPC/IDA	Completed
B-3	Revised FS and DD guidelines prepared and implemented	July 15, 2016	AEPC	Completed
C. Project Promotional Activities				
C-1	Collecting information about ADB supported Integrated Solid Waste Management Project	May 31, 2016	AEPC	Completed
C-2	Preparation of detailed business development action plan (both commercial and municipal)	June 15, 2016	AEPC	Completed
C-3	Completion of detailed financial analysis on different business model	September 05, 2016	AEPC	Completed
C-4	Preparation of the outreach and dissemination workshops material	September 25, 2016	AEPC	Completed
C-5	Establishing one stop window to receive questions and provide answers from all interested stakeholders in the AEPC regional centers and each DEECCUS. A) Preparation of ToR and concept paper to engage DEECCUS and RSC for information and promotion of large Biogas B) Implementation of promotional and informational dissemination activities through DEECCUS and RSCs.	July 15, 2016 September 15, 2016	AEPC	A) Completed ToR preparation for DEECCUS B) Completed and incorporated in their Annual Work Plan
C-6	Performance based Incentives to DEECCUS for demand generation, Screening/Monitoring and Project Commissioning including capacity building activities to DEECCUS	December 30, 2016	AEPC	
C-7	Deploying services from DEECCUS for identification, assessment and location mapping of cow farms/poultry of potential districts	January 15, 2017	AEPC/ DEECCUS	
C-8	Completion of regional promotional workshops	September 30 to October 28, 2016	AEPC	Three batch of such workshops are completed (Biratnagar and Chitawan, Butwal), Pokhara has been planned in early December

C-9	Execution of DD and getting construction approval for the demonstration projects	December 30, 2016	AEPC	Consulting firm has been selected for DD (DD is expected to be completed by December)
C-10	Conducting match making (Buyer- seller meet) event among potential developers and foreign technology suppliers/national-international service providers	April 30 2017	AEPC	Recommended after Mission on March due to time availability for central SREP PIU.
C-11	Completion of municipal and commercial mapping of waste potential	December 30, 2016	AEPC	Delayed due to festival season: Interim report and Field level progress reports are submitted, consultants committed to submit final report on time. Contract period is up to December 15
C-12	Completion of feasibility study of MSW project for 10 municipalities (cumulative)	March 15, 2017	AEPC	
C-13	Detailed Design of MSW project started for 4 municipalities (cumulative)	March 15, 2017	AEPC	
C-14	Commissioning of the two demonstration sub-projects	February 28, 2017	AEPC	Consultancy selection completed and DD ready by December 30, 2016. Still on track
D. Project Operational Manual (POM)				
D-1	Revised Project Operational Manual	December 30, 2016	AEPC	
E. Monitoring and Evaluation System				
E-1	Prepare M&E action plan for the project	May 31, 2016	AEPC	Completed
E-2	Commissioning of first three sub-projects	July 15, 2016	AEPC	Completed
E-3	Preparation of proposal for training program for the engineers in DEECCU for construction supervision and safeguard screening	July15, 2016	AEPC	Completed
E-4	Training program for the engineers in DEECCU for construction supervision	September 15, 2016	AEPC	Completed
E-5	Training program for the engineers in DEECCU for construction supervision	Jan 30, 2017	AEPC	
E-6	Commissioning of 90 sub-projects	June 30, 2017	AEPC	5 sub-project (5.74%) commissioned
F. Training Programs to the Consulting and Construction Companies				
F-1	Execution of technical training on DD/ESMF programs for consulting firms.	October 30, 2016	AEPC	Completed
F-2	Execution of construction training programs to the construction companies.	December 30, 2016	AEPC	RFP Issued for selection of training provider (On track)
G. Financial Management				
G-1	Maintaining adequate supporting documents including timesheet and approval	May 31, 2016	AEPC	Completed
G-2	Claim first reimbursement from designated account to GoN	June 15, 2016	AEPC	Completed
G-3	Prepare revised financial disbursement plan (detailed for FY 2016/17 and tentative till FY 2018/19)	August 30, 2016	AEPC	Completed

G-4	Development of sub-account heads in the software based on both categories and approved program	September 30, 2016	AEPC	Completed
G-5	Submission of Third Trimester Financial Monitoring Report	August 31, 2016	AEPC	Completed
G-6	Prepare Revised Financial Disbursement Plan	November 30, 2016	AEPC	Completed
G-7	Claim Third Reimbursement from designated account to GoN	December 30, 2016	AEPC	
G-8	Submission of Audited Financial report for F/Y 2015-16	January 15, 2017	AEPC	
H. Safeguards				
H-1	Preparation of ESMF action plan	May 15, 2016	AEPC	Completed
H-2	Training for Shortlisted consultants on ESMF	October 30, 2016	AEPC	Completed
H-3	Completion of EMSPs for Annapurna Poultry Farm and Khanal Poultry Farm	July 30, 2016	DFS Consultant	Completed
H-4	Review and Provide clearance on ESMPs for Annapurna Poultry Farm and Khanal Poultry Farm	August 30, 2016	AEPC/WB	Completed
H-5	Completion of first 25 sub-project screening, including municipal waste sub-project	September 15, 2016	AEPC	27 Completed
H-6	Training of Trainer (TOT) for selected trainees on ESMF	January 30, 2017	AEPC	ESMF training to FS/DFS consultants completed, TOT will be organized in mid-January 2017.
H7	Training program for the engineers in DEECCUS for safeguard implementation including screening	September 15, 2016	AEPC	Completed
H-8	Update ESMF action plan based on agreed action	December 10, 2016	AEPC	Completed
H-9	Revision of Environmental and social Safeguard Supervision Framework as per new agreed provisions (incorporation of Role of DEECCUS and amendments)	December 10, 2016	AEPC	Completed
H-10	Completion of 50 sub-projects (cumulative) screening verification, including MSW sub-project	March 1, 2017	AEPC through DEECCUS	
H-11	Completion of 40 ESMPs (cumulative) and 3 IEE MSW Sub Project	March 15, 2017	AEPC/WB	
H-12	Sample Screening verifications of 4 sub-projects by ESMF focal person	March 15, 2017	AEPC	
H-13	Construction monitoring visit of 10 sub-projects	March 15, 2017	AEPC through DEECCUS	
I. Subsidy Policy for Biogas Projects				
I-1	Amendment of subsidy policy based on analysis and evaluation results (if necessary).	May 30, 2016	AEPC	Completed
I-2	Prepare revised subsidy delivery mechanism as per output based model in line with grant agreement	July 15, 2016	AEPC	Completed
I-3	Prepare checklist and manual on quality control and safety measures	January 15, 2017	AEPC	

Note:

- : Actions agreed in the previous implementation review and support mission in May 2016 and completed.
- : Actions agreed in the previous implementation review and support mission in May 2016 and but yet completed.
- : Actions newly agreed in this mission.