



[Name of Fund]

ANNUAL PROGRAMME¹ NARRATIVE PROGRESS REPORT

REPORTING PERIOD: 1 JANUARY – 31 DECEMBER 2009

Submitted by:

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Country and Thematic Area²

Philippines
Democratic Economic Governance

Programme No: MDG-F 1919

MDTF Office Atlas No: 00050712

Programme Title: Enhancing Access to and
Provision of Water Services with the Active
Participation of the Poor

Participating Organization(s):

UNDP
UNICEF

Implementing Partners:

- National Economic and Development Authority (NEDA)
- Department of the Interior and Local Government (DILG)
- National Water Resources Board (NWRB) as Responsible Party

Programme Budget (from the Fund):

TOTAL: US\$ 5.37 Million
UNDP: US\$ 3.81 Million
UNICEF: US\$ 1.56 Million

¹ The term “programme” is used for programmes, joint programmes and projects.

² E.g. Priority Area for the Peacebuilding Fund; Thematic Window for the Millennium Development Goals Fund (MDG-F); etc.

Introduction:

The Narrative Progress Report template is in line with the UNDG Standard Progress Report.

Building on continued efforts made in the UN system to produce results-based reports, the progress report should describe how the activities (inputs) contributed to the achievement of specific short-term outputs during the twelve month reporting period, and to demonstrate how the short-term outputs achieved in the reporting period collectively contributed to the achievement of the agreed upon outcomes of the Strategic (UN) Planning Framework guiding the operations of the Fund³.

In support of the individual programme reports, please attach any additional relevant information and photographs, assessments, evaluations and studies undertaken or published.

The information contained in the Programme Summaries and Quarterly Updates prepared by the Participating Organizations may be useful in the preparation of the Annual Narrative Progress Report. These Summaries and Updates, where applicable, are available in the respective Fund sections of the MDTF Office GATEWAY (<http://mdtf.undp.org/>).

Formatting Instructions:

- The report should not exceed 10-15 pages.
- The report should be submitted in one single Word or PDF file.
- Annexes can be added to the report but need to be clearly referenced, using footnotes or endnotes within the body of the narrative.
- Do not change the Names and Numbers of the Sections below.

I. Purpose

- The JP is aimed at enhancing access to and provision of water services with the active participation of the poor by providing the soft aspects of water service provision, which is left unaddressed by government water infrastructure projects/programs.
- Outcome 1: Establish support mechanisms promoting investments in waterless communities
 - Output 1.1: Develop and enhance incentives mechanisms and partnership modalities for public and private investments in “waterless” communities
 - Output 1.2.1: Review and reformulate as necessary the NG-LGU cost-sharing arrangement for water supply and sanitation provision in waterless communities
 - Output 1.2.2: Review and amend as necessary the programming guidelines for the P3W

³ E.g. in the case of the MDG-F, it is important to show how the programme relates to the UNDAF and how it aims to support national development goals, including the Millennium Development Goals. The causal links and rationale between the joint programme, the thematic window of the MDG-F and the MDGs should be clearly stated. In the case of the Peacebuilding Fund’s Peacebuilding and Recovery Facility (PRF), show how the programme relates to the PBF Priority Plan’s objectives. For the UNDG Iraq Trust Fund, explain how the programme relates to the UN Assistance Strategy for Iraq, UN MDGs, ICI, NDS, etc.

- Output 1.3: Create/Organize WATSAN Councils and water users' associations in waterless communities with increased participation of women
 - Output 1.4: Adjust tariff-setting methodology for small-scale water service providers
- Outcome 2: Enhance local capacities to develop, operate, and manage water utilities by fostering inclusive participation in decisions relating to water service provision
 - Output 2.1.1: Formulate, recommend for adoption and institutionalize mentoring mechanisms
 - Output 2.1.2: Implement WATSAN Toolbox
 - Output 2.2: Formulate improved sector plans and establish monitoring mechanisms
 - Output 2.3: Develop and adopt localized Customer Service Code based on the framework for service delivery
 - Output 2.4: Advocate and raise awareness among LGUs, WSPs and community on (i) WSP responsibilities, (ii) customer service code, (iii) KPIs and standards, (iv) tariff-setting and regulation, (v) management and operation options/alternatives, and (vi) sanitation.
- Link to the Strategic (UN) Planning Framework

The programme primarily responds to the UN priority on providing increased and more equitable access to quality and sustainable basic social services by the poor and vulnerable (UNDAF Outcome 2) and at the same time institutionalizing good governance reforms and practices in government (UNDAF Outcome 3). Nevertheless, the programme is in line with the other three priority areas of UNDAF cooperation as all five areas are interlinked and mutually affect one another.

Provision of safe and adequate drinking water is a basic social service that the government still has to provide particularly to the poor. Experience shows that the provision of sustainable water services requires appropriating equal importance to the hard (infrastructure) and soft components of the system. In many cases, water supply facilities that have been provided particularly to local governments without the soft complements (i.e., building local capacities to manage the systems, planning/designing/implementing expansions, providing an enabling environment for additional investments, etc.) have become non-operational after a few years.

The programme aims to contribute to the ultimate goal of providing water to the poor (waterless communities) by formulating policies that target the poor and promoting participatory governance by building capacities of poor communities including vulnerable groups to organize, plan, implement and manage water supply systems.

By targeting poor communities, the programme is seen to promote equitable growth. And as the targeted communities include some in Mindanao, the programme contributes to conflict-prevention and peace-building as disparities in access to social services and participation in governance are recognized threats to overall peace and development. Lastly, since the programme will enhance local capacities to develop local plans with the integrated water resources management as an overarching framework, environmental sustainability will be promoted.

II. Resources

Financial Resources:

- Budget revisions approved by the appropriate decision-making body, if applicable.

For the project management budget, a realignment of budget (US\$ 670) from the delayed M&E activities to the re-scheduled planning workshop was requested to and approved by the fund administrator.

For Outcome 1, no revision has been made in 2009 budget as most activities have been moved to 2010 due to the delays encountered in fund release and procurement.

For Outcome 2, in the course of implementation, budget revisions were made with no additional costs incurred to take into account all the adjustments or realignments in the JP outputs budgets and activities implemented from June to December 2009.

- Good practices and constraints in the mechanics of the financial process, times to get transfers, identification of potential bottlenecks, need for better coordination, etc.

As part of its good practices, the JP has installed an internal financial management and internal control system within each government IP. Regular meetings of the JTWG provide a good venue for coordination and communicating operational concerns.

Unfamiliarity with the processes and requirements for fund release caused delays in the programme. Varying implementation/financial guidelines of participating UN organizations pose an additional constraint to IPs. Turnover of personnel (UN side) is also a concern in the programme.

Human Resources:

- National Staff:

Operations: 3 PMC members from NG
1 PO
2 OO (1 per Outcome)
2 FO (1 per Outcome)
2 AO (1 per Outcome)
1 Project Development Officer (Outcome 2)
1 M&E Officer (Outcome 2)
1 Capacity Development Officer (Outcome 2)
1 IEC Officer (Outcome 2)
4 Regional Coordinators (Outcome 2)
1 Assistant Finance Officer (Outcome 2)
1 Assistant Training Officer (Outcome 2)
1 Administrative Assistant (Outcome 2)

Programme: 10 NEDA Technical Staff
72 DILG Technical Staff (national, regional, provincial and municipal levels)
11 NWRB Technical Staff

- International Staff:

Operations: 3 PMC members from UN partners

III. Implementation and Monitoring Arrangements

- Implementation mechanisms primarily utilized

The PMC is co-chaired by representatives from the lead agency (NEDA) and the UNRC, and includes representatives from DILG, UNDP, UNICEF and NWRB as members. A PMT composed of 1 PO (reporting to NEDA), 2 OO (1 for each Outcome), 2 FO (1 for each Outcome), and 2 AO (1 for each Outcome) is hired by the PMC. For Outcome 2, 3 regional officers for each of the 5 focal regions have also been hired to coordinate activities at the regional level and with the national level. A JTWG is created (with IPs, RPs, PO and OO as members) to coordinate the technical and operational aspects of the JP prior to elevation to PMC, if necessary.

For Outcome 1, a TWG composed of members of the JTWG (excluding PO and OO) and representatives from other relevant government agencies, NGOs representatives from local governments is created for each policy study. NEDA chairs said TWGs, which is primarily tasked to provide technical inputs in the review of the deliverables of the consultants.

For Outcome 2, participatory consultations, coordination and cooperation, and mobilization among local partners and counterparts (e.g., provincial and municipal LGUs, regional/provincial/municipal DILG) are highly adopted. This approach ensures that partners and target beneficiaries actively participate in every phase of the program implementation. Thus, emphasis is given on formal agreements, e.g., Memorandum of Agreements (MOAs) and Executive Orders (EOs) detailing the institutional responsibilities and agreed contributions of every partner to the process.

National execution is the main implementation modality adopted for the JP.

- Procurement procedures

The JP basically uses 2 sets of procedures for procurement depending on whether who is doing the procurement. If government is doing the procurement, government procurement guidelines govern. Government partners have the option of requesting the UN partners to undertake the procurement as deemed advantageous or facilitative, in which case the governing UN participating organization's guidelines are observed.

Procurement of Consultants

Under both guidelines (government and UN), a TOR is prepared with inputs from all partners.

Under government guidelines, procurement is usually initiated with a RFP, accompanied by the TOR (which indicates the ABC), posted for a minimum 1 week in conspicuous places (e.g., NEDA website, UNICEF website, UNDP website). Depending on the mode of procurement, candidates may be directly invited to send a CV without precluding the submission by other candidates who came to know of the consultancy through the advertisement/posting. The procuring government partner shortlists the candidates based on their qualifications vis-à-vis the TOR requirements. The shortlisted candidates are interviewed by a team composed of representatives from the government partner (usually the agency doing the procurement) and the UN partner/s. A recommendation is made to the approving authority within the procuring agency. A contract is drawn and its terms are negotiated with the successful candidate.

Government partners may request UNDP/UNICEF to undertake procurement for consultancy services. The request is made by the government agency supported by the AWP and Procurement

Plan for UNDP and by the CAS for UNICEF. Based on the TOR agreed upon with the government partners, UNDP/UNICEF procurement guidelines require at least 3 proposals accompanied by CVs. The most qualified candidate is chosen after interview and evaluation of shortlisted candidates. A recommendation is made to the approving authority. After approval, the contract is drawn.

Procurement of Goods and Services

A Purchase Request (PR) supported by the AWP and Procurement Plan kicks off the procurement by government. A RFQ or RFP (which indicates the technical specifications and requirements and the ABC) is posted for a minimum of 1 week in the government agency website. Depending on the mode of procurement, suppliers/service providers (culled from a list of government-accredited suppliers/service providers) may be directly invited to participate without precluding the submission of offers by other suppliers/service providers who came to know of the procurement through the advertisement/posting. The proposals/quotations are opened and evaluated by a SBAC within the government agency. Following a favorable recommendation by the SBAC, a notice of award and a notice to proceed are issued to the winning bidder/supplier. If bidding fails, another round of procurement is undertaken. After 2 failed biddings, negotiation can be undertaken.

Similar to the procurement of consultancy services, a request supported by the AWP and Procurement Plan for UNDP and by the CAS for UNICEF kicks off procurement of goods and services by UNDP/UNICEF. Based on the technical specifications agreed upon with the government partners, UNDP/UNICEF procurement guidelines require at least 3 quotations from suppliers/bidders. Winner declared based on the lowest priced complying bid.

- **Monitoring system/s**

While the M&E system is yet to be established for the JP (see Section IV, bullet 3, last paragraph), regular coordination meetings of the JTWG and the NEDA INFRACOM SCWR serve as venue for activity monitoring. Regular reporting requirements of the MDGF also provide information on the status of activities of each IP and RP.

For Outcome 2, targets are being monitored at two levels: (1) at the level of progress of outputs and activities; (2) at the level of results. Monitoring at the level of progress of outputs involve monthly activity monitoring to report on status and progress of activities. This is being conducted thru a “Water Table Meeting” where focal persons of each program component provide updates on developments including issues/problems/concerns in project implementation and proposed recommendations/actions. The Water Table Meeting was established to ensure regular monitoring on project activities and encourage further coordination and cooperation among the WSSU staff. The meeting also involves regional coordinators, OPDS counterpart, and hired consultants to the project. Results of these meetings are documented as input to the internal program plan and strategy and also as basis for the required quarterly, semi-annual and annual progress reports by UNDP and other related agencies.

- **Assessments, evaluations or studies undertaken.**

Other than the regular reporting requirements, no assessment/evaluation/study has been undertaken yet for the JP.

IV. Results

- Programme progress

While the official start of the JP implementation is in June 2009 (release of funds to UN country office), most of the programme-related activities commenced about 2 months thereafter for DILG with the release of funds from UNDP to DILG in August 2007 and about 4 months thereafter for DILG with the release of funds from UNICEF to NEDA towards the end of September 2009. In general, there are no results to report on yet as for the most part, the period from June - December 2009 was spent on start-up and mobilization activities including organization of the PMC and the PMT at the national level, leveling off of expectations and understanding of the JP and IP and RP responsibilities, orientation for newly hired MDGF Project Staff and newly on-board IP and RP personnel, administrative and procedural arrangements for the release of funds from UN partner organizations to government partners, completion of TORs for studies/consultants, procurement, orientation and initial assessments of target municipalities, and FGDs to incorporate key concepts of governance in the process and methodologies.

Due to the delays caused by financial and administrative issues, the timeframes for several outputs have become unrealistic. In this connection, in October 2009, a Planning Workshop was held to revisit the JP AWP, and come up with an adjusted and more realistic timeframe for the JP, which serves as the basis for the 2010 AWP.

- Key outputs achieved

Since the JP is working on a new timeframe, no output has yet been completed. Notwithstanding, per output, following are the progress status as of December 2009:

- Outputs 1.1, 1.2.1, 1.2.2 and 1.4: Commencement of activities is expected to ensue following in 2010 with the selection/hiring of study teams in December 2009.
- Output 1.3: Draft baseline surveys have been formulated with the participation of IPs and RPs. Pre-testing of the baseline survey instrument is in January 2010.
- Output 2.1.1: The TOR for the study has been completed, and screening/interview of experts commenced.
- Output 2.1.2: Elaboration of the Capacity Assessment Framework as input to the enhancement of the WATSAN Toolbox.
- Output 2.2: Conduct of FGDs in regions 5, 9, 13, and 2 to assess the M&E requirements at the local level.
- Output 2.3: Conduct of FGDs at the national level to incorporate key concepts of governance and determine initial content of service code.
- Output 2.4: Ground working and field work for the IEC Research Study in regions 9 and 5.

- Delays in programme implementation, the nature of the constraints, actions taken to mitigate future delays and lessons learned

Initially, delays arising from the administrative requirements, including review of TORs and approval of agency AWP, for the release of funds from UN partners were encountered, especially as the financial guidelines/rules being employed by UN partners are not harmonized.

While the official start of the JP is on 01 June 2009, funds from UNDP were released to DILG only on 07 August 2009, while funds from UNICEF and UNDP to NEDA were released on 24 September 2009 and in November 2009, respectively.

For Outcome 1, while the TORs were approved as early as August 2009, the unavailability of funds until September delayed procurement the wider dissemination of the request for applicants.

For Outcome 2, engagement of the IEC Specialist to assist in the formulation of a National Communication Plan was delayed, due to failure of negotiations for the #1 Rank Applicant. Negotiation with the 2nd rank applicant has been completed and awaiting for the final approval of UNICEF.

For programme management activities, similar to Outcome 1, the release of funds, aggravated by the protracted review of the TOR, delayed the procurement of the M&E expert services.

A new work plan was formulated to accommodate the changes in timeframes for most of the JP outputs. In addition, schedules of programme activities have been synchronized to prevent duplication on travels and maximize field work of regional coordinators and focal persons considering the simultaneous implementation of activities in all components of the program at the local level.

Another constraint encountered is the indecision of some target LGUs to participate in the program. As a mitigating measure, other waterless municipalities are being identified from the list of waterless municipalities within the same regions/province with due consideration to the political environment, peace and order, and accessibility of the area.

- Key partnerships and collaborations

A principal undertaking in 2009 was the forging of partnerships at the local levels through MOAs and EOs, which detail the contributions, requirements and responsibilities of partners, and serve as the foundation for future interventions within the program implementation. As of December 2009, 4 of the target 5 regions have already signed MOAs and EOs both at the provincial and municipal levels.

V. Future Work Plan (if applicable)

- Projected activities and expenditures

Outcome 1: (2010 Budget: US\$ 1.255 Million)

Activities for the policy studies under outputs 1.1, 1.2.1, 1.2.2 and 1.4 will be in full swing with the hiring of a study team for each output. Programmed activities include data gathering, FGDs, consultations, KIIs and presentation to relevant committees (INFRACOM, NWRB, etc.). Two (2) of the outputs (1.2.2 and 1.4) will be completed within the year. Under Output 1.3, a baseline survey of the 36 target municipalities will be conducted and completed by July 2010.

Outcome 2: (2010 Budget: US\$ 0.714 Million)

Under Outcome 2.1.1, an assessment of current mentoring practices and recommendations for enhancement and formulation of new practices for adoption and institutionalization will be undertaken through data gathering, desk review, interviews, FGDs and consultations. The study

will be completed by the 3rd quarter of 2010. On the other hand, the WATSAN Toolbox will be reviewed and enhanced with the development of appropriate design and methodology for WATSAN training programs through various consultations and research. The enhanced toolbox will be pilot-tested by the 3rd quarter of the year. Data gathering, consultations, training, field testing of local plan M&E systems, installation of M&E systems and drafting of local plans are the major activities under Output 2.2. In the formulation of localized customer service codes (Output 2.3), orientation, consultations and validation exercises lead to the actual development of the codes within 2010. On the IEC (Output 2.4), research studies will be undertaken, followed by development of key messages and IEC materials for target audiences and thereafter by field testing of IEC materials. The advocacy plan will be developed (June 2010) and actual IEC campaign will be implemented.

Programme Management: (2010 Budget: US\$ 0.598 Million)

The formulation of the M&E framework and development of computer-based system for monitoring progress will be undertaken in the 1st quarter of the year. An audit exercise is scheduled from April-May 2010. Various reviews and assessments, including site visits, are also scheduled within the year.

Collaboration with other MDGF JPs is being explored for an election-related event. Major IEC activities for the year also include a promotional event to coincide with the Water Forum in October 2010.

A planning workshop for 2011 is scheduled in the last quarter of 2010 to pave the way for smooth implementation/transition of activities from 2010 to 2011. Due to the delays (release of funds and procurement of consultants) experienced in 2009, the PMT is doubling its efforts to immediately implement planned activities, and ensure that all component activities are well-synchronized to maximize the presence of the PMT at the local level. Activities are being implemented simultaneously or back-to-back if there are opportunities for collaboration.

- Major adjustments in strategies, targets or key outcomes and outputs planned

There are no major adjustments in the JP design. Adjustments in the timeline are manageable. A few changes are expected in the target beneficiaries arising from the withdrawal of 4 of the original target beneficiaries from participation in the JP. The plan is to replace the 4 with other waterless municipalities within the 5 regional focus of the JP taking into consideration the municipality need and the willingness and commitment of the local executives.

VI. Performance Indicators (optional)⁴

Expected Results (Outcomes & outputs)	Indicators (with baselines & indicative timeframe)	Means of verification	Collection methods (with indicative time frame & frequency)	Activity-Based Budget (planned and actual)	Status
Output 1.1 Incentives mechanisms and partnership modalities (e.g., leveraging local capital and/or subsidy) developed and enhanced for investments in “waterless” and poor communities.	Indicators: # of policy issuance(s) promoting the use of the schemes by 2011 Baseline: No data available, to be determined as part of the activities	Compendium/compilation of policy issuances issued by government Progress/Annual Reports	Research/Data collection (Feb-Apr 2011) Regular M&E and Reporting (Quarterly/Annual)	Planned: \$16, 037.34 Actual: \$ 4,387.19	TOR for study and experts completed in August 2009. Funds transferred from UNICEF to NEDA on 24 September 2009.
Output 1.2.1 Policy on National Government-Local Government Units (NG-LGU) cost sharing arrangement for water supply and sanitation provision for poor municipalities reformulated and recommended for adoption.	Indicator(s): # of executive issuance(s) recommended for cost sharing arrangement by 2011 Baseline: Current cost sharing arrangement based on LGU income class only	Compendium/compilation of executive issuances issued by government Inventory/Models of NGA-LGU cost sharing arrangements. Progress/Annual Reports	Research/Data collection (Jan-Mar 2011) Research/Data collection (Jan-Mar 2011) Regular M&E and Reporting (Quarterly/Annual)	Planned: \$ 11,424.68 Actual: \$ 1,650.83	Procurement completed in December 2009.
Output 1.2.2 Programming policies of the P3W reviewed and amended, and recommended for adoption.	Indicator(s): # of guidelines for programming recommended for adoption by 2010 Baseline: Current implementing guidelines available	Progress/Annual Reports	Research/Data collection (July-Sept 2010) Research/Data collection (July-Sept 2010) Regular M&E and Reporting (Quarterly/Annual)	Planned: \$ 45,251.06 Actual: \$ 1,780.59	
Output 1.3 WATSAN Councils and Water user associations formed/organized with increased participation of women.	Indicator(s): # of WATSAN councils & water user association organized Baseline: No data available, to be determined as part of the activities	Government Reports (NWRB/LWUA/LGU) 2010 Baseline Survey Results/Progress/Annual Reports/Field Visit Reports	Research/Data Collection (Jan-Dec 2010) Regular M&E and Reporting (Quarterly/Annual)	Planned:\$138,477* Actual: \$138,477	Baseline Study Team on board last November 2009. Developed baseline survey questionnaires and guidelines through participatory approach with major sector agencies, CSOs and UN

⁴ E.g. for the UNDG Iraq Trust Fund and the MDG-F.

					partners in December.
Output 1.4 Tariff-setting methodology adjusted for small scale water service providers.	Indicator(s): # of tariff-setting methodology revised and recommended for adoption Baseline: Current methodology available	Progress/Annual Reports	Research/Data collection (July-Sept 2010)	Planned: \$ 46,724.47 Actual: \$ 1,630.40	TOR for study and experts completed in August 2009. Funds transferred from UNICEF to NEDA on 24 September 2009. Procurement completed in December 2009.
Output 2.1.1 Mentoring mechanisms formulated, recommended for adoption and institutionalized.	Indicator(s): # of modules for mentoring Baseline: No available guidelines/modules.	Capacity building & M/E Modules Progress/Annual Reports/Knowledge Products	Research/Data Collection/Module Development/Training Roll-out (Jan 2010 –June 2011) Regular M&E and Reporting (Quarterly/Annual)		TOR for study on assessment of mentoring practices and practitioners and experts completed in August 2009. Funds transferred from UNICEF to NEDA on 24 September 2009. Procurement of consultancy services for assessment of mentoring practices and practitioners completed in December 2009.
Output 2.1.2 WATSAN Toolbox implemented.	Indicator(s): # of LGUs trained; # of user associations trained; % increase in competencies of LGUs and user associations with implementation of toolbox Baseline: Toolbox available; data on current level of competency for planning, project development and formation of user association unavailable; data to be determined at start-up	Capacity building & M/E Modules/ WATSAN Tools/Manuals LGU Development Plans Progress/Annual Reports/Field Visit Reports/Knowledge Products	Research/Data Collection/Module Development/Training Roll-out (June 2010 –June 2011) Research/Data Collection (June 2010- June 2011) Regular M&E and Reporting (Quarterly/Annual)	Planned: \$39,102* Actual:\$39,102	Conducted 2 Capacity Assessment Workshops, National and Regional, last October and November, respectively. TOT for National CA Teams conducted in November 2009.

					Developed Draft CA Framework for Local Water Governance.
Output 2.2 Improved sector plans formulated and monitoring mechanisms established.	Indicator: # of MW4SPs formulated; # of monitoring systems established Baseline: No MW4SPs.	Government Reports (DILG/NWRB/LWUA/LGU) LGU Development Plans Progress/Annual Reports/Field Visit Reports	Research/Data Collection (June 2010- June 2011) Research/Data Collection (June 2010- June 2011) Regular M&E and Reporting (Quarterly/Annual)	Planned:\$16,768* Actual:\$16,768	Procured M&E Specialist in November to assist in establishing M & E system at the local level. Prepared TOR for the Consultancy Services for the MW4SPs.
Output 2.3 Localized Customer Service Code based on the framework for service delivery developed and adopted.	Indicator(s): % increase over baseline in the level of satisfaction of customers; # of customer service code formulated Baseline: No customer service code but guidelines to formulate available; piloting ongoing; level of satisfaction of users to be determined at start-up	Progress/Annual Reports/Field Visit Reports HH Surveys	Regular M&E and Reporting (Quarterly/Annual) Research/Data Collection (Apr 2009)	Planned: \$10,638 Actual: \$10,638	Procured Consultancy Services and equipment in November 2009.
Output 2.4 Advocacy and awareness raised of LGUs, WSPs, and community on a) WSP responsibilities; b) customer service code; c) KPIs and standards; d) tariff setting and regulation; e) management and operations options/ alternatives; and f) sanitation.	Indicator(s): % increase over baseline of target clientele (LGUs, WSPs, community) Baseline: Data unavailable on level of awareness; to be determined at start-up	Government Reports (DILG/NWRB/LWUA/LGU) LGU Development Plans Progress/Annual Reports IEC Plans	Research/Data Collection (Jan 2010-Dec 2011) Research/Data Collection (Jan 2010-Dec 2011) Regular M&E and Reporting (Quarterly/Annual) Regular M&E and Reporting (Quarterly/Annual) Government Reports on MDGs esp. on Water & Sanitation (Annual)	Planned: \$43,864* Actual: \$106	Developed IEC Results Framework as basis for the IEC Plan at the local level last November 2009. Procured consultants to conduct IEC Research Study while the IEC Specialist is not yet on board.

* Figures based on approved AWP revision by UNDP.

VII. Abbreviations and Acronyms

• ABC	Approved Budget for Contract
• AO	Administrative Officer
• AWP	Annual Work Plan
• CA	Capacity Assessment
• CAS	Cash Assistance Summary
• EO	Executive Order
• FGD	Focus Group Discussion
• FO	Finance Officer
• INFRACOM	Committee on Infrastructure
• IP	Implementing Partner
• JP	Joint Programme
• JTWG	Joint Technical Working Group
• KII	Key Informant Interview
• KPI	Key Performance Indicator
• LGU	Local Government Unit
• M&E	Monitoring and Evaluation
• MOA	Memorandum of Agreement
• MW4SP	Municipal Water Supply, Sewerage and Sanitation Plan
• NG	National Government
• OO	Outcome Officer
• P3W	President's Priority Program on Water
• PMC	Programme Management Committee
• PMT	Programme Management Team
• PO	Programme Officer
• RFP	Request for Proposals
• RFQ	Request for Quotations
• RP	Responsible Party
• SBAC	Special Bids and Awards Committee
• SCWR	Sub-Committee on Water Resources
• TOR	Terms of Reference
• TOT	Training of Trainors
• UNDAF	UN Development Assistance Framework
• WATSAN	Water and Sanitation
• WSP	Water Service Providers

ANNUAL WORK PLAN AND BUDGET FOR THE FIRST YEAR (2009-Q1 to 2010-Q1)
MDG- F 1919: Enhancing Access to and Provision of Water Services with the Active Participation of the Poor
ANNUAL PROGRESS REPORT (AS OF DECEMBER 2009)

UNDAF Outcome: Increased and more equitable access to and utilization of quality, integrated and sustainable basic social services by the poor and vulnerable.									
Annual Targets	Key Activities	Timeframe			UN Agency/ Responsible Party	Source of Funding	Budget Description	Amount (USD)	Remarks
		2009							
		Q2	Q3	Q4					
JP : Programme Management Support									
	PMC establishment				UNRC/UNDP/ UNICEF/NEDA/ DILG/NWRB	MDG-F	Personnel, Contracts, Supplies, Equipment, Travel, Training, Other Direct Costs	\$19,154.68	PMC membership finalized. Recruitment of OO for Outcome 2 and FOs and AOs for both outcomes completed.
	Pre-Implementation Workshop				UNDP/NEDA	MDG-F		\$ 1,731.27*	A Pre- Implementation, workshop participated in by personnel from the UN and government Implementing Partners (IPs) and Responsible Party, was conducted on 04-05 June 2009 to work out the organizational structure, coordination mechanisms and flows, and PMC activities.
	JPD Launching				UNRC	MDG-F		\$ 2,450.95*	The JPD was launched on 20 April 2009.
	Orientation Workshop				UNDP/UNICEF/ NEDA	MDG-F		\$ 1,063.83	Orientation workshop for newly hired MDG-F 1919

								<p>\$ 61.18 \$ 31.57</p> <p>personnel and newly on-board IP and RP personnel held in August 2009. JP TWG coordination meetings (August 11 and 18, 2009) in preparation for the Orientation Seminar.</p>
	NSC and PMC meetings				UNDP/NEDA	MDG-F	<p>Note: The amount is already included in the pre-implementation workshop also held on June 4-5, 2009</p>	<p>PMC convened for the first time on 04 June 2009 and again on 05 June 2009.</p>
	M&E				UNDP/UNICEF/NEDA	MDG-F		<p>TOR for the M&E expert prepared. Procurement undertaken.</p>
	Annual Audit				UNDP/UNICEF/NEDA	MDG-F		<p>Planned for later quarters.</p>
	Annual Work Planning for 2010				UNICEF/NEDA	MDG-F	<p>\$ 670.21</p>	<p>Planning undertaken earlier than originally scheduled due to delays encountered. Output of workshop is the basis for 2010 AWP.</p>
	Procurement: - Supplies				UNICEF/NEDA	MDG-F	<p>\$ 355.32</p>	<p>Supplies and equipment allocation of PMU and Outputs 1.1, 1.2.1, 1.2.2 and 1.4 lumped together for a single procurement to optimize resources and save time.</p>

	JPD preparation activities			UNDP/NEDA	MDG-F		\$ 10,430.41*	Technical Working Group meetings to draft the JPD, and discuss pre-implementation activities (e.g., workshops) held from 2008 (prior to approval of the JP) to June 2009 (prior to release of funds from UN IPs to government IPs). Stakeholders' consultation workshop held in September 2008 to validate the PWSSR findings, which form the basis of the JP strategies, through sharing of experiences of participants from relevant government agencies, civil society, and local government units. Planning workshop held in February 2009.
	Other PMC establishment support						\$ 7.45	Opening of UNICEF checking account.
SUB-TOTAL							\$ 35,956.87	
JP Outcome 1: Investment support mechanisms established to improve efficiency, access, affordability and quality of water services provided by utilities at the local/community level								
Indicators: # of executive/policy issuance(s); % increase over baseline in investments in poor communities/municipalities in the provision/improvement of water supply services								
JP Output	1.1 Incentives mechanisms and partnership modalities (e.g., leveraging local capital and/or subsidy) developed and enhanced for investments in "waterless" and poor communities. Indicators: # of policy issuance(s) for use of the schemes							

	Baseline: No data available, to be determined as part of the activities.								
Compendium of effective incentives and partnership schemes by 2009	Compile incentives and partnership schemes (local and international).				UNICEF/NEDA	MDG-F	Contracts, Supplies, Equipment, Other Direct Costs	\$ 4,387.19	TOR for study and experts completed in August 2009. Funds transferred from UNICEF to NEDA on 24 September 2009. Hiring of experts completed in December 2009. Supplies and equipment allocation of PMU and Outputs 1.1, 1.2.1, 1.2.2 and 1.4 lumped together for a single procurement to optimize resources and save time.
1 report on the design of the incentive schemes and partnership modalities by 2010	Characterize and assess WSPs in terms of its operations and business practices.				UNICEF/NEDA	MDG-F	Contracts, Travel, Training, Other Direct Costs		Planned for later quarters.
	Develop framework for partnership in the provision of water supply services in "waterless" and poor communities.				UNICEF/NEDA	MDG-F	Contracts, Other Direct Costs		Planned for later quarters.
	Review possible/recommended incentives and partnership schemes for different WSPs, including formulation a detailed action to implement.				UNICEF/NEDA	MDG-F	Contracts, Other Direct Costs		Planned for later quarters.
	Conduct consultations/ consensus building				UNICEF/NEDA	MDG-F	Contracts, Travel, Training, Other		Planned for later quarters.

	workshop/s with key stakeholders to further refine recommended incentives and partnership schemes.						Direct Costs		
1 national policy issuance promoting the use of the schemes by 2011	Adopt new incentives and partnership schemes for different WSPs through presentation of recommendations to appropriate body.				UNICEF/NEDA	MDG-F	Contracts, Other Direct Costs		Planned for later quarters.
SUB-TOTAL								\$ 4,387.19	
JP Output	1.2.1 National Government-Local Government Units (NG- LGU) cost sharing arrangement for water supply and sanitation provision for poor municipalities reformulated and adopted. Indicator(s): # of executive issuance(s) for cost sharing arrangement adoption. Baseline: Current cost sharing arrangement based on LGU income class only.								
1 report on the effectiveness of the current cost sharing scheme by 2010	Assess current NG-LGU cost sharing scheme and practice.				UNICEF/NEDA	MDG-F	Contracts, Supplies, Equipment, Other Direct Costs	\$ 1,650.83	TOR for study and experts completed in August 2009. Funds transferred from UNICEF to NEDA on 24 September 2009. Hiring of experts completed in December 2009. Supplies and equipment allocation of PMU and Outputs 1.1, 1.2.1, 1.2.2 and 1.4 lumped together for a single procurement to optimize resources and save time.
1 national scheme for cost sharing in the provision of water supply and	Develop a grant/subsidy framework for water supply services in consideration of a) non-				UNICEF/NEDA	MDG-F	Contracts, Travel, Training, Other Direct Costs		Planned for later quarters.

sanitation developed by 2010	viability of areas and b) limit use of NG grant/subsidy to funding capital expenditure for communities in the periphery of populated areas or in the hinterlands, and/or to WSA formation/capacity development, among others.								
	Develop guidelines for NG-LGU cost sharing in consideration of the developed grant/subsidy framework, including detailed action plan to implement.				UNICEF/NEDA	MDG-F	Contracts, Travel, Training, Other Direct Costs		Planned for later quarters.
	Conduct consultations/consensus building workshop/s with key stakeholders to further refine the framework and guidelines.				UNICEF/NEDA	MDG-F	Contracts, Travel, Training, Other Direct Costs		Planned for later quarters.
1 national executive issuance mandating the use of the new/enhanced NG-LGU cost sharing arrangement by 2010	Adopt guidelines for NG-LGU cost sharing arrangement.				UNICEF/NEDA	MDG-F	Contracts, Other Direct Costs		Planned for later quarters.
SUB-TOTAL								\$ 1,650.83	
JP Output	1.2.2 Programming policies of the P3W reviewed and amended, and adopted. guidelines for programming and implementation. guidelines available.								Indicator(s): # of Baseline: Current implementing
1 assessment report on the implementation of P3W by 2009	Assess implementation of P3W.				UNICEF/NEDA	MDG-F	Contracts, Supplies, Equipment, Travel, Training, Other Direct Costs	\$ 1,780.59	TOR for study and experts completed in August 2009. Funds transferred from UNICEF to NEDA on 24

									September 2009. Hiring of experts completed in December 2009. Supplies and equipment allocation of PMU and Outputs 1.1, 1.2.1, 1.2.2 and 1.4 lumped together for a single procurement to optimize resources and save time.
1 revised guidelines in the programming and implementation of P3W by 2009	Reformulate guidelines for programming and implementation of P3W drawing on the assessment and lessons learned.				UNICEF/NEDA	MDG-F	Contracts, Travel, Training, Other Direct Costs		Planned for later quarters.
	Adopt guidelines for programming and implementation of P3W balancing subsidies with better accountability and responsibility from recipient communities.				UNICEF/NEDA	MDG-F	Contracts, Other Direct Costs		Planned for later quarters.
SUB-TOTAL								\$ 1,780.59	
JP Output	1.3 WATSAN Councils and Water user associations formed/organized with increased participation and membership especially among women. Indicator(s): # of water user association organized Baseline: No data available, to be determined as part of the activities.								
1 baseline survey report on the number of user associations in the 36 waterless municipalities by 2009	Conduct baseline survey of waterless areas without organized local user associations.				UNDP/DILG	MDG-F	Contracts, Personnel, Supplies, Equipment, Travel, Transportation, Training, Other Direct Costs	\$ 138,477.00	Baseline Study Team on board last November 2009. Developed baseline survey questionnaires and guidelines through participatory approach with major sector agencies, CSOs

									and UN partners in December.
36 (minimum) user associations in 36 municipalities by 2011	Conduct inclusive consultations and mobilization				UNDP/DILG	MDG-F	Transportation Supplies, Trainings/meetings Contracts of services		Planned for later quarters.
SUB-TOTAL								\$ 138,477.00	
JP Output	1.4 Tariff-setting methodology adjusted for small scale water service providers. Indicator(s): # of tariff-setting methodology revised. Baseline: Current methodology available.								
1 methodology by 2009	Review and develop (including conduct of consultations with key stakeholders) and adopt new methodology for small scale providers.				UNICEF/NEDA	MDG-F	Contracts, Supplies, Equipment, Travel, Training, Other Direct Costs	\$ 1,630.40	TOR for study and experts completed in August 2009. Funds transferred from UNICEF to NEDA on 24 September 2009. Hiring of experts completed in December 2009. Supplies and equipment allocation of PMU and Outputs 1.1, 1.2.1, 1.2.2 and 1.4 lumped together for a single procurement to optimize resources and save time.
SUB-TOTAL								\$ 1,630.40	
JP Outcome 2: Enhanced capacities of LGUs and WSPs to develop, operate, and manage potable water services.									
Indicators: % increase over baseline in the level of competency of LGUs and WSPs to develop, operate, and manage water services.									
JP Output	2.1.1 Mentoring mechanisms institutionalized for skills and knowledge transfer/sharing. Indicator(s): # of modules for mentoring. Baseline: No available guidelines/modules.								
1 assessment report on effective mentoring practices and practitioners by 2009	Assess current mentoring practices and practitioners.				UNDP/NEDA	MDG-F	Contracts, Supplies, Equipment, Travel, Training, Other Direct Costs		TOR for undertaking and consultants prepared.

1 needs assessment report by 2010	Assess training needs of target WSPs.				UNDP/DILG	MDG-F	Contracts of services, Supplies, Equipment, Travel, Training		Planned for later quarters.
1 mentoring module for on-site skills and knowledge sharing by 2011	Develop and pilot mentoring mechanisms (i.e., how to conduct and operationalize).				UNDP/DILG	MDG-F	Contracts of services, Supplies, Equipment, Travel, Training		Planned for later quarters.
SUB-TOTAL									
JP Output	2.1.2 WATSAN Toolbox implemented. Indicator(s): # of LGUs trained; # of user associations trained; % increase in competencies of LGUs and user associations with implementation of toolbox Baseline: Toolbox available; data on current level of competency for planning, project development and formation of user association unavailable; data to be determined at start-up								
1 toolbox packaged by 2009	Package a comprehensive and complete toolbox.				UNDP/DILG	MDG-F	Contracts of services, Supplies, Transportation, Training	\$ 39,102.00	TOR of consultants prepared and approved. Conducted Focus Group Discussion to integrate the Key Concepts on Water Governance. Preparation of TOR of Consultants for the Regional CA on-going. Conducted CA at the National Level. TOT for National CA Teams conducted in November 2009 Developed Draft CA Framework for Local Water Governance.
36 LGUs and 36 user associations trained by 2011	Conduct intensive learning program LGUs.				UNDP/DILG	MDG-F	Contracts of services, Supplies, Transportation,		Planned for later quarters.

							Training		
SUB-TOTAL								\$ 39,102.00	
JP Output	2.2 Improved sector plans formulated and monitoring mechanisms established. Indicator: # of MW4SPs formulated; # of monitoring systems established Baseline: No MW4SPs.								
36 MW4SP with monitoring mechanism by 2009	Formulate MW4SPs to incorporate the mechanism for sector monitoring.				UNDP/DILG	MDG-F	Contracts of services, Equipment, Training, Transportation		Prepared TOR for the Consultancy Services for the MW4SPs.
1 monitoring system established for each municipality as prescribed in the MW4SP.	Implement a sector monitoring mechanism based on key performance indicators (KPIs) and standards.				UNDP/DILG	MDG-F	Contracts of services, Equipment, Training Transportation	\$ 16,768	Procured M&E Specialist in November to assist in establishing M&E system at the local level.
SUB-TOTAL								\$ 16,768	
JP Output	2.3 Localized Customer Service Code[3] based on the framework for service delivery developed and adopted. Indicator(s): % increase over baseline in the level of satisfaction of customers; # of customer service code formulated Baseline: No customer service code but guidelines to formulate available; piloting ongoing; level of satisfaction of users to be determined at start-up								
36 (minimum) user associations in 36 municipalities by 2011	Conduct inclusive consultations to determine the needs and requirements of customers.				UNDP/DILG	MDG-F	Contracts of services, Supplies, Travel, Training, Other Direct Costs		Planned for later quarters.
1 customer service code formulated for each water supply system by 2011	Formulate and adopt a customer service code				UNDP/DILG	MDG-F	Contracts of services Supplies, Equipment, Travel, Transportation, Training, Other Direct Costs	\$ 10,638.00	Procured Consultancy Services and equipment in November 2009. Conducted Focus Group Discussion to integrate the Key Concepts on Water Governance.
SUB-TOTAL								\$ 10,638.00	
JP Output	2.4 Advocacy and awareness raised of LGUs, WSPs, and community on a) WSP responsibilities; b) customer service code; c) KPIs and standards; d) tariff setting and regulation; e) management and operations options/ alternatives; and f) sanitation. Indicator(s): % increase over baseline of target clientele (LGUs, WSPs, community) level of awareness; to be determined at start-up Baseline: Data unavailable on								

1 national IEC plan by 2009	Develop IEC plan and conduct intensive awareness raising and advocacy programs on a) water service provider's responsibilities; b) customer service code; c) KPIs and standards; d) tariff setting and regulation; e) management and operations options/alternatives; and f) sanitation for local stakeholders.				UNICEF/DILG	MDG-F	Contracts of services, Supplies, Travel, Training, Other Direct Costs	\$ 106.00	Developed IEC Results Framework as basis for the IEC Plan at the local level last November 2009. Procured consultants to conduct IEC Research Study while the IEC Specialist is not yet on board.
SUB-TOTAL								\$ 106.00	
JP OUTPUT 2.0	Programme management support				UNDP/DILG	MDG-F	Contracts, Equipment, Travel, Supplies, Workshops	\$ 95,149.00	
TOTAL								\$345,645.90	

* Cash advance used for JP preparatory activities (prior to official start of the JP in June 2009)

Code

	Not yet undertaken
	On-going
	Done/completed