



Government of Republic of South Sudan



Eastern Equatoria State Government



SSRF Donor: UK-DFID



SSRF Donor: Netherlands



SSRF Donor: Norway



Coordinating Agency: UNDP South Sudan



PUNO: UNOPS (EESP Outputs 1 & 2)



NGO IP: Pact Sudan (EESP Output 3)

EASTERN EQUATORIA STABILIZATION PROGRAMME (EESP)

Q3 (July - September) 2012 STATUS REPORT

<i>SC Approval Date:</i>	8 November 2010
<i>EESP Start Date:</i>	1 January 2011
<i>Revised EESP End Date:</i>	31 August 2013
<i>Revised EESP Budget Total:</i>	USD 19,886,254
<i>Revised EESP Budget 2012:</i>	USD 11,242,587
<i>EESP Expenditure as of end of Q3 2012:</i>	USD 13,143,273
<i>EESP Coordinating Agency:</i>	UNDP South Sudan
<i>Revised EESP Outputs:</i>	<ol style="list-style-type: none"> 1. Rehabilitation of the Lobira-Romula-Lotome-Kikilei-Lotukei-Kanangok road in Southern Kidepo Valley. 2. Four county headquarters and one prison constructed and equipped. 3. Four haffirs (30,000m³ each) and six boreholes constructed and one water filtration unit installed.

1. Progress

Outputs	PUNO	NGO	Progress (Q3 2012)	% Complete ¹
Output 1	UNOPS	-	1. Road assessment: UNOPS completed the assessment of the Lobira-Chahari-Lotome-Kikilei-Lotukei-Kanangok road and submitted this to the EES Security Committee, whereby the selection of this road (through the Southern Kidepo Valley) was confirmed.	100%
			2. Road Rehabilitation: For package 1 (Lobira-Romula), 63% of work is completed. The work is behind the schedule mainly due to lack of fuel and financial problems of MacDowell Ltd., the contractor, in addition to heavy rains and insecurity during Q3 2012. UNOPS is closely monitoring the performance of the contractor to ensure that works are completed by 31 December 2012, which was extended from the original expected completion date of 30 April 2012. For package 2 (Romula-Lotome-Kikilei), 50% of work is completed. At the EESP Programme Board Meeting held in Torit on 21 June 2012, Board members unanimously agreed that UNOPS should terminate MacDowell's contract on package 2 and proceed with options for contracting Zhonghao, the contractor for package 3, to complete the works on this package. However, after consultation with the UNOPS Headquarters Central Procurement Committee (HQPC), UNOPS could not proceed as agreed at the Board Meeting because Zhonghao had been listed on the World Bank's suspended vendors' list. UNOPS have held a number of meetings with MacDowell to expedite their works, and MacDowell had improved	62%

¹ Percentage completed reflects progress in implementation of activities towards each output/sub-output.

Outputs	PUNO	NGO	Progress (Q3 2012)	% Complete ¹
			their performance by mobilizing more equipments and appointing a separate project manager for package 2 instead of sharing with package 1. Package 2 is expected to be completed by 31 January 2013. For package 3 (Kikilei-Lutukei-Kanangorok), 73% of work is completed and is ongoing, although delayed due to heavy rains and insecurity during Q3 2012. Package 3 is expected to be completed by 30 November 2012.	
Output 2	UNOPS	-	1. Construction of one county headquarters in Kapoeta North: The county headquarters was completed and handed over to the state government on 30 October 2012.	100%
			2. Construction of one county headquarters in Kapoeta South: The county headquarters was completed and handed over to the state government on 30 October 2012.	100%
			3. Construction of one county headquarters in Magwi: The county headquarters was completed and handed over to the state government on 30 October 2012.	100%
			4. Construction of one county headquarters in Imehejek: The county headquarters was completed and handed over to the state government on 30 October 2012.	100%
			5. Construction of one prison complex in Ruwoto, Kapoeta North County: Construction of the main prison complex has been completed. Construction of the administration block was suspended in August 2012 due to inaccessibility to the project site caused by heavy rains. Construction works will resume and generators, solar panels and equipment will be delivered once the site becomes accessible.	80%
Output 3	UNDP	PACT	1. Construction of one haffir (30,000m³) in Jie: The construction is 90% complete and the haffir is being used by the communities. Consultations with community members reported that for the first time they did not need to migrate in search of water for their cattle during the 2011-2012 dry season. The remaining works are the construction of human consumption access points and the installation of a diesel pump. Human consumption access points cannot be completed until the water level drops to a sufficient depth, which has been resisted by the community members until now. At the EESP Programme Board Meeting held in Torit on 21 June 2012, the Governor stated that it would be difficult even for the state government to convince community members to allow PACT to pump out water. The governor proposed two options so that they can provide an alternative water source to community members: (1) bring a water tanker to the community, or (2) excavate smaller water reservoirs in surrounding areas and transport water to these. PACT was requested to provide cost estimates for both options by the next Programme Board Meeting, and the Board members agreed to discuss this issue at the next meeting.	90%
			2. Construction of one haffir (30,000m³) in Lokages: The project site was changed from Lokuwa to Lokages, which is closer to the center of the villages, based on the decision of the surrounding communities. The construction is 95% complete and the haffir is being used by the communities. Remaining works are the compaction of the dyke and installation of solar pump. The construction work has been suspended since mid April 2012 due to onset of the rainy season and	95%

Outputs	PUNO	NGO	Progress (Q3 2012)	% Complete ¹
			inaccessibility to the project site.	
			3. Construction of one haffir (30,000m³) in Lokoal: The project site was changed from Lopuri to Lokoal, which is closer to the center of the villages, based on the decision of the surrounding communities. The construction is 75% complete and the haffirs is being used by the communities. Remaining works are the fencing of the haffir, construction of intake, installation of solar pump, and construction of guard house and associated plumbing works. The construction work has been suspended since mid April 2012 due to onset of the rainy season and inaccessibility to the project site.	75%
			4. Construction of one haffir (30,000m³) in Naweiryatom (formerly Loele): The local authorities had changed the location of the haffir from Loele to Naweiryatom. Warsam Holdings Ltd., the new contractor hired after the termination of contract with Texas Sudan, had started excavation of earthworks. The construction work has been suspended since mid April 2012 due to onset of the rainy season and inaccessibility to the project site.	25%
			5. One water filtration unit and six boreholes: Three out of six boreholes are completed and are being used by the communities. The remaining three boreholes have been drilled but were dry. The contractor, East Africa Aquatech Drilling Ltd., attempted to mobilize a large rig from Nairobi to complete the work, but was affected by flooding in Kenya and was not able to return to South Sudan. PACT terminated the contract with East Africa Aquatech Drilling and is currently in the process of identifying qualified companies for drilling the remaining boreholes. PACT had also proposed to construct two slow sand filtration units as human consumption water points in Lokoal and Naweiryatom instead of boreholes, given the difficulty of drilling in the area with low water table. NB: <i>Due to the preference for a water filtration unit at the haffir site in Jie, the number of boreholes was reduced from eight to <u>six</u>.</i>	50%
Coordinating Agency	UNDP	-	1. In August 2011, UNDP deployed a Stabilization Advisor, seconded from the UK Government, to support the team in overseeing and coordinating implementation of the EESP and provide technical advice on stabilization programming to the Governor and relevant line ministries in Eastern Equatoria.	-
			2. On 30 September 2011, UNDP organized the second EESP Programme Board Meeting with the Eastern Equatoria State Steering Committee in Torit, where progress and challenges on implementation of the EESP were discussed.	-
			3. On 19 December 2011, UNDP organized the third EESP Programme Board Meeting with the Eastern Equatoria State Steering Committee in Torit, where additional funds and scope of works were discussed.	-
			4. On 16 January 2012, UNDP submitted an Amendment to the Joint Programme Document, Joint Programme Revision Request Form, Request for Movement within Budget Lines and Request for Budget Increase at the 13th SSRF Steering Committee Meeting, to request the following: <ul style="list-style-type: none"> ▪ Eight months extension of programme duration to cover the defects liability period for road rehabilitation and maintenance as well as construction works and project closures under Outputs 1 and 2; ▪ Change of scope under Output 1 for UNOPS to surface the Kikalay-Kanangorok Road (package 3); ▪ Reallocate USD 328,179 from cost savings of USD 667,179 under Output 2 to Output 1 to cover shortage of funds on 	-

Outputs	PUNO	NGO	Progress (Q3 2012)	% Complete ¹
			<p>rehabilitation of Romula-Lotome-Kikalay Road (package 2) under Output 1;</p> <ul style="list-style-type: none"> ▪ Change of scope under Output 2 for UNOPS to procure and install solar power for county headquarters in Kapoeta North, Imehejek and Magwi and the Prison in Ruwoto, construct and equip an administration block and holding cell for the prison, and construct and install water supply facilities for county headquarters and surrounding communities in Kapoeta North, Imehejek and Magwi; ▪ Change of scope under Output 3 to reduce the total number of boreholes from eight to six and add installation of one water filtration unit; ▪ Removal of reference to UNDP's role as "Lead Agency" and replace with "Coordinating Agency" to ensure compliance with United Nations Development Group's guidance on UN Joint Programming; ▪ Additional amount of USD 2,125,369 for UNOPS to surface the Kikalay-Kanangorok Road (Package 3) under Output 1 (USD 600,000), procurement and installation of solar power for county headquarters in Kapoeta North, Imehejek and Magwi and the prison, as well as construction and equipping of the prison administration block and holding cell, and construction and installation of water supply facilities for county headquarters in Kapoeta North, Imehejek and Magwi under Output 2 (USD 1,100,000) and operational management cost to cover the changes of scope and extension of project duration (USD 425,369); and ▪ Additional amount of USD 360,885 for UNDP to cover UNDP's personnel, operational support and related costs for effective coordination, monitoring and technical support under the EESP. <p>These revisions were approved by the SSRF Steering Committee.</p>	
			5. In February 2012, UNDP deployed an international Engineer to Torit to monitor and provide technical support on the implementation of EESSP at the state level and in building capacity of state engineers and local staff involved in the EESP.	-
			6. On 17 February 2012, UNDP organized the fourth EESP Programme Board Meeting with Eastern Equatoria State Steering Committee in Torit, where extension of programme duration, change in scope under Outputs 1 and 2, and additional funding of USD 2,486,254 from the SSRF was reported.	-
			7. On 21 June 2012, UNDP organized the fifth EESP Programme Board Meeting with Eastern Equatoria State Steering Committee in Torit, where progress and challenges on implementation of the EESP were discussed and updated project completion dates were agreed.	-
			8. In June 2012, UNDP processed the amendment of Project Cooperation Agreement with PACT to extend the duration of package 3 until 30 June 2013 at no additional cost.	-

2. Challenges

Challenges/Risks	Mitigation Measures
<p>2.1 Tender process on the rehabilitation of roads was delayed, pending further agreement with and confirmation from the state government. Available budget for road rehabilitation was limited, as the state government had reallocated funds from EESP Output 1 (road rehabilitation) towards constructing and equipping larger county headquarters (EESP Output 2) in four counties. Therefore, scope of works for EESP Output 1 was reassessed in line with the available budget, and agreed at the first EESP Programme Board Meeting with the EES Steering Committee on 1 April 2011. <i>Additional funding is required for constructing a second road through the Northern Kidepo Valley.</i></p>	<ul style="list-style-type: none"> ▪ At the second EESP Programme Board Meeting on 30 September 2011, UNDP informed the Eastern Equatoria State Steering Committee that additional funding for road rehabilitation through the Northern Kidepo Valley was not possible due to the limited availability of funds in the SSRF. The state government expressed that they will explore alternative sources of funding for rehabilitating this road.
<p>2.2 Tender process on the construction of the county headquarters in Imehejek was delayed, pending further confirmation from the state government on the exact locations of these facilities.</p>	<ul style="list-style-type: none"> ▪ Letter dated 29 March 2011 from State Minister of Finance confirmed the location of the County Headquarters in Imehejek in Lopa/Lafon, and selected the road through the Southern Kidepo Valley road.
<p>2.3 Insecurity due to communal fighting and cattle raiding constrained access to and delayed mobilization of contractors to some target sites.</p>	<ul style="list-style-type: none"> ▪ UNDP, UNOPS and PACT regularly monitored the security situation in target areas. Armed escorts were provided by state and county authorities when required. <i>However, in some cases the security escorts did not have transportation, and demanded additional payments that unforeseeably increased the cost of some field missions.</i>
<p>2.4 Tender process on the construction of the haffirs in Loele and Lopuri was delayed as only one company had submitted a proposal.</p>	<ul style="list-style-type: none"> ▪ PACT re-advertised the Request for Proposal for haffirs in Loele and Lopuri. Proposals were received from four companies, but only two had the necessary qualifications. From the two that qualified, only one, Texas Sudan, could initiate works during the dry season; however, its proposal exceeded the available budget. PACT negotiated and reached agreement with Texas Sudan on reducing the costs in its proposal.
<p>2.5 Additional staff and operational costs required for coordination, monitoring and technical support to state line ministries.</p>	<ul style="list-style-type: none"> ▪ Additional amount of USD 360,885 for UNDP was approved at the 13th SSRF Steering Committee Meeting to cover personnel, operational support and related costs for effective coordination, monitoring and technical support under the EESP.
<p>2.6 Scope of works, locations and building designs for county headquarters and the prison were not clearly decided and required further clarification.</p>	<ul style="list-style-type: none"> ▪ UNOPS requested the EES government to decide on the scope of works and locations of the county headquarters. UNOPS also reviewed and developed drawings for country headquarters and the prison that were approved by the EES government.

Challenges/Risks	Mitigation Measures
<p>2.7 Roads in Northern Kidepo Valley and Southern Kidepo Valley run through an ecologically sensitive areas, which requires an Environmental Impact Assessment (EIA) and related risk mitigation measures. Additional funding is required for the EIA and ecological protection measures.</p>	<ul style="list-style-type: none"> ▪ Initial environmental screening was conducted by UNOPS. However, this could not be completed along Northern Kidepo Valley road, due to inaccessibility and limited funding. A full EIA will require an aerial survey, at an additional cost that is not currently available in the project budget. Similarly, as the construction of this road is not feasible within the available budget. Therefore, the EES government, UNDP and UNOPS had agreed to focus available resources on the Southern Kidepo Valley road.
<p>2.8 One section of the road in Northern Kidepo Valley could not be fully assessed due to dense forestation that restricted access to the target areas along the route. Additional funding is required for assessment of the targeted area.</p>	<ul style="list-style-type: none"> ▪ UNDP and UNOPS finalized the cost estimate on conducting assessment of the targeted area and UNDP has approached donors to mobilize additional funding.
<p>2.9 UNOPS received an email complaint from the “Torit Contractors Association” raising concerns that local companies were not qualify for construction contracts. This was followed by telephone call from an anonymous person threatening the UNOPS Procurement Officer that UNOPS personnel and contractors will not be allowed to work in Eastern Equatoria State.</p>	<ul style="list-style-type: none"> ▪ UNDP and UNOPS met with the Governor of Eastern Equatoria State to discuss this issue, and shared the bid evaluation results of previous packages. The UNDP Programme Coordinator re-emphasized that all procurement through UN agencies is conducted in an open and transparent manner, based on the United Nations rules and regulations and in line with international standards. The Governor assured full support of the state government to this principle and that he will contact companies listed in the email to ensure compliance and prevent such issues from occurring in future.
<p>2.10 Construction of haffirs and boreholes in Eastern Equatoria State was suspended by PACT in mid June 2011, due to heavy rain that restricted access to and operations at the target sites. Texas Sudan, PACT’s contractor for haffir construction in Lokoal and Loele, delayed their mobilization to the project site. The contractor stopped work before making any major progress before the onset of the wet season.</p>	<ul style="list-style-type: none"> ▪ In Q2 2011, PACT organized a meeting with the Governor, the Commissioners of Kapoeta North and Kapoeta East, and the Director of Texas Sudan. Texas Sudan acknowledged the delayed, but explained that they have the capacity to carry out the work and will resume once the wet season is over. With the approval of the Governor and the Commissioners, PACT decided not to cancel the contract with Texas Sudan but to extend it until the next dry season. ▪ However, in the second EESP Programme Board Meeting held on 30 September 2011, all parties agreed that PACT should terminate the contract with Texas Sudan, due to their continuous poor performance as well as serious financial difficulties. PACT re-issued the Request for Proposal (RFP) for construction of haffirs in Lokoal and Loele. The RFP was advertised in national newspapers in Uganda and Kenya, and PACT staff travelled to Kampala and Nairobi to facilitate submission of bids from capable companies.
<p>2.11 There were prolonged periods during Q2 2011 when the price of fuel rose sharply, and there was no availability of fuel in Kapoeta.</p>	<ul style="list-style-type: none"> ▪ Contractors were forced to transport fuel from Juba and neighboring countries, which caused delays in project implementation and raised cost of operations.

Challenges/Risks	Mitigation Measures
<p>2.12 The locations of the haffirs have undergone multiple changes, and neither the state government nor county authorities took responsibility for this, as PACT was constantly informed that the final decision lies with the communities.</p>	<ul style="list-style-type: none"> ▪ PACT visited project sites often to consult and agree on the location of each haffir and water point with target communities.
<p>2.13 As a result of the bid evaluation, UNOPS's Headquarters Contract and Procurement Committee (HQPCPC) in Copenhagen decided that MacDowell Ltd. should be contracted for packages 1 and 2 under EESP Output 1. However, the state government requested UNOPS not to award the contract to MacDowell for package 2 and re-bid this package. MacDowell is working on another state-owned road construction project in the same area as package 2, and, according to the state government, these projects have been severely delayed for almost two years and the local community in that area is dissatisfied with the performance of the company.</p>	<ul style="list-style-type: none"> ▪ MacDowell was selected for packages 1 and 2 based on a technical and financial evaluation of its bids, in accordance with UNOPS rules and regulation. Due to the concerns raised by the state government, MacDowell was requested to prove their capacity to manage multiple projects, which was done by successfully mobilizing equipment for other projects awarded by UNOPS and the state government, assessing their technical staff at different project sites, and submitting performance guarantees. While the EESP Board approved to award the contract for package 2 to MacDowell on 19 December 2011, the delay in awarding this contract requires an extension to the original EESP end date to cover the defects liability period.
<p>2.14 The delay in payment of compensation to community members by the state government has affected the progress of the road rehabilitation project.</p>	<ul style="list-style-type: none"> ▪ The Governor confirmed that it is the responsibility of the County Commissioners to ensure compensation are paid on time, and requested UNOPS to involve the County Commissioners when such problems arise.
<p>2.15 There was a shortage of funds on package 2 (Romula-Lotome-Kikalay), which is the only package under EESP Output 1 for which a contract was not awarded. The contracts for all three packages amount to USD 5.2 million, whereas the allocated amount for Output 1 was USD 4.87 million. This led to a deficit of USD 328,000 on package 2.</p>	<ul style="list-style-type: none"> ▪ UNOPS secured a savings of USD 667,179 from the construction of four county headquarters under EESP Output 2. The EESP Board Meeting agreed to reallocate the savings from Output 2 to Output 1 and requested that the remaining balance of USD 328,179 be allocated for covering the shortage of funds for rehabilitation of the road under package 2.
<p>2.16 The current specification for package 3 (Kikalay-Kanangorok) does not include road surfacing due to shortage of funds.</p>	<ul style="list-style-type: none"> ▪ The SSRF Steering Committee had allocated USD 600,000 for road maintenance on the condition that the state government cost-share their own resources for road maintenance. UNDP proposed to assist the Eastern Equatoria State Government to discuss with the Republic of South Sudan (RoSS) Ministry of Transport and Roads so that the state government can receive its annual allocation of SSP 1.5 million to contribute to road maintenance. The additional USD 600,000 from the SSRF will be used to surface the road under package 3. The SSRF Steering Committee approved additional funding of USD 600,000 for surfacing of package 3 at the 13th Steering Committee Meeting on 16 January 2012.
<p>2.17 An administration block is required for the prison being constructed in Ruwoto, Kapoeta North County, to provide adequate work space and detention facilities for prison officials.</p>	<ul style="list-style-type: none"> ▪ Additional funding for procurement and installation of solar power for county headquarters in Kapoeta North, Imehejek and Magwi and the prison, as well as construction and equipping of the prison administration block and holding cell, and construction and installation of water supply facilities for county headquarters in

Challenges/Risks	Mitigation Measures
<p>2.18 In conducting bid opening and bid evaluation for the contractor for construction of haffirs in Lokoal and Loele, PACT had given prior notice to the state government to ensure that they are fully involved in the process. However, the representatives from the EES Ministry of Housing and Public Utilities were not prepared to attend the meeting when PACT had arrived Torit as planned. The state government also criticized PACT for holding the majority in the evaluation panel (where PACT had three representatives and the state government had two representatives). It was only when the discussion had reached a stalemate and PACT decided to leave Torit without holding the bid opening that the state government consented to PACT's request and agreed to attend the meeting.</p>	<p>Kapoeta North, Imehejek and Magwi under Output 2 (USD 1,100,000) request was approved at the 13th SSRF Steering Committee Meeting on 16 January 2012.</p> <ul style="list-style-type: none"> ▪ Forming a pre-selection committee between PACT's senior staff and the EES Ministry of Housing and Public Utilities would be beneficial, rather than conducting all preparatory work over the phone and email.
<p>2.19 The location of a haffir in Lopuri was changed to Lokoal in May 2011, as stated in the official letter issued by the Payam Chief and the elders and later endorsed by the County authorities. However in January 2012, PACT received a notice that the location is to be changed again.</p>	<ul style="list-style-type: none"> ▪ PACT had resisted this change, noting the following: <ul style="list-style-type: none"> - This haffir has already been relocated from Lopuri, based on the communities' request. - Changing the location at this stage would cause serious delays; whereby the haffir may not be completed during the dry season. Texas Sudan, the previous contractor, had started to excavate the haffir in Lokoal, the site had been surveyed by PACT's Senior Resident Rainwater Harvesting Engineer, and then was contracted to Warsam Holdings. If the location was changed, the contract would require further amendments and modification, whereby the contractor could raise objections, renegotiate the budget and claim for expenses already incurred on work in Lokoal. - The proposed new site was on higher ground and therefore not suitable for rainwater catchment. <p>PACT held meetings with the Commissioner of Kapoeta North, the Chief and the elders as well as with the Governor of Eastern Equatoria. All parties eventually accepted the decision to the haffir's location in Lokoal.</p>
<p>2.20 During Q1 2012, the location of a haffir in Loele was changed to Naweiryatom due to the decision made by the local authorities. Now locations of all four haffirs have been changed than had been initially agreed with the state government due to objections by target communities. The constant changing of the location has had a detrimental effect on the efficacy of the project. As none of the new locations for haffirs were the subject of thorough conflict assessments, their utility as conflict mitigation measures must be reassessed.</p>	<ul style="list-style-type: none"> ▪ The state government should conduct close consultations with the local authorities and communities, and should reach an agreement on the locations, prior to the launch of conflict and environmental assessments. This would avoid local authorities and community members to raise objections and/or requests to change the locations, which may delay project implementation, incur additional costs, and attenuate the conflict resolution impact of the project.

Challenges/Risks	Mitigation Measures
<p>2.21 The Chairperson of the Water Management Committee for the haffir in Jie had been instructed to prevent community members from collecting water from the haffir, until the contractor returns to site and completes the extraction system. The Chairperson continued to prevent people from accessing the haffir even when all other water sources in the area had dried up. This led to an incident where he was assaulted by a woman who demanded she be permitted to access water from the haffir.</p>	<ul style="list-style-type: none"> ▪ The community members and PACT eventually agreed to a system whereby people will be allowed to access water in an orderly fashion for an agreed number of hours a day. This system continued until the contractor was able to set up a temporary extraction system, which pumped the water to the troughs outside of the perimeter fence of the haffir.
<p>2.22 The construction of haffirs in Lokoal is delayed due to poor performance of the contractor, Warsam Holdings. It is very likely that the haffir will not be completed before the onset of the next rainy season.</p>	<ul style="list-style-type: none"> ▪ PACT had proposed to deobligate the construction of haffir in Loele from Warsam Holdings and transfer it to the UHEC, given Warsam's slow progress in Lokoal. However, in the meeting held between the Governor, PACT and its two contractors, Universal Hydro Engineers & Contractors (UHEC) and Warsam Holdings, to discuss the issue of the haffir in Loele, the Governor refused PACT's proposal and requested that Warsam Holdings be given another chance to execute the work in Loele and thereby gain experience, as had been the case for UHEC.
<p>2.23 On 27 March 2012, a child fatality occurred at the Jie haffir site when he tripped and fell under the contractor's truck.</p>	<ul style="list-style-type: none"> ▪ Multiple meetings were held between PACT, local authorities and community members, culminating in a meeting held in Jie on 31 March 2012 with attendance of the state government and police authorities. The community acknowledged that it was an accident, and stated that they wish no harm on the contractor. The contractor is to compensate the community by providing livestock, the number of which will be determined through negotiations with the County Commissioner.
<p>2.24 On 8 May 2012, a truck belonging to the UHEC, the contractor for haffirs in Jie and Lokages, was attacked on the road between the haffir site and Kapoeta town. Many items were stolen and the truck was vandalized.</p>	<ul style="list-style-type: none"> ▪ PACT brought the incident to the attention of the Commissioner of Kapoeta North. He immediately tasked the police to arrest the culprits and an equivalent amount of their livestock was confiscated in order to fully compensate UHEC.
<p>2.25 Consultation with counterparts on specifications of furniture and equipment for county headquarters and prison under package 2 took time and resulted in delay of delivery.</p>	<ul style="list-style-type: none"> ▪ Consultation with counterparts should be planned ahead and conducted in a timely manner to avoid delays in project implementation and delivery.
<p>2.26 UNOPS's procurement process for furniture and equipment for county headquarters and prison under package 2 took longer than communicated to the state government counterparts.</p>	<ul style="list-style-type: none"> ▪ UNOPS should review its procurement process and expedite the procurement process where possible. At the same time, expectations of the counterparts should be managed appropriately based on realistic assumptions of the project implementation schedule.
<p>2.27 The contractor for the haffir in Lokoal was attacked by armed groups for a number of times. The County Commissioner of Kapoeta North assigned 18</p>	<ul style="list-style-type: none"> ▪ The incidents were reported to the county authorities and suspects were arrested.

Challenges/Risks	Mitigation Measures
<p>policemen to guard the project site, in addition to the two already stationed, although these 18 policemen remained in the site only for a day and returned to the county headquarters. One day after 18 policemen had left, armed groups again attacked the project site, disarmed remaining two policemen and stole and destroyed the contractor's construction materials, food, tools, cooking utensils, tents and mattresses. One of the contractor's staff was injured during this attack and was sent to the nearest local hospital in Kapoeta Town for medical treatment.</p>	
<p>2.28 During Q3 2012, level of insecurity in the project site for Output 1 had worsened and construction works had to be suspended. One of the staff of the contractor for package 1 was shot and severely injured by the SPLA soldiers and later died.</p>	<ul style="list-style-type: none"> ▪ UNOPS requested the state government to intervene and the insecurity in the project site was mitigated. The state government is providing patrols in the area and the construction works have resumed.
<p>2.29 Heavy rains during Q3 2012 resulted in suspension of construction works for all Outputs due to inaccessibility to and inability to operate in the project sites, and caused delays in project implementation.</p>	<ul style="list-style-type: none"> ▪ UNOPS has been closely monitoring the road construction works to expedite the progress. Contracts for Output 1 was extended at no additional cost given the incidents occurred were beyond the control of the contractor, but Output 1 is still expected to be completed by the end of Q4 2012.
<p>2.30 Some of the items delivered by the contractor for Information and Communication Technology equipment for county headquarters and a prison complex did not conform to required technical specifications. The contractor delivered another consignment, but again a few items were missing.</p>	<ul style="list-style-type: none"> ▪ UNOPS procured missing items through direct shopping option.
<p>2.31 Prior to the handover ceremony of county headquarters in Kapoeta South on 30 October 2012, the Governor of Eastern Equatoria State had requested UNOPS to surface access road and parking area.</p>	<ul style="list-style-type: none"> ▪ These additional works were not included in the original contract and will result in increase of the contract amount. The issue will be resolved between UNOPS and the contractor.

3. Lessons Learned

Lessons Learned	Recommendations
<p>3.1 Assessments and tendering of construction projects should be conducted during the wet season, to initiate construction works planned at the beginning of the dry season.</p>	<ul style="list-style-type: none"> ▪ Project design should allow adequate preparation time to ensure programme outputs are appropriately assessed, planned and budgeted with state government counterparts and target communities. This would serve to better manage expectations and provide adequate time to contractors for mobilizing to target sites at the beginning of the dry season and thereby, maximize time for construction works.

Lessons Learned	Recommendations
<p>3.2 A close, collaborative relationship between the state government, local authorities and target communities, participating UN organizations and NGO implementing partners is critical for overcoming challenges during project implementation.</p>	<ul style="list-style-type: none"> ▪ Maintain close communication and engagement with state government and local counterparts throughout implementation. This will enable participating UN organizations and NGO implementing partners to manage expectations of state government and local counterparts. <i>Decentralized Programme Boards convened by UNDP through existing State Government forums have proven to be an excellent mechanism for steering implementation and mitigating challenges.</i>
<p>3.3 In order to expedite delivery and limit bottlenecks and or constraints to implementation, a contingency fund/mechanism is required, to address increasing cost of project inputs that is further compounded by frequently changing operational and security dynamics and uncertainties in target areas.</p>	<ul style="list-style-type: none"> ▪ The SSRF should include a mechanism for quickly disbursing funds to PUNOs in order to address contingencies that have occurred frequently throughout implementation due to various operational constraints including insecurity. This would help reduce transaction costs for identifying and securing additional resources, and is now even more critical during the period of austerity and economic uncertainty that was caused by the Government of South Sudan's shutdown of oil exports, due to a disagreement on transit fees with the Government of South Sudan during Q1 2012.
<p>3.4 Construction works have to be stopped during the wet season. Contractors attempted to continue working during the rain, but mobilizing heavy machineries to remote and inaccessible project sites was severely restricted. Tendering of construction projects should be conducted during the wet season, to initiate construction works at the beginning of the dry season.</p>	<ul style="list-style-type: none"> ▪ Project design should allow adequate preparation time to ensure resources are appropriately allocated, budgeted and planned with state government counterparts. This would serve to better manage expectations and provide adequate time to contractors for mobilizing to target sites at the beginning of the dry season and thereby, maximize time for construction works.
<p>3.5 Issuing an RFP for large-scale earth-moving work in South Sudan and just waiting for companies to apply will not produce the best results. There are few competent regional companies with the required machineries, and usually they are already committed to other contracts. Participating UN organizations and NGO implementing partners need to be proactive in approaching companies to apply, because in many cases, working in South Sudan is perceived as high risk.</p>	<ul style="list-style-type: none"> ▪ Participating UN organizations and NGO implementing partners should travel to neighboring countries and meet face-to-face with companies to facilitate their application to submit bids for tenders as well as pre-qualify potential contractors.
<p>3.6 Divergent views from different stakeholders led to delay in the procurement process of package 2 under Output 1.</p>	<ul style="list-style-type: none"> ▪ The state government to be advised that procurement processes undertaken by UN Agencies should not be subject to disputes between the state government and contractors on separate and unrelated contractual issues.
<p>3.7 Installation of solar-powered water pumps to county headquarters will allow community members to access those water sources, and thereby contribute to stabilization and increase in the state's presence and delivery of basic services.</p>	<ul style="list-style-type: none"> ▪ Additional funding of USD 1,100,000 for UNOPS was approved at the 13th SSRF Steering Committee Meeting for procurement and installation of solar power for county headquarters in Kapoeta North, Imehejek and Magwi and the prison, as well as construction and equipping of the prison administration block and holding cell, and construction and installation of water supply facilities for county headquarters

Lessons Learned	Recommendations
	in Kapoeta North, Imehejek and Magwi. This included solar-powered water supply for each County Headquarter.
3.8 The locations of all four haffirs under Output 3 were changed than had been initially identified by the EES government. This delayed project implementation and could potentially undermine its impact as none of the new locations for haffirs were the subject to thorough conflict assessments and thus their utility as conflict mitigation measures should be reassessed.	<ul style="list-style-type: none"> The state government should conduct close consultation with the local authorities and community members, and should reach an agreement on the locations, prior to the launch of conflict and environmental assessments. This would avoid local authorities and community members to raise requests to change the locations, which may delay the project, incur additional costs, and attenuate the conflict resolution impact of the project.
3.9 Project implementation could be delayed if consultations with counterparts are not conducted in a timely manner.	<ul style="list-style-type: none"> Consultation with counterparts should be planned ahead and conducted in a timely manner to avoid delays in project implementation and delivery.
3.10 Counterparts will be frustrated and the credibility of participating UN organizations and NGO implementing partners will be damaged if the communicated project implementation timelines are not kept.	<ul style="list-style-type: none"> Expectations of the counterparts should be managed appropriately based on realistic assumptions of the project implementation schedule. Participating UN organizations and NGO implementing partners should make all efforts to keep the agreed timelines.

4. Financial Status²

Programme - Output	Resp Agency	Imp Partner	Budget Category*	Total Approved Budget (USD)	Total Cumulative Expenditure (as of end of Q3 2012)	Balance (USD)	% Delivery
				[A]	[B]	[C=A-B]	[D =B/A]
EESP 1	UNOPS	-	Supplies, commodities, equipment and transport	242,800	261,693	(18,893)	108%
EESP 1	UNOPS	-	Personnel (staff, consultants and travel)	489,074	618,029	(128,955)	126%
EESP 1	UNOPS	-	Training of counterparts	-	-	-	-
EESP 1	UNOPS	-	Contracts	6,214,245	2,294,748	3,919,497	37%
EESP 1	UNOPS	-	Other direct costs	586,900	367,657	219,243	63%

² All expenditures are indicative unless certified by each organization's financial controller.

Programme - Output		Resp Agency	Imp Partner	Budget Category*	Total Approved Budget (USD)	Total Cumulative Expenditure (as of end of Q3 2012)	Balance (USD)	% Delivery
					[A]	[B]	[C=A-B]	[D =B/A]
EESP	1	UNOPS	-	Indirect Support Costs (Overhead)	527,311	207,144	320,168	39%
EESP	1	UNOPS	-	Subtotal	8,060,330	3,749,271	4,311,059	47%
EESP	2	UNOPS	-	Supplies, commodities, equipment and transport	875,163	130,403	744,761	15%
EESP	2	UNOPS	-	Personnel (staff, consultants and travel)	788,500	460,991	327,509	58%
EESP	2	UNOPS	-	Training of counterparts	-	-	-	-
EESP	2	UNOPS	-	Contracts	5,343,000	5,189,104	153,896	97%
EESP	2	UNOPS	-	Other direct costs	484,027	458,372	25,655	95%
EESP	2	UNOPS	-	Indirect Support Costs (Overhead)	524,348	326,881	197,467	62%
EESP	2	UNOPS	-	Subtotal	8,015,039	6,565,751	1,449,288	82%
EESP	3	UNDP	PACT	Supplies, commodities, equipment and transport	114,450	160,688	(46,238)	140%
EESP	3	UNDP	PACT	Personnel (staff, consultants and travel)	514,704	618,408	(103,704)	120%
EESP	3	UNDP	PACT	Training of counterparts	44,620	15,981	28,639	36%
EESP	3	UNDP	PACT	Contracts	1,801,200	1,406,116	395,084	78%
EESP	3	UNDP	PACT	Other direct costs	375,493	370,620	4,873	99%
EESP	3	UNDP	PACT	Indirect Support Costs (Overhead)	199,533	3,589	195,944	2%
EESP	3	UNDP	PACT	Subtotal	3,050,000	2,575,402	474,598	84%
EESP	CA	UNDP	-	Supplies, commodities, equipment and transport	138,676	36,878	101,798	27%

Programme - Output	Resp Agency	Imp Partner	Budget Category*	Total Approved Budget (USD)	Total Cumulative Expenditure (as of end of Q3 2012)	Balance (USD)	% Delivery	
				[A]	[B]	[C=A-B]	[D =B/A]	
EESP	CA	UNDP	-	Personnel (staff, consultants and travel)	514,917	155,617	359,300	30%
EESP	CA	UNDP	-	Training of counterparts	-	-	-	-
EESP	CA	UNDP	-	Contracts	-	-	-	-
EESP	CA	UNDP	-	Other direct costs	58,430	57,762	668	99%
EESP	CA	UNDP	-	Indirect Support Costs (Overhead)	48,863	2,592	46,270	5%
EESP	CA	UNDP	-	Subtotal	760,885	252,850	508,035	33%
EESP				TOTAL	19,886,254	13,143,273	6,742,981	66%