

PROGRAMA NASIONAL DEZENVOLVIMENTU SUKU



Hamutuk Ita Dezenvolve Nasaun



PROGRAMA OPERASAUN MANUAL



PNDS PROGRAM OPERATIONS MANUAL

A Guide to the Principles, Regulations, Structure and Management of the National Program for Suco Development and Application of PNDS Community Driven Project Planning, Implementation, Monitoring & Evaluation, and Operations & Maintenance.

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LIST OF ACRONYMS

TETUN	ENGLISH
	ACD Accelerated Community Development Program, the fore runner to PNDS
	AMS Asset Management System
AD	District Administration / <i>Administrasaun Distritu</i>
ADN	National Planning Board
ASD	Sub-District Administration / <i>Administrasaun Sub-Distritu</i>
BNCTL	Timor Leste Central Bank
BoQ	Bills of Quantity
	CBO Community Based Organizations
	CDO Community Development Officer
	CHS Complaints Handling System
	CSO Civil Society Organizations
	DDP Decentralized Development Program
	DG Director General
	DS District Secretariat
	DTO District Technical Officer
DT/EVAS	District Verification, Assessment and Supervision Team
EIP	Community Implementation Team
EMG	
EOM	O&M Operations and Maintenance Team
	O&M Operations and Maintenance
EVAS	Verification, Assessment and Supervision Team
FS	SDF Sub-District Facilitator
GMF	Community level water user groups / <i>Gruppo Manajemen ba Fasilidade</i>
	GoTL Government of Timor Leste
	GSI Gender and Social Inclusion
GTTIM	Technical Working Group
KDD	District Development Committee
KDSD	Sub-District Development Committee
KDS	
KKIM	Inter-Ministerial Coordination Committee

KPA		Planning and Accountability Commission- part of the Suco Management Team
	KPIs	Key Performance Indicators
MAE	MoSA	Ministry of State Administration
MD		Ministerial Decree
	MoF	Ministry of Finance
	M&E	Monitoring & Evaluation
	MIS	Management and Information System
	NDA	National Development Agency
	NGO	Non Government Organization
	NP	National Parliament
	O&M	Operation& Maintenance
	O&MT	Operation& Maintenance Team
PDD		Decentralization Development Program / <i>ProgramaDezervimentuDesentrilisaun</i>
PDID		Integrated District Development Planning
PDS		Suco Development Plan
PNDS		National Suco Development Program / <i>ProgramaNasionalDezenvolvimentuSuku</i>
	POM	Program Operations Manual
PSF		(chapter 4 step 2)
	PSU	Program Support Unit
SAS		Water Service / <i>Serviso</i>
	SDFF	Sub-District Finance Facilitator
	SDF	Sub-District Facilitators
	SDSF	Sub-District Social Facilitator
	SDTF	Sub-District Technical Facilitator
	SDP	Strategic Development Plan
	SDDC	Sub-District Development Commission
	SF	Suco Facilitators
	SKDD	Development Committee Coordination Meetings
	TIMWG	Technical Inter-Ministerial Working Group

TWG	Technical Working Group
ToR	Terms of Reference
TD	Territorial Delegations
TLNBC	Timor-Leste National Bank of Commerce
Xefe	Traditional term for head of community, organization or other group

PREFACE

The Government of Timor-Leste is increasing its efforts on local development to achieve the goals set out in the National Strategic Development Plan. The Government passed a resolution (#01/2012) in January 2012 to reassure its commitment in this direction. This established an inter-ministerial mechanism to design and make necessary preparations to launch a National Program of Community Empowerment called the National Program for Suco Development (Programa Nasional Dezenvolvimentu Suku or PNDS.) PNDS provides opportunities to every Suco community to directly plan and implement small and simple but, priority village infrastructure, such as, water systems, irrigation canals, bridges and rural roads etc., in order to accelerate the development of village infrastructure and improved service benefits.

PNDS will empower communities, their Xefes (heads) and Councils, to plan and build priority village infrastructure, account for the results and funds utilized, and ensure that projects are well maintained and continue to function and provide the benefits communities wanted. To do this communities need much assistance. In addition to regular assistance from ministries and local administrations, the Government will provide communities with technicians and facilitators to help with the design, construction and operations and management of infrastructures, with the accounts and reports, and in order to guarantee all villagers, both men and women, can participate fully in decisions, project processes and benefits.

For this to happen, the Government introduced a Decree Law to provide a legal basis to this initiative and developed a Program Operations Manual (POM) which provides policy and operational guidelines to implement the program. This POM is intended for managers, supervisors, local administrations, development partners, NGOs and other interested parties. The POM will be supplemented with detailed guidelines (social, engineering and financial) which are being used to train local field facilitators and the communities they assist in program implementation. The POM will be up-dated from time to time as needed, with a serious review expected in year 3-4 of the program implementation.

Revisions will be made based on the results of intensive monitoring and field supervision during the first two years and on input- questions or complaints, from all interested parties, in particular local officials, facilitators and community members.

I take this opportunity to acknowledge and appreciate the sincere efforts made by the Inter-Ministerial Technical Working Group to design the program and develop the Program Operations Manual for PNDS. I would like to specially appreciate the exemplary work done by the PNDS Secretariat during the last one year to assist the Technical Working Group and manage the PNDS planning and design process. This has been possible with technical assistance provided by AusAID who accepted the invitation to be a partner to this process. I would also like to thank the stakeholders who have been contributing to this process of planning and preparation for PNDS.

Jorge da Conceição Teme

Minister for State Administration

1 PNDS Background

PNDS PROGRAM OPERATIONS MANUAL / POM

1. Background

Timor Leste's National Strategic Development Plan (2011-2030) identifies the country's economic and social development priorities. To achieve the Plan's goals, the Government of Timor Leste (GoTL) is developing new decentralized programs which focus on local development at the community level in Sucos and Aldeias. The Plan also requires the GoTL to provide opportunities to increase citizen participation and involvement in local development. Accelerating infrastructure development and access to public services are critical to achieving the Plan's development goals while generating local social and economic benefits that will contribute to sound, sustainable, equitable national development.

Government Resolution n. ° 1/2012, 25 January (and Joint Ministerial Diploma n. ° 22/2012, 27 June) formally approved the policy to establish a national mechanism to accelerate community development to support achieving the National Strategic Development Plan's goals. This mechanism aims to empower communities by supporting them to determine and manage their community's small scale infrastructure needs, while providing additional work opportunities that can increase household incomes.

In March 2012 an Inter-Ministerial Committee (KKIM) was established by GoTL. An Inter-Ministerial Technical Working Group (GTTIM) was then formed comprised of Directors from member Ministries to lead the development of the National Suco Development Program (PNDS). A National Secretariat for PNDS was established within the Ministry for State Administration (MAE) to provide technical assistance and manage program planning and design for Suco Grants to communities for infrastructures and services development.

The PNDS Secretariat developed this Program Operations Manual to outline the systems required for Suco Grant planning and management at all levels- central Government, Districts, Sub-Districts and Suco and communities. In addition to this manual, the Government with Donor support has developed a comprehensive training program to implement PNDS including deploying trained and dedicated human resources to work with communities and ensure effective implementation.

1.1 REGULATORY FRAMEWORK

PNDS is designed to operate within existing legal and regulatory frameworks and support cooperation between communities and Government to build and maintain infrastructures, which contribute to sustainable development.

Timor Leste is administratively divided into 13 Districts and 65 Sub-Districts. Below the level of Sub-District are 442 Sucos, a traditional community governance structure similar to a village that is not part of the formal government system, but nevertheless well organized. Sucos are further divided into 2,250 Aldeias which are similar to hamlets. Both have hereditary and elected leadership. Traditional leadership has been recognized under *Law n. ° 3/2009, July 8*.

Decree Law 4/2012, 15 January created the Integrated District Development Planning, or PDID, and defines and governs rules applying to competencies, planning, implementation and financing to execute State projects at the District and Sub-District levels.

The national mechanism created to accelerate community development (*Government Resolution n. ° 1/2012*, 25 January above) was originally called the Accelerated Community Development Program (ACD). It was further defined as Programa Nacional de Desenvolvimento dos Sucos or Suco Development Program (PNDS) in the *Joint Ministerial Diploma n. ° 22/2012*, 27 June. This Joint Ministerial Diploma also clarified the roles and competencies of both the Inter-Ministerial Committee and the Inter-Ministerial Technical Working Group (TWG), appointed representatives of the line ministries in the Technical Working Group and established a Secretariat to provide technical, functional and administrative support for PNDS.

1.1.1 Inter-Ministerial Working Group

The Inter-Ministerial Technical Working Group (TWG) is co-chaired by the Ministry of State Administration and the Ministry of Finance and includes the Ministries of Health, Education, Infrastructure, Agriculture and Fisheries, and the National Development Agency. The TWG's role is to ensure:

- Proper development and implementation of PNDS.
- Timely allocation of funds to Sucos (Suco Grants).
- Oversight of resource allocations to implement PNDS in accordance with its objectives and principles.

The TWG can be supported in designing, implementing, monitoring and evaluating of the mechanism by outside contractors in order to benefit all the Sucos in each of the thirteen districts.

1.1.2 PNDS / Programa Nasional Dezenvolvimentu Suku / National Suco Development Program

The Decrees, Resolutions and related Diplomas referred to above form the basis for the Government Program developed to accelerate community development and poverty reduction in every Suco throughout the country in accordance with the National Strategic Development Plan. The Integrated District Development Planning (PDID) oversees district level development initiatives including both the Decentralized Development Program and the National Suco Development Program (PNDS).

The Decentralization Development Program (PDD), which commenced in 2010, authorizes the District Development Committee (KDD) to jointly select private sector contractors to manage and implement infrastructure development projects in rural areas. It funds large scale, more technically complex projects costing up to US\$500,000.

PNDS differs from PDD and most other government development projects in that communities are responsible for planning, constructing, managing, maintaining and rehabilitating works and small-scale infrastructure. PNDS projects are not tendered and private sector contractors do not construct the prioritized infrastructure. The PNDS mechanism applies a community demand-driven and community managed approach. It makes financial and technical resources and

1 National Program for Suco Development

support available to all 442 Sucos in Timor Leste, providing them with the capacity to construct, manage and maintain basic infrastructures. The PNDS process provides a systematic series of steps to ensure that all community members are included, and priorities and choices include their opinions and concerns so the whole community benefits from the infrastructures development. The PNDS approach also recognizes the need to build upon existing plans in a logical, integrated manner, and prepare Suco Development Plans (PDS) to guide development and link activities. Thus, the first year of PNDS, 2014, includes a facilitated, inclusive assessment and planning process to identify current community priorities and assist Sucos to do more effective, appropriate multi-year planning and priority setting. (Note: PNDS Field Test takes place in 2013.)

PNDS will have an initial term of eight years with 8 one year cycles, and a projected total budget of approximately US\$ 294.3 million. These funds allow for implementation of at least one project per year in each Suco in Timor-Leste. It is expected that an average of US\$50,000 per Suco will be allocated during the first three years to invest in basic infrastructure and public services, and that this amount will grow in subsequent years to an average of US\$75,000 USD.

The success of the PNDS mechanism depends on the full support of the Timorese Government. Government program implementation and development partners' experience have already demonstrated how partnership between local communities and government can accelerate the construction of basic infrastructures, such as, clinics, schools, irrigation, drinking water systems, markets and roads. Government programs must align with community wishes and priorities, and their success depends on direct community participation.

1.2 PNDS OBJECTIVE

The Strategic Development Plan of Timor-Leste (2011-2030) recognized that one of the aspirations of the Timorese people to create a strong and prosperous nation is the development of infrastructures capable of providing socio-economic development, increasing productivity, and creating jobs, particularly in rural areas. This requires the Timorese people's active participation, and strengthening their confidence in public institutions.

The goal of the PNDS program to support this longer term vision is "Improved socio-economic conditions and local governance for village men and women in Timor Leste through community managed infrastructure."

1.3 KEY PERFORMANCE INDICATORS

The following key performance indicators will be used to measure the extent to which PNDS has achieved its goal and key outcomes by the year 2020.

Table 1.3A: Outcomes & Key Performance Indicators

OUTCOMES	KEY PERFORMANCE INDICATORS 2020
Goal	442 Sucos participating in PNDS
Improved socio-economic conditions and local governance for Suco men and women in Timor	# women and men benefiting*
	% households with improved consumption *

Lestethrough community managed infrastructure.	% households able to access benefits from infrastructure improvements *
	# paid work days for women and men through PNDS*
Outcome 1: StrengthenedGoTLsystems to accelerate direct delivery of PNDS to communities	100% PNDS funds disbursed
	> 250 facilitators trained (40% female)
	80% complaints resolved
	80% unqualified audits
Outcome 2: Increased community participation and capacity for planning and managing local infrastructure	1300 Suco bodies trained (EIP, EOM and KPA)
	50% female Suco Facilitators and 40% female KPA members
	40% women participate in socialisation, priority setting, construction of works & accountability meetings *
Outcome 3: Quality infrastructure built and maintained by communities	3600 Sucoinfrastructure projects completed
	80 % Suco with functioning O&M committees
	80% of infrastructure are functioning one year after completion

Refer to monitoring and evaluation framework included in section 4 and Annexes for more details

1.4 GUIDING PRINCIPLES

PNDS program design and implementation are guided by the following core principles:

Poverty Reduction: create jobs that consequently increase the income of households and improve access to basic services.

Community Demand Driven: villagers determine activities through a consultation process which actively involves all men and women from all Aldeia in a Suco.

Community Management: decision-making rests with communities in line with the Central Government commitment to support development and combat rural poverty through the decentralising authority.

Gender Equality: ensure that women and men have an equal say in decision-making on community development issues. (PNDS recognizes this will require specific actions and resources so that women are able to participate and benefit equally in the program, and commits to doing this).

Transparency: democratize access to information to ensure the whole community has access to all necessary information, technical and financial easily, conveniently and timely to inform their decision making.

Accountability: a clear understanding of the rights and responsibilities of all actors to allow for effective accounting of decisions made, funds utilized, and works constructed.

Participatory Learning: broad community involvement in program monitoring and evaluations will inform the design and implementation of the next phases, leading to

continuing improvements and further enhancing a sense of community ownership and community empowerment.

1.5 GENDER AND SOCIAL INCLUSION

The Government recognizes that existing gender and social inequality have resulted in many people being excluded from community development efforts and their benefits. It is necessary that PNDS provides specific support and resources for affirmative action initiatives. This is to ensure that all citizens are able to participate in decision making processes and have equal access to benefits resulting from PNDS.

The National Strategic Development Plan envisages “*a gender - fair society where human dignity and women's rights are valued, protected and promoted by our laws and culture.*” Amongst the eleven strategies identified to promote gender equality in the Plan, two strategies in particular guide the development and implementation of the PNDS program:

1. Ensuring gender mainstreaming is promoted across government in policies, programs, processes and budgets.
2. Policies, training and leadership programs are developed to support women in taking on decision making roles in public and private sectors.

The Gender and Social Inclusion (GSI) Strategy elaborates the PNDS resources and procedures committed to ensuring that women and men from different socio-economic backgrounds are able to:

- Effectively engage in key decision making forums.
- Play an active role in community management structures.
- Participate in determining priority infrastructure needs and benefit from new opportunities created by the community-constructed infrastructure.
- Access employment opportunities offered through the Program.

The Strategy is reviewed and reassessed each year.

This GSI Strategy and budgeted Action Plan, which includes capacity building for facilitators and Suco teams, ensures program initiatives are in accordance with and actively support the existing government policy framework for gender equality and social inclusion. It identifies and addresses institutional barriers to equality, and determines incentives (and sanctions) to support increased access by women, as well as, diverse individuals and marginalized groups (e.g. mobility impaired individuals and the disabled) to opportunities provided by PNDS.

The Strategy's starting point is the lessons learned from other projects, the work of Civil Society Organisations (CSO) working on GSI, and the experience of PNDS. The Program looks for opportunities to collaborate to build on what is already in place (successes). The yearly review of the Strategy and Action Plan enables PNDS to build on emerging opportunities and lessons learned.

1.6 CODE OF CONDUCT

Professional and ethical behaviour amongst all PNDS actors is vital to ensure PNDS is effective in reaching its intended outcomes. A clear Code of Conduct is necessary to guide the behaviour of actors involved in PNDS.

The following types of behaviour or actions by PNDS Staff and Consultants are strictly prohibited:

- Make decisions, negotiate and compromise, or perform an act detrimental to the public.
- Exert influence on (as opposed to inform) the choice of activities made by communities.
- Accept gifts, compensation or a commission in connection with one's position on PNDS, whether asked for or not, other than remuneration specified in one's contract.
- Act as a supplier of materials and equipment, pointing to one supplier, or function as an intermediary, whether profiting personally or not.
- Act as paymaster or administrator on behalf of the Community Implementation Teams (EIP) or other community groups.
- Handle PNDS funds/cash for any reason whatsoever.
- Borrow PNDS funds for any reason, either in a personal, family, or group capacity.
- Falsify records, signatures, or statements, either directly or knowingly allowing such falsification.
- Intentionally not report or cover up irregularities that occur.
- Any form of sexual harassment or abuse or treatment of community members, co-workers and others with lack of courtesy and respect.

The code of conduct is explained in training and further details provided as needed to guide and support staff. Information about the Code of Conduct is included in staff orientations and contracts and available to everyone on request.

2 Community Grants Funding & Management

PNDS PROGRAM OPERATIONS MANUAL / POM

Introduction

This chapter contains a summary of key financial principles, policies, and controls for managing PNDSSuco Grant Funds at both Government and Suco level. These finance systems have been designed to ensure maximum accountability, while also being simple to operate at the Community level. More detailed processes, procedures and templates are set out in the PNDS Finance Operations Manual.

The Grant Funds management mechanism is guided by the following key principles:

Efficiency	Getting funds to the community level quickly, in a timely manner through direct transfers to Suco managed bank accounts.
Equity	Ensure there is equitable access to the funds across the country.
Empowerment	Ensure the community can make their own decisions on how funds will be spent.
Accountability	Ensure communities and program teams account for spending, both to Government and to community members.
Predictability	Timely, predictable disbursement (communities know if they account for funds properly, they can continue to access grants in the future, on a known and predictable schedule).

2.1 ALLOCATIONS IN THE NATIONAL BUDGET

National funding for PNDS will amount to approximately US\$ 294.3 million over an eight-year period. Approximately US\$22 million is to be allocated in 2014 for Suco grants.

It is intended that donors and development partners will contribute funding to PNDS, particularly for training and technical assistance. Over time the Government will provide more or all of these costs.

2.2 PROJECT FUNDING

Suco Grants will be made available for at least one community managed project per year in each of the 442 Sucos. Annual grants will have an average value of US\$ 50,000 in the first year, which will increase to about US\$ 75,000 dollars on average in later years.

The Suco Grants' allocation level is guided by objective criteria, such as, the village's degree of remoteness and population. The formula for calculating each Suco's Grant is set out in the PNDS Finance Operations Manual.

The allocation for subsequent years will be determined in part by community performance. This will be based on the results of the final evaluation and audit (*refer Chapter 4.3 step 12*) and include assessments of social, technical and financial management aspects of the previous years' project(s). Any Suco Grant instalments of not yet disbursed at year-end to the Suco Bank Account will be reappropriated in the following year's budget (in addition to the annual grant amount). In this instance, the new project will not be able to commence until the ongoing project

is completed. Where a Suco is building up budget appropriations over a number of years due to slow project implementation, their new budget allocation may be reduced until program funds from prior years are fully expended. This will be decided on a case by case basis by the PNDS Secretariat.

Grant Funds to Sucos will be made up of two parts, Operational Funds, which will be transferred to communities in the last quarter of the previous year (in 2013 for 2014, eg) and the capital investment or Infrastructure Funds.

Table 2 A: Suco Grant Funds

GRANT INSTALMENT	PAYMENT TIMING (see triggers below)	ALLOWABLE USES
Operational Funds (approximately 10-14% of the total Suco Grant)	Paid on Election of Office Bearers / Holders, Opening of SucoBank Account and signing of Annual Grant Agreement	<ul style="list-style-type: none"> ▪ Incentives for Suco Team ▪ Transport, ▪ Office Equipment ▪ Stationery ▪ Photocopying ▪ Communications ▪ Meeting Costs ▪ Training Costs ▪ Survey & Design Costs
Infrastructure Tranche 1: 50% of Infrastructure Funds (Infrastructure Funds = Total Suco Grant minus Operational Funds)	Paid when Project Proposal Completed and Approved and Contract signed (Budget, Design, BOQ, O&M Plan)	<ul style="list-style-type: none"> ▪ Construction materials ▪ Labour ▪ Materials transport ▪ Tools ▪ Equipment hire and other services as needed <p>(See also list of allowable activities below)</p>
Infrastructure Tranche 2: Remaining 50% of Infrastructure Funds	Paid when 70% of Previous Infrastructure Tranche has been spent and Community Accountability Meeting held and project progress certification submitted.	<ul style="list-style-type: none"> ▪ Construction materials ▪ Labour ▪ Materials transport ▪ Tools ▪ Equipment hire and other services as needed <p>(See also list of allowable activities below)</p>

In addition to the above, each Suco will also manage Operations and Maintenance Funds. These are funds collected from each household in the community and are used for the operation or maintenance of infrastructures/ works built or rehabilitated through PNDS.

2.2.1 Allowable Activity Types (Menu)

The types of activities that can be supported by PNDS are those public goods based on criteria described in the Integrated District Development Planning (PDID) law and elaborated below:

1. Access infrastructure, including local roads, bridges, paths, jetties, etc.
2. Small, simple village water systems (for example, gravity systems, wells, rainwater catchment, and spring protection), and may include washing facilities. Sanitation facilities as part of public facilities are allowed.
3. Irrigation and drainage, including check dams, canals, gates etc.
4. Extension, renovation or rehabilitation of local schools, for example, additional classrooms, toilet facilities, early childhood centres, kindergartens, furnishings and equipment.
5. Extension, renovation or rehabilitation of local health posts/clinics, including, for example, furniture, roofing, painting, basic equipment, water and sanitation facilities.
6. Multi-purpose community halls.
7. Other small-scale community public facilities, such as, local markets, electricity supply, children's playgrounds, and sports facilities.

Given the technical limitations, especially, in the early years as PNDS staff and communities are developing their skills, Sucos are encouraged to consider possible extension, rehabilitation or renovation of existing community public infrastructure assets rather than the construction of new facilities. PNDS Facilitators should assist communities in considering such choices during the priority setting process.

For any new infrastructure works, it will be necessary to ensure close coordination with relevant line ministries. This is in line with PDID procedures and allows ministry territorial delegations/representatives to ensure proposals are in line with sectoral plans, and to plan for the provision of needed recurrent costs. It ensures that sufficient funds are budgeted by sectoral agencies for operations and maintenance. The mechanism and responsibilities for ensuring coordination are outlined in section 2 below.

It will be allowable in later years for Sucos to cooperate and use their block grant infrastructure funds to co-finance a project that benefits multiple communities, but this is not be allowed in the first two years of the program. It must be made clear from initial socialization that large, more complex construction works are not appropriate for PNDS, and funding for these can be sought from other programs.

Villages will also be able to propose for funding projects that take more than one year to construct, on the condition that what is built in one year is able to be used when completed. For example, a water system can be built when the entire system is planned to service four Aldeia after two years of investment, on the condition that two Aldeia are already able to receive water after the first year, and operations and maintenance systems are in place, and then, at the end of year two, systems in all four Aldeia are completed.

Due to the added complexity and the need for wider consultation and agreement, proposals for both multi-Suco and multi-year projects, these project types *will not be considered for funding until cycle/year 3*.

2.2.2 Non-Allowable Activity Types (Negative List)

Activities not supported under PNDS include:

1. Anything against the laws of the country.
2. Anything having to do with firearms, drugs, tobacco, asbestos or other harmful substances.
3. Activities that utilize land that has contested ownership or involves displacing people.
4. Payment of compensation or rent for use of land.
5. Environmentally damaging activities.
6. Government offices and places of worship.
7. Payment of government salaries.
8. Any funding for political parties, political activities, campaigning etc.
9. Recurrent costs (for example, paper and pens for schools) and minor maintenance cannot to be funded by PNDS. *(Larger scale and planned Operations and Maintenance may be funded from PNDS in accordance with the program requirements set out in Chapter 4, however these funds are to be sourced entirely from the Community.)*
10. Construction of new schools, new clinics or medical facilities, which would require National Ministry provision of staff and equipment. *(Rehabilitation to restoring existing infrastructure functionality can be funded with proper coordination with the appropriate technical ministry.)*
11. Activities considered too large or complex for the community to construct and maintain.

2.3 DISBURSEMENT TRIGGERS FOR SUCO GRANTS

Whilst social, technical and financial monitoring of projects will take place throughout the Project Cycle, a clearly defined process for “Triggering” payments to SucoBank Accounts is to be used, based on documented confirmation of certain technical, financial and social standards, and progress at different stages.

2.3.1 First Trigger: Disburse Operational Funds

The Operational funds are transferred to the Suco Bank Account at the beginning of each Project Cycle so that funds are available to support community training, the planning process, design of projects etc. All of the Disbursement Triggers below are required to be met in order to transfer Operational Funds to a Suco:

1. Planning and Accountability Commission (KPA) / Community Implementation Team (EIP) Office Bearers/ Holders are elected by the Community.
2. Suco Bank Accounts opened.

3. Annual Grant Agreement signed between the District Administrator and the XefeSuku and xefe EIP.

2.3.2 Second Trigger: Disburse Tranche 1 - 50% of Infrastructure Funds

The First Tranche of Infrastructure Funds will be released to allow communities to begin construction. The Trigger required to be met in order for this tranche to be released is:

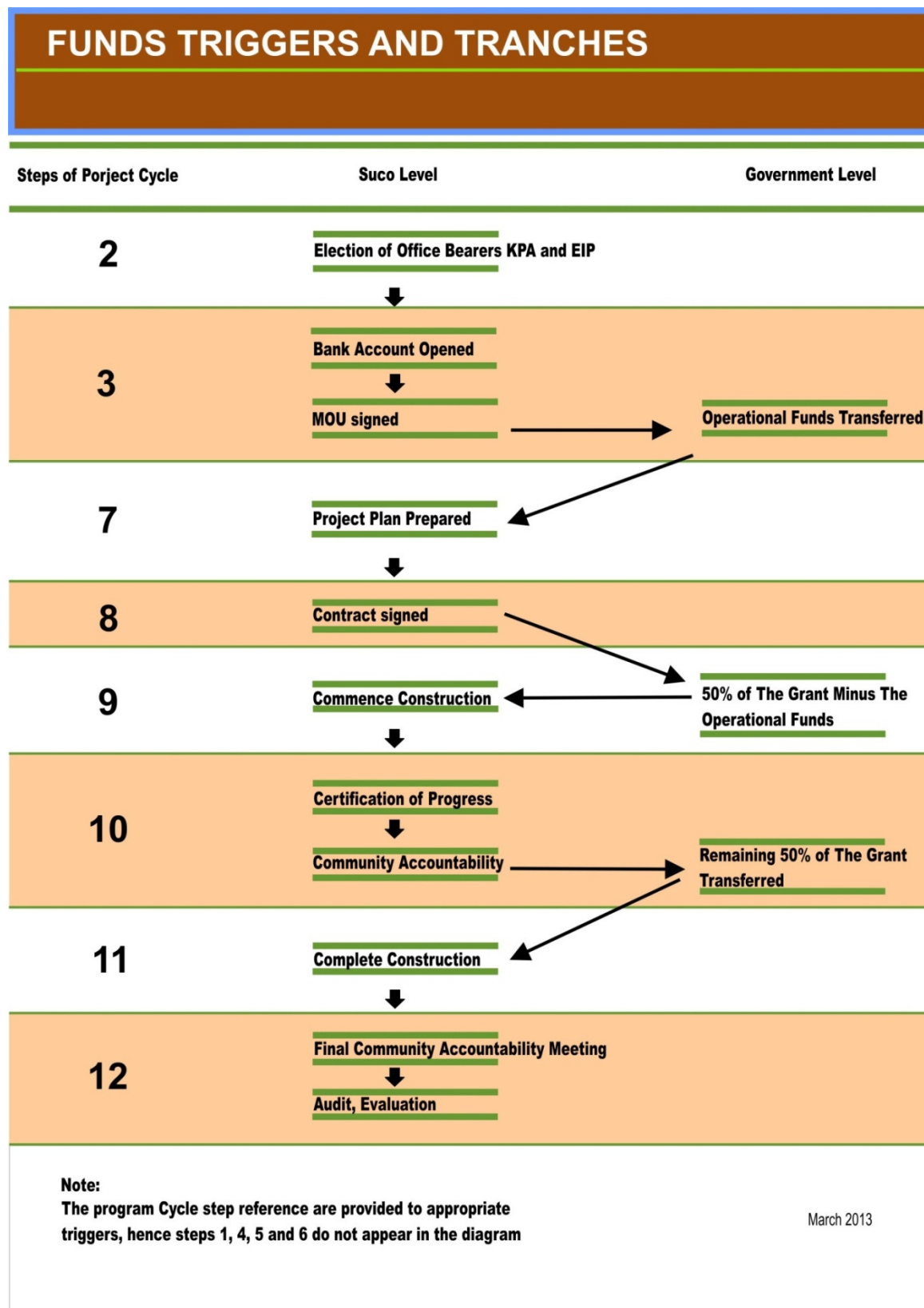
1. A Project Implementation Agreement, which is signed by the EIP Head, xefe Suku and District Administrator and witnessed by the KPA President after the complete Project Plan (design, budget etc.) is checked and cleared by the District Accountant and Engineer and endorsed by District coordinator.

2.3.3 Third Trigger: Disburse Tranche 2 - Remaining 50% of Infrastructure Funds

The Second Tranche will be released when 70% of the funds from the first transfer of Infrastructure Funds have been expended and accounted for – this should be approximately midway through the construction phase. The Triggers below are all required to be met for this tranche to be released:

1. Certification of progress, both physical and financial.
2. Technical and Financial Reports presented and discussed at a Community Accountability Meeting, and accepted.

Diagram 2.1 : Funds Triggers and Tranches



2.4 MANAGEMENT OF SUCO BANK ACCOUNTS

Separate bank accounts will be established by each Suco for the separate management of Operational, Infrastructure and O&M Funds. Grant instalments will be transferred directly to Operational and InfrastructureAccounts by the General Directorate of Treasury in the Ministry of Finance when the PNDS District Coordinator certifies the necessary Disbursement Triggers have been met.

SucoAccounts can be opened immediately after socialization and the formation of the Suco Management Teams, and orientation for those who open the accounts. Opening of Suco Bank Accounts will be approved by the District Accountant, upon written confirmation from the District Administrator that the EIP and KPA have been elected.

2.4.1 Appointment of Bank Signatories and Internal Controls for Bank Withdrawals

In accordance with the key program objective of empowerment of the community, authorisation to withdraw funds from Suco Bank Accounts will be held by KPA and EIP Office Bearers, with internal oversight from the Sub-District Financial Facilitator. To ensure maximum control over project funds, each withdrawal from the bank will require approval from a member of both the KPA and the EIP. The primary signatories will be EIP Treasurer and the KPA President, and the EIP Headand the KPA Secretary will also be listed as reserve signatories. The reserve signatories should only be used in exceptional circumstances where the primary signatories are unavailable.

In addition to the above, a number of internal controls have been built into the PNDS Financial System to ensure that expenditures are an appropriate use of program funds and in line with PNDS objectives. Before making any bank withdrawal the EIP Treasurer will prepare a Spending Authorisation Voucher setting out the planned use of funds. The Spending Authorisation Voucher will require approval by the KPA President and verification by the Sub-District Finance Facilitator prior to withdrawal of funds.

2.4.2 Administration of Suco Bank Accounts

As an additional safeguard on the management of community funds, the authority to administer the Suku Bank Account will be held by the PNDS District Accountant and the PNDS District Coordinator. This authority will enable these officials to perform the following:

1. Approval of opening SucoBankAccounts in accordance with PNDS policies.
2. Freezing of Suco Bank Accounts – where misuse of funds is suspected or PNDS funds management policies are not being followed by the Community.
3. Replacement of Signatories – as approved by the Project and community.
4. Obtain balances and monthly statements – on at least a monthly basis.

This authority does not include the authority to make withdrawals from the bank account.

Table 2 B: Summary of Bank Account Authorities:

SIGNATORY FROM	PRIMARY SIGNATORIES	RESERVE SIGNATORIES
Group A – Can authorise bank transactions(each transaction requires approval from a Group A1 Signatory and A2 Signatory)		
Group A1: From KPA	KPA President	KPA Secretary
Group A2: From EIP	Treasurer EIP	Head of EIP
Group B – Can administer Bank Accounts		
From Project	PNDS District Accountant and PNDS District Coordinator	

2.5 DISTRICT PRICE SURVEY

The PNDS District Engineer and the PNDS District Accountant will conduct an annual price survey for each District. This survey is intended to assist with the following:

1. Preparing project budgets.
2. Assessing what materials and equipment are available for Sucos to purchase at District Level.
3. Monitoring procurement (so that purchase unit prices can be compared to the survey.)
4. Monitoring price levels of commonly procured PNDS items (particularly to assess the impact of increased demand from PNDS.)

This price survey will confirm the average unit price in that district for a basket of commonly procured items under the PNDS (e.g. Bags of Cement, Steel Bars, Truckload of Sand, Cement Blocks, etc). The survey will be conducted annually and will be distributed to all Sucos, as well as, to those carrying out Auditing or Monitoring of project expenditures. The survey results for neighbouring Districts and Dili should also be made available to Sucos, just in case some items are not able to be procured locally.

2.6 PROCUREMENT POLICY AND PROCESSES

The Community Implementations Team (EIP) will plan and implement procurement in accordance with this Project Operations Manual and the PNDS Finance Operations Manual. The central principles for procurement using PNDS funds are as follows:

1. Value for Money - buy good quality and at the lowest price.
2. Competitive Purchasing - let the market compete to supply the works/goods/services.
3. Efficient, Effective and Ethical Use of Resources - eliminate waste and make only the proper use of Government resources.
4. Accountability and Transparency - make it clear what has been done and why it has been done.

2.6.1 Procurement Thresholds and Allowable Procurement Methods

The procurement method to be selected will depend on the estimated value of the procurement as stated in the table below:

Table 2 C: Allowable Procurement Methods

PROCUREMENT VALUE (USD)	ALLOWABLE PROCUREMENT METHOD
Up to US\$ 3,000	KPA President will approve the Supplier/Contractor on the basis of one written quotation. <i>(Single Source, including a comparison to the Price Survey)</i>
More than US\$3,000	KPA President approves the Supplier/Contractor based on a minimum of three Written Quotations. Quotations will be collected from the suppliers/contractors in sealed envelopes and publicly opened in the Suco in the presence of at least two members of the EIP (including the EIP Head), and three members of the KPA including the KPA President and at least one member from the Aldeia where the project is being implemented.

In very rare cases, it may not be possible to comply with the above Procurement Methods, for example, when there is a limitation on the number of suppliers available at District Level. In these instances it will be necessary to obtain written approval from the PNDS District Coordinator using a Bid Waiver Form prior to proceeding with the procurement.

2.6.2 Key Responsibilities and Separation of Duties in the Procurement Process

The PNDS Procurement System has been designed to ensure maximum accountability and adequate separation of duties of key actors, whilst also minimising the administrative and logistical burden on Communities. The system also acknowledges the reality of doing business at District and Sub-District Level in Timor-Leste, in terms of being a cash economy.

Obtaining Quotations: The EIP Head will be responsible for obtaining quotations, with support from the EIP Secretary.

Opening Quotations: This will be performed by two EIP members and three KPA members when above \$3,000. (quotations for procurements estimated at below \$3,000 will be provided directly to the EIP Head).

Quotations' Evaluation: The EIP Head will make the comparison of quotations after the opening and make recommendation on which supplier/contractor to procure from.

Planned Procurements Approval: The KPA President will review the recommendation from the EIP Head and authorise all Procurements prior to withdrawing funds and proceeding with these.

Planned Procurements Verification: The Sub-District Technical Facilitator will verify all planned procurements over US\$3,000 USD to confirm the goods

match all necessary technical specifications and suitable for their planned use. This will also include a check against the District Price Survey to ensure the prices paid are reasonable.

Payment to Suppliers/Contractors: The EIP Treasurer will withdraw funds from the bank and pay suppliers for goods/services/works based on the approval of the KPA President. More details are set out above in Section 2.6.1 on the bank withdrawal processes.

Goods/Works/Services Certification of Receipt/Completion: The EIP Secretary will be responsible for the receipt any goods purchased using PNDS funds. The certification of completion of works/services should also be carried out by the EIP Secretary (with technical input as necessary from the Sub-District Technical Facilitator or the District Engineer).

Procurement Reporting: The EIP Secretary will post information on all procurements made using PNDS funds on the Community Notice Board (e.g. who won the tender, how much - price per bag, how many bags, etc.) All meetings for procurement are also open to the public to ensure maximum transparency in decision making.

2.7 PAYMENT OF INCENTIVES FOR COMMUNITY LABOURERS AND COMMUNITY OFFICE BEARERS

It is anticipated the majority of labour on PNDS projects will be sourced from the local Community. Labourers will be engaged individually, though might work in groups. Payment is made to each based on work completed. See attached annex for Guidelines for Hiring Community Labour.

KPA/EIP Office Bearers who are not already members of the Suco Council will be paid monthly incentives as compensation for their time spent on PNDS. The PNDS Secretariat will determine the monthly amount paid for each office holder and this will be standardised across PNDS. The amount of the incentive will be related to the amount of work allocated to that office holder.

To ensure maximum transparency of payments made at Suco Level, all payments will need to be witnessed by at least two persons, one of who must be a member of the KPA. Both witnesses will sign the record of payment to confirm they were a witness.

2.8 CASH MANAGEMENT PROCEDURES

The EIP Treasurer will be responsible for handling of Suco funds at Community Level. There will be a range of controls to ensure cash is managed transparently and to minimise the risk of cash losses. These are set out below.

2.8.1 Cash Security and Storage

Each Suco will be provided with a Cash Box and Safe at the beginning of the program to assist them in managing cash at the Suco Level. The Cash Box will be managed by the EIP Treasurer, who will hold the keys to this at all times. This Cash Box will be stored in the Safe at all times.

when not in use for making payments. The safe combination will be held by the KPA President (or other KPA member if not from the same Aldeia), and the safe key will be held by the EIP Treasurer— this will ensure two persons will be required to open the Safe. The Safe will be stored in a secure location determined by the Community (usually the Suco Office). The community will be responsible for providing security for this location if necessary. The Safe will be required to be secured to the floor/wall of the place it is stored (eg. cemented or bolted into the floor) so as to prevent easy removal. Spare keys to the Suco Cash Box and Safe as well as a copy of the Safe Combination will be kept in a safe at District Level by the PNDS District Accountant— this is a safeguard in case of loss of keys or the combination. EIP Treasurers will be trained and encouraged to make regular bank withdrawals and withdraw only what is needed in the short term in order to minimise cash holdings at the Suco Level.

2.8.2 Recording of Cash Receipts and Payments

The EIP Treasurer will record all cash receipts and payments in a standardised PNDS Cash Book. This will be a manual format, and the Treasurer will be trained extensively in the proper recording of all transactions. Documentation will be required to be kept and filed for all receipts and payments. Where receipts are not available the EIP Treasurer will generate their own receipt with clear markings to that effect, and with a clear explanation of why a receipt was not able to be provided by the payee.

2.8.3 Weekly Cash Count and Reconciliation to Cash Book

The EIP Treasurer will perform a weekly cash count to ensure that cash on hand reconciles to the Cash Book. This cash count will be witnessed and verified by the KPA Head. Weekly cash counts will assist in ensuring that all transactions are recorded promptly in the Cash Book and will limit the possibility of unauthorised payments being made from cash holdings at Suco Level.

2.9 TREATMENT OF UNSPENT FUNDS IN SUCO BANK ACCOUNTS AT YEAR-END

Any cash on hand in the Suco Bank Account will be carried forward to continue the project in the following year. In these instances, reporting on usage of funds will be linked to the original budgeted period and may cover a period of more than year. These funds will need to be managed in the same way as all other PNDS funds and accounted for in accordance with PNDS reporting rules.

2.10 REPORTING REQUIREMENTS

The financial reporting systems for PNDS have been designed to ensure maximum accountability of the EIP and KPA in the management of project funds. A range of reports will be made both to the Community and the Government covering all funds used during the project. In accordance with the PDID decree law, emphasis will be given to ensuring transparent and accountable use of all funds. This will include regular reporting to both (Ministry of State Administration (MAE) and Ministry of Finance (MoF), and equally important, making financial information available to the Community through simple displays on Community Notice Boards and in public meetings. Local literacy and numeracy levels should be considered in determining

the most effective means to ensure all have access to this information and are able to understand it.

2.10.1 Reporting at Community Level

The EIP Treasurer (with support from the Sub-District Financial Facilitator) will prepare the reports below on a monthly basis to ensure all funds provided to the Suco have been accounted for properly. These reports will be presented to and approved by the KPA at a monthly meeting, and will require verification by the PNDS District Accountant. To ensure there are no delays on reporting to various levels in Government, the monthly reports will be need to be submitted by each Suco at the Sub-District Monthly Coordination meeting on or shortly after 7th of each month, and then, to the PNDS District Team (the Accountant) on or shortly after 14th day of the month, at the District Coordination Meeting.

Reconciliation of Suco Funds (monthly): This report will show all funds received in grants, all monies withdrawn from the bank, all funds paid from the cash holdings, and will reconcile these to the current bank balance and cash holdings. This report will highlight any possible issues with non recording of payments or unauthorised use of funds.

Actual vs Budget Variance Report: This report will compare the actual expenditure against the budget for the project. This should highlight any instances where projects are running over or under budget so that necessary steps can be taken to rectify the situation. This report will be presented to the KPA at a monthly meeting and will need approval by the PNDS District Accountant.

Monthly Cash Book Report: This report will be prepared in accordance with Section 2.11 above and submitted with all supporting documentation (receipts and other documents.)

The above reports will be made available to all Suco Community Members on the Community Notice Board. In addition to these reports information will also be posted on Procurement as set out in Section 2.7.2 and other payments made at community level. Training will be provided to Community Members to assist them in understanding these reports. The reports will also be presented to the Community Members at the Community Accountability Meetings held before the release of the second infrastructure grant and at the conclusion of the project.

2.10.2 Reporting at Government Level

Based on the monthly submissions from Sucos, the PNDS District Accountant will prepare a monthly aggregated financial report and this will be approved by the District Administrator (as the Chief of the District Development Council), and then submitted to the PNDS Secretariat.

A Quarterly Summary Financial Report on the use of PNDS funds will be prepared by the PNDS Secretariat and submitted to the Council of Ministers and the General Directorate of Treasury (Ministry of Finance).

2.11 MONITORING AND AUDIT ACTIVITIES

In addition to the internal controls built into the PNDS Financial Systems, there will be an extensive continuous monitoring and audit program to ensure program funds are used to benefit the intended beneficiaries. This will be carried out at a range of levels as set out below.

2.11.1 Monitoring from Sub-District and District Level

The Sub-District Financial Facilitator and PNDS District Accountant will conduct regular monitoring visits to Sucos to confirm funds are being managed in accordance with PNDS Guidelines. A standard monitoring checklist will be used to conduct spot-checks on Financial Management at the Suco Level, focusing on procurements and other payments made, checking cash on hand, and ensuring all transactions are properly accounted for. Instances of non-compliance or suspected mal-administration will be immediately reported to the PNDS District Coordinator and dealt with in accordance with the PNDS Complaints Mechanism.

2.11.2 Internal and External Audit of PNDS

The Office of Inspection and Internal Audit of the Ministry of State Administration is responsible for auditing within the PNDS. PNDS funds may also be subject to Audit by the Chamber of Auditors of the Administrative, Fiscal and Auditors High Court. In addition the above, the usage of PNDS funds may be subject to other external audits determined by the Minister of State Administration.

3 Program Management Structure & Actors

PNDS PROGRAM OPERATIONS MANUAL / POM

PNDS Program Management Structure

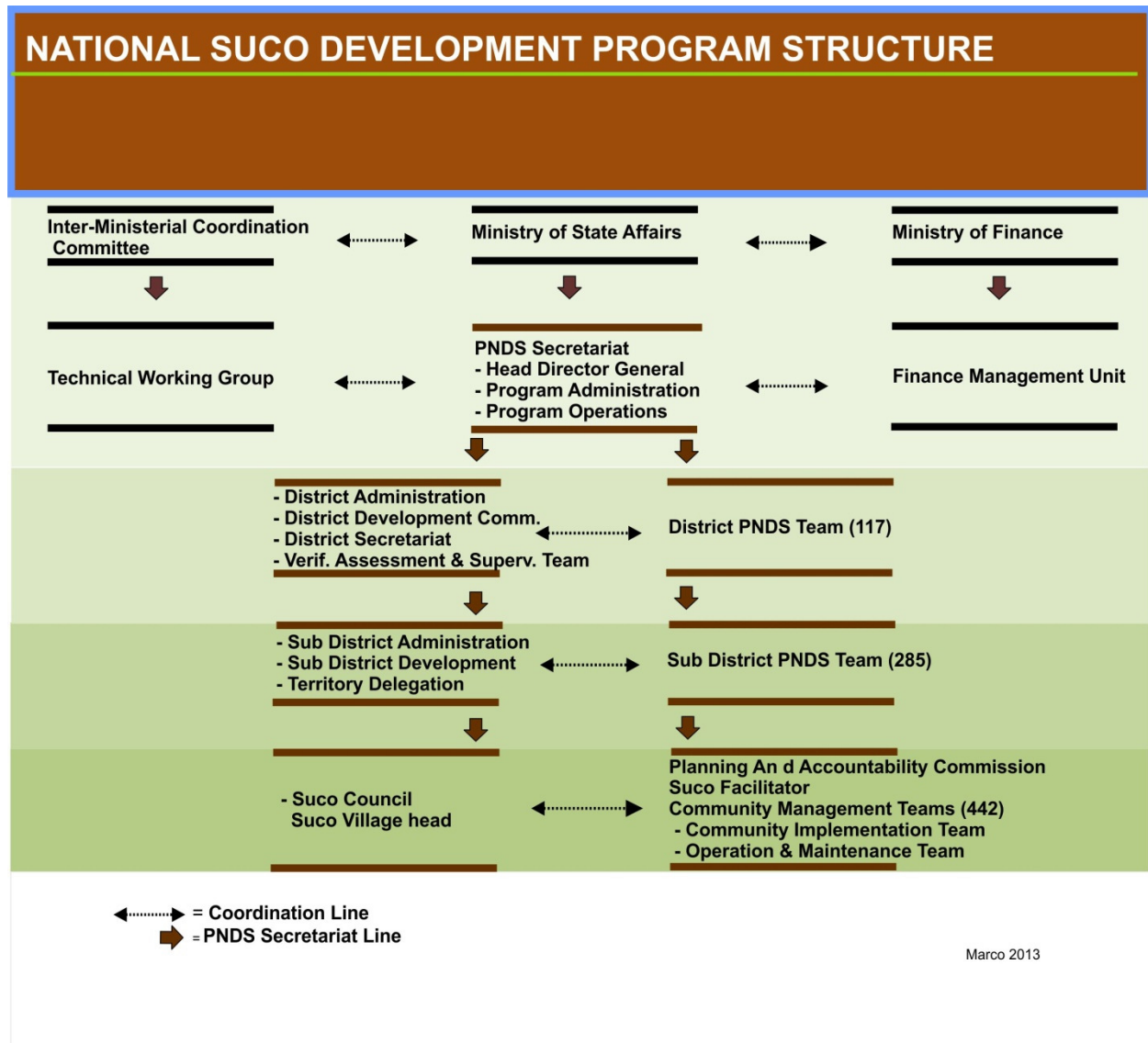
The PNDS Program is managed by the National Secretariat for PNDS in the Ministry of State Administration (MAE). It is under the Director General (DG) for Local Development as per the Ministry's Organic Law, and the DG for Local Development provides leadership to PNDS management. He has the executive responsibility for overall Program quality.

The MAE created a pool of dedicated civil servants to work for the Program Secretariat, and District Teams comprised of PNDS District and Sub-District level staff. PNDS District Teams work directly with communities and in coordination with the District and Sub-District level actors from the Government of Timor Leste (GoTL).

The Secretariat, composed of two units: Program Administration and Program Operations, manages PNDS day to day program activities throughout the Program Cycle in a year. This includes human resources, finance and administration, operations, and monitoring and evaluation. The Secretariat staff are drawn from the civil service while District and Sub-District staff are newly hired specifically for the Program.

GoTL with donor support provides necessary technical support to train PNDS staff and provide ongoing technical and field support to implement the PNDS program over the course of eight years. The aim is not only to build skills and competencies to implement the Program but, also to build a solid foundation for continued, sustainable management capabilities and development.

Diagram 3.1 : PNDS Structure



All key actors above the Suco level are civil servants, engaged directly by the Ministry of State Administration. Those in brown boxes are dedicated full time to PNDS, whereas those in green have broader responsibilities but play important functions in the Program. Capacity building support will be provided to all PNDS actors to enable them to play effective roles in the Program.

The following sections describe the roles and responsibilities of the key stakeholders, both those dedicated full time to PNDS and other Government actors.

3.1 SUCO ACTORS

The primary actors in PNDS are the Communities themselves. The whole community, men and women, across different socio-economic groups and from all Aldeias, should be involved in

planning and implementation, operations and maintenance even though some members of the Suco will be elected by the Community to hold specific PNDS roles in community groups or teams or as Suco Facilitators. The community head (Xefe) and Suco Council also play critical, key roles in PNDS consistent with their official / traditional roles. PNDS community groups are all accountable to the Community at large through elected officials and bodies, such as, the Xefe and Suco Councils.

PNDS Suco Management Teams are selected by all men and women in the community through voting by secret ballot, in accordance with criteria broadly defined in this manual, and further elaborated by a community itself. Any selection criteria used, and subsequent results of all elections, must be documented and posted publicly in the community. The Community Management Teams include:

- The Planning and Accountability Commission (KPA) responsible for general oversight and monitoring of PNDS activities and ensuring effective community participation by all members of the community.
- Community Implementation Team (EIP) responsible for the design, planning and implementation of PNDS activities.
- Operations and Management Team (EOM) responsible for the planning and managing the upkeep and functioning of new infrastructures built through the Suco Grants.

Communities also select Suco Facilitators who liaise with PNDS, help mobilize the community, and aid in communicating about PNDS activities, plans and decisions to inform their communities to support and promote transparency, accountability and cooperation.

It is important for community members to understand their rights and responsibilities in relation to PNDS from the commencement of activities. These rights and responsibilities are explained and discussed during initial Socialization Meetings, along with PNDS Core Guiding Principles. (*Refer to Section 1.4*). Civil Society Organisations (CSO) active in the local areas will be invited to participate in District Socialization Meetings, and should be encouraged to support efforts to ensure communities are aware of their rights and responsibilities in relation to PNDS.

Under PNDS the whole Community has the right to:

- Participate in and make decisions - men and women, from all Aldeia.
- Information about the program – technical and financial.
- Use SucoGrant Funds when needed (in line with program procedures, if funds provided previously are accounted for).
- Complain, make suggestions, and have them addressed.
- Good quality infrastructure and services (utilizing provided funds- Suco Grants, technical assistance, and supervision).

Communities participating in PNDS are responsibilities to:

- Ensure all in the community are able to participate, make decisions and benefit.
- Assess and identify priorities every year for the following year with participation from women and men from all Aldeias. The assessment is mandatory to be able to access new SucoGrants.
- Contribute agreed amounts of time and resources.

- Ensure proper functioning of Community Management Teams, defined procedures and agreed timelines for PNDS planning, implementation and reporting.
- Construct approved infrastructure well, according to plans (which includes oversight by community teams).
- Commit to ensuring the operation and maintenance plan is implemented, over long term.
- Making project information widely available.
- Account for the use of money provided in the Suco Grant.
- Settle issues that might hinder the progress of PNDS implementation and sustainability (for example, land issues) amicably.

A comprehensive understanding of these rights and responsibilities is necessary to ensure effective and sustained community management, and transparent, accountable use of Suco Grant Funds. It forms the basis of an effective complaints handling mechanism. (*Refer to section 4.6*). In addition to discussions at scheduled community meetings, a range of different media (posters, radio, DVDs, etc). will be used to ensure broad community understanding of their rights and responsibilities in relation to PNDS.

Table 3 A: Community Actors (*Refer to Chapter 4 Project Cycle for more details*).

Summary of Community Level Actors: Roles & Responsibilities	
COMMUNITY STAKEHOLDERS	PRIMARY PNDS ROLES & RESPONSIBILITIES
<p>Suco community members</p> <ul style="list-style-type: none"> ▪ In all Suco in Timor Leste ▪ All women and men from all Aldeia in the Suco 	<ul style="list-style-type: none"> ▪ Identify Aldeia and Suco priorities. ▪ Encourage the participation of others. ▪ Monitor project implementation and the transparent and accountable use of funds. ▪ Provide agreed contribution to support the work of the EOM (Community Operations and Maintenance Teams). ▪ Participate in project monitoring and evaluation.
<p>Xefe Suco</p> <ul style="list-style-type: none"> ▪ Elected and traditional leader 	<ul style="list-style-type: none"> ▪ Lead socialisation and encourage participation of men and women in all Aldeia. ▪ Approve relevant regulations to support PNDS operations. ▪ Oversee democratic election of community teams, and ensure women participate (<i>elaborated below</i>). ▪ Review priorities and confirm availability of operational support from other programs ▪ Verify participatory process undertaken to confirm Suco priorities (<i>refer 3.1.5</i>). ▪ Co-Sign an ANNUAL GRANT AGREEMENT for PNDS participation and co-sign a Project Implementation Agreement for proposed PNDS

	<p>projects.</p> <ul style="list-style-type: none"> ▪ Review reports and take forward issues or concerns as raised by the community as necessary. ▪ Assist with resolving complaints received and settling local conflicts fairly. ▪ Ensure coordination/harmonisation with other Suco programs. ▪ Report PNDS progress to the Sub-District and District Development Committees (KDSD and KDD). ▪ Support the work of the PNDS Sub-District Facilitators. ▪ Assist with documentation and archiving for PNDS.
PNDS SPECIFIC / COMMUNITY MANAGEMENT TEAMS	PRIMARY PNDS ROLES & RESPONSIBILITIES
<p>Planning and Accountability Committee (KPA)</p> <ul style="list-style-type: none"> ▪ Comprised of all members of the Suco Council plus, an elected community representative from each Aldeia ▪ The Aldeia representative must be the opposite gender to the XefeAldeia ▪ KPA elects officers from its members including President, Vice President and Secretary 	<ul style="list-style-type: none"> ▪ Responsible for overall oversight and monitoring of PNDS processes and adherence to core principles. ▪ Ensure the community understands its rights and responsibilities and program principles. ▪ Organise and participate in community meetings in each Aldeia to propose and rank development priorities for PNDS, record discussions and decisions made. ▪ Coordinate democratic selection of Suco Facilitators and election of the Community Implementation Team (EIP) and Operations and Management Team (EOM). ▪ Monitor progress, focusing on inclusion and transparency issues, and report on progress of planning and project implementation to the KDSD. ▪ Evaluate previous works constructed and their ongoing maintenance and functionality.
<p>Suco Facilitators</p> <ul style="list-style-type: none"> ▪ One male and one female elected by community 	<ul style="list-style-type: none"> ▪ Work with PNDS Sub-District Facilitators, KPA, EIP and EOM to mobilize the community to ensure strong engagement in each phase of the program cycle, especially in setting priorities. ▪ Assist with information dissemination across all Aldeia.

	<ul style="list-style-type: none"> ▪ Promote and support active engagement of women and marginalized groups. ▪ Help maintain Public / Community Notice Boards (attractive, up to date, and informative).
<p>Community Implementation Team (EIP)</p> <ul style="list-style-type: none"> ▪ Core team of Head, Treasurer and Secretary, other project-specific members as needed. ▪ Elected by the community following socialization ▪ At least one of the three executive members of the EIP must be a woman 	<ul style="list-style-type: none"> ▪ Responsible for preparing a Project Description, a full Project Proposal with designs, budgets, implementation schedule and Operations and Management / O & M Plan), and for managing overall implementation (including construction) of Suco Grant Project(s). ▪ Participate in meetings on PNDS planning and implementation. ▪ Carry out with the KPA and PNDS Sub-District Facilitators surveys, prepare designs and budgets, and draft proposals for approved priorities. ▪ EIP Treasurer is primary account holder and co-signatory of both Suco Bank Accounts (Operations and Infrastructures), along with the KPA President, and is also responsible for the collecting and managing community contributions for O & M. ▪ EIP Secretary is responsible for reporting, documentation, and postings on the Community Notice Boards.
<p>Operations and Maintenance Team (EOM)</p> <ul style="list-style-type: none"> ▪ Core team of Head, Treasurer and Secretary elected by community following socialization ▪ At least one of the three executive members of the EOM must be a woman ▪ Project-specific work teams are selected by the EOM. ▪ EIP treasurer becomes the EOM bank account signatory. 	<ul style="list-style-type: none"> ▪ Work together with Sub-District Facilitators and EIP to develop and implement an O&M plan and budget. ▪ Assist with design, with an eye to post construction maintenance. ▪ Coordinate with EIP Treasurer on O&M resourcing needs and with EOM treasurer on collecting and managing community O&M funds. ▪ Liaise with PNDS Facilitators, line ministry representatives (including District Verification, Assessment and Supervision Team / EVAS) and other programs on O&M. ▪ Encourage greater understanding in community about facility care and maintenance.

3.2 SUB-DISTRICT ACTORS

Sub-District actors are closest to the community, and therefore, play a vital day to day role throughout the PNDS Program Cycle, from initial orientation, planning and design to technical assessment, construction supervision and financial accountability, as well as, ongoing mentoring,

monitoring and evaluation. This builds understanding and support for broad and active community participation, transparent and accountable management of the Suco Grants, as well as, provides support to progressively building the skills and capacity of the community members.

Table 3 B: Sub-District Actors(*Refer to Chapter 4 Project Cycle for more details*).

Summary of Sub-District Level Actors: Roles & Responsibilities

PNDS SUB-DISTRICT STAFF	PRIMARY PNDS ROLES & RESPONSIBILITIES
Sub-District Social Facilitator (SDSF)	<ul style="list-style-type: none"> ▪ Ensure community understands rights and responsibilities in relation to PNDS. ▪ Ensure gender equality and social inclusion of women, the disabled, the marginalized in each step of the Program Cycle. ▪ Support facilitation of community meetings and build women's capacity to engage actively. ▪ Train and mentor Community Management Teams to facilitate participatory planning and monitoring. ▪ Assist with documenting problems and complaints and their solutions. ▪ Consolidate monthly Sub-District progress reports with inputs from Technical and Financial Facilitators. ▪ Work with the Sub-District Financial Facilitator (SDFF) to assist communities to plan and utilize Operational Funds effectively and accountably. ▪ Monitor the functioning of the Community Management Teams established under PNDS and assist with performance evaluations of these teams and their members. ▪ Work as a team with other Sub-District Facilitators, back-stopping each other as necessary. ▪ Coordinate closely with the Sub-District Administrator and members of the Sub-District Development Committee (KDSD).
Sub-District Technical Facilitators (SDTF)	<ul style="list-style-type: none"> ▪ Assist communities (women and men) to assess infrastructure needs and priorities, and their ability to construct (and maintain) village infrastructure without contractors. ▪ Lead in assisting communities to prepare proposals, including surveys, designs and budgets (considering issues of access, O&M) and implementation schedules.

	<ul style="list-style-type: none"> ▪ Assist with and oversee community procurement. ▪ Supervise and guide construction of community projects. ▪ Train EIP and EOM in design, construction, O&M and assist with the training of construction and O&M work teams. ▪ Work with other District and Sub-District technicians including the SAS District Technical Officer, the Ministry of Agriculture and Fisheries Suco Extension Officers, and Ministry of Public Works regional engineers in support of SucoProjects, monitor and report on technical issues and carry out a final evaluation and certification of works constructed. ▪ Assess the functionality of works built in previous years and the quality of O&M and assist as needed. ▪ Co-sign Suco accounts. ▪ Work as a team with other Sub-District facilitators, back-stopping each other as necessary.
Sub-District Finance Facilitator (SDFF)	<ul style="list-style-type: none"> ▪ Ensure communities have a clear understanding of financial management processes, including procurement rules. ▪ Train and mentor Suco implementation teams, especially, the EIP, in financial management, bookkeeping and reporting. ▪ Assist community management teams to plan, utilize and account for operational and infrastructure funds provided. ▪ Support development of systems to disseminate and display clear, easy to understand finance updates. ▪ Support and coach EIP in preparing monthly financial reports. ▪ Check Suco books and reports to verify expenses, and assist with final project audits. ▪ Monitor and report on financial issues, including disbursement, through the MIS. ▪ Assist with opening two Suco banks accounts (one for Operational Funds and another for Infrastructure Funds). ▪ Assist in reconciling bank statements with Suco reports. ▪ Prepare materials for and help conduct community

	<p>accountability meetings.</p> <ul style="list-style-type: none"> ▪ Work as a team with other Sub-District Facilitators, back-stopping each other as necessary.
OTHER SUB-DISTRICT GOVERNMENT ACTORS	PRIMARY PNDS ROLES & RESPONSIBILITIES
Sub-District Development Committee (KDSD)	<ul style="list-style-type: none"> ▪ Support the Sub-District Administrator in socialization of PNDS principles and processes in the Sub-District. ▪ Coordinate smooth communication and resolution of issues relating to support for Operations and Maintenance amongst sectoral agency representatives. ▪ Ensure community priorities determined through PNDS are considered in the review and planning of PDD and other government development interventions ▪ Review regular reports on PNDS implementation progress. ▪ Support PNDS staff in carrying out their duties.
Sub-District Administrator	<ul style="list-style-type: none"> ▪ Lead socialization in Sub-District of PNDS principles and processes. ▪ Endorse and submit priorities and Project Proposals put forward by Sucos to the District Development Committee (KDD). ▪ Facilitate coordination with all relevant development actors in the Sub-District, including CSOs and representatives of donors programs. ▪ Ensure dissemination of key information, including through public postings. ▪ Help address problems or complaints in accordance with the Complaints Handling System . ▪ Ensure submission of Suco plans and reports on time. ▪ Ensure PNDS staff work effectively and actively to assist Community Implementation Team in planning and implementing their projects and accounting for funds utilized.

3.3 DISTRICT ACTORS

District actors oversee work across the Sub-Districts and Sucos. They are primarily responsible for ensuring the coordination, high level technical support, and monitoring to ensure transparent and accountable use of funds plus, the timely preparation of data and routine reports submitted to

the National Secretariat. The reports, in both hard copy and electronic form are expedited through the Management Information System (MIS). The District PNDS Team helps with especially difficult cases and problems.

PNDS District teams are also responsible for liaising with District Administrations and District-based line agencies (i.e. Health, Education, Agriculture, etc.), as well as, communication with national agencies (Ministry of State Administration and Ministry of Finance) to ensure timely disbursement of Suco Grant Funds to Suco accounts. Through forums such as the District Development Committee Coordination (SKDD) Meetings, PNDS District staff will ensure good understanding of PNDS by local development actors (Government, CSO and donor programs), and ensure coordination plus, explore opportunities to further strengthen support to communities to implement their agreed priorities.

Through regular monitoring District actors will identify, address and report on progress and problems requiring further attention from the National Secretariat.

Table 3 C: District Actors (*Refer to Chapter 4 Project Cycle for more details*).

Summary of District Level Actors: Roles & Responsibilities	
PNDS DISTRICT STAFF	PRIMARY PNDS ROLES & RESPONSIBILITIES
<p>District Coordinator</p> <ul style="list-style-type: none"> Supported by an Administrative Assistant who also supports the other PNDS district team members 	<ul style="list-style-type: none"> Overall coordinator for PNDS in the District and Primary District level focal point for communication with the PNDS National Secretariat, District Administration and other development actors. Responsible for ensuring program implementation according to core principles, processes and schedule, flagging any delays, implementation problems and their resolution, with special attention to participation, inclusion and transparency issues. Line manager and provide mentoring support, coach and review performance including undertaking semi-annual performance evaluations for Sub-District Social Facilitators and District MIS Officers. Provide administrative oversight on PNDS in District, monitor the timeliness of implementation, flag delays, implementation problems and their resolution, with special attention to issues of participation, inclusion and transparency. Undertake regular intensive field visits, spot check community planning and management processes with particular attention to women's and other marginalized groups' participation.

	<ul style="list-style-type: none"> ▪ Organise routine monthly meetings of District and Sub-District Facilitators to review progress, adjust plans as necessary, and report and take forward any problems. ▪ Consolidate and submit monthly reports to the National Secretariat, and provide copies to the GoTLDistrict Administrator. ▪ Oversee the uploading of data to the MIS at District level, and ensure the data is complete, accurate and up to date. ▪ Work with the GoTLDistrict Administrator and District Secretary to harmonise PNDS with Government ministries and other development programs' activities. ▪ Support the Capacity Development Specialist in undertaking needs assessments and organizing refresher trainings for Sub-District Social Facilitators. ▪ Help organise and conduct trainings for all Facilitators and other key Government and Suco actors.
District Engineers	<ul style="list-style-type: none"> ▪ Line manage and provide technical mentoring support, coach and review performance including undertaking semi-annual performance evaluations for Sub-District Technical Facilitators. ▪ Review designs and budgets for SucoProjects and sign off. ▪ Prepare Monthly Reports on technical aspects of District wide implementation progress, based on data from Sub-District Technical Facilitators. ▪ Undertake regular intensive field visits, spot checks of infrastructure constructed or under construction, and review previous years' projects' Operation and Maintenance. ▪ Liaise with Territorial Delegations and technical staff from other infrastructure programs, such as, SAS Technical Officers Officers to undertake joint supervision and verification, harmonize projects to avoid overlap, and ensure support for Operations and Maintenance where necessary, including the provision of recurrent costs ▪ Assist with final technical audits/evaluations. ▪ Support the Capacity Development Specialist in

	<p>undertaking needs assessments and organizing refresher trainings for Sub-District Technical Facilitators.</p> <ul style="list-style-type: none"> Assist with training EIP and EOM members as needed.
District Accountants	<ul style="list-style-type: none"> Line manage, provide technical mentoring support, coach and review performance including undertaking Sub-District Finance Facilitators' semi-annual performance evaluations. Monitor the use of and accounting for Suco Grants (Infrastructure and Operational Funds), including regular spot checks of Sub-District records and Suco project books. Review budgets, and update price surveys of local construction-related goods and services at least once annually. Prepare monthly reports on financial aspects of District wide implementation progress Reconcile Suco accounts monthly. Submit requests to District Administrator for payment to be lodged with the National Treasury Unit for PNDS via the PNDS National Secretariat. Assist District focal points of the National Treasury as needed to ensure timely disbursement of funds and expensing of Program Grants, submitting, via the National Secretariat, and provide aggregated verification reports on transfers and use of grant funds. Prepare monthly aggregated financial reports to be submitted to the PNDS Secretariat to be used in reports for the National Treasury at national level, and flag any delays. Liaise with District Branch of the Timor Leste Central Bank to ensure efficient services, identifying and resolving any problems and, delays, and regularly reconciling accounts. Oversee community procurement and payments to suppliers through spot checks/control Support the Capacity Development Specialist in undertaking needs assessments and organizing refresher trainings for Sub-District Financial Facilitators. Assist with training Suco EIP Treasurers and

	KPA members as needed.
MIS Officers	<ul style="list-style-type: none"> ▪ Ensure data from monthly reports is verified and submitted on time, flag and correct any problems and inconsistencies, and enter the data into the MIS a timely manner. ▪ Provide periodic training and support to Sub-District and District Facilitators in data collection, data entry and analysis. ▪ With the District Coordinator, ensure data is available in the MIS (in Districts and in Dili) as required, monthly. ▪ Provide feedback regarding problems with data or its prompt transmission. ▪ Provide District reports from MIS to PNDS actors. ▪ Assist with data verification and analysis for monthly Coordination Meetings, reports, and requests from the District Development Commission (KDD) and the District Administrator (DA). ▪ With the District Coordinator, prepare aggregated District monthly reports generated from the MIS ▪ Assist as necessary with other requests such as computerized standard designs, financial statements, website pages, SMS reporting, filing complaints etc. ▪ Assist with preparation of standard materials for public postings. ▪ Report directly to the District Coordinator but, with technical supervision support from the Monitoring and Evaluation (M& E) Specialist in the PNDS National Secretariat. ▪ Ensure system protection in running the MIS, identifying and addressing any issues with IT equipment or database/software.
OTHER DISTRICT GOVERNMENT ACTORS	PRIMARY PNDS ROLES & RESPONSIBILITIES
District Development Commission (KDD)	<ul style="list-style-type: none"> ▪ Support the District Administrator in socialising PNDS principles and processes in the District. ▪ Ensure coordination and harmonisation among different programs under PDID, and with other local development initiatives. ▪ Coordinate smooth communication and resolution

	<p>of issues relating to provision of support for Operational and Maintenance from sectoral agency representatives.</p> <ul style="list-style-type: none"> ▪ Review regular reports on PNDS implementation progress.
District Administrator (DA)	<ul style="list-style-type: none"> ▪ As the head of the KDD, lead the District socialisation on PNDS principles and processes. ▪ On behalf of the KDD verify proposals put forward by Sucos to ensure compliance with PNDS eligibility criteria. ▪ Help address serious problems or complaints, including those involving transfer and use of funds, and escalate as appropriate to national authorities. ▪ Facilitate coordination with sectoral ministries for all relevant development activities to ensure ongoing support for technical supervision and Operations and Maintenance (O&M) costs. ▪ Ensure dissemination of key information, including through public postings.
District Secretary	<ul style="list-style-type: none"> ▪ Open the monthly PNDS Coordination Meetings ▪ Receive regular PNDS implementation progress reports and provide feedback as required. ▪ Provide input to the District Administrator and the KDD on compliance of Suco proposals with PNDS eligibility criteria. ▪ Make available Sub-District resources (office space, etc.) for PNDS facilitators and events. ▪ Help to resolve local problems and issues related to PDID, including PNDS. ▪ Report regularly, with the PNDS District Coordinator, to the DA and KDD on PNDS progress. ▪ Ensure communities are fully informed on PDID, and links between the Decentralization Development Program (PDD) and PNDS.
District Verification, Assessment and Supervision Team (EVAS)/Territorial Delegations	<ul style="list-style-type: none"> ▪ Share the annual plans of relevant line ministries with PNDS Facilitators to ensure harmonisation among programs—including PNDS. ▪ Support PNDS District Engineers and Sub-District Technical Facilitators to assess technical feasibility and critical issues, such as, land and

	<p>environment, as well as, identify any potential overlap with existing plans.</p> <ul style="list-style-type: none"> ▪ Confirm O&M support (including budget) available from line ministries where required, inline with Government responsibilities for O&M. ▪ Assist with the Decentralization Development Program (PDD) and its coordination on technical matters with PNDS. ▪ Assist in O&M planning and carry out field monitoring and mentoring of Suco Operations and Maintenance Teams (EOMs). ▪ Prepare field supervision reports identifying emerging issues and share with the National PNDS Secretariat, as well as, with the District Administration and relevant District-based line ministry staff. ▪ Assist with final technical evaluations and audits.
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3.4 NATIONAL ACTORS

The PNDS National Secretariat manages the day to day implementation of the PNDS Program and its support activities, and documents and reports on the Program's progress and impact. The Secretariat reports to and liaises with the Technical Working Group (GTTIM) drawn from the Inter-Ministerial Coordination Committee who oversees National development.

Led by a Director General the Secretariat is supported by two units headed by MAE Director level officials:

1. Program Administration which includes Program Administration and Human Resources Management.
2. Program Operations which includes Finance and Administration and Policy and Communications.

Table 3 D: National Actors (Refer to Chapter 4 Project Cycle for more details).

Summary of National Level Actors: Roles & Responsibilities

NATIONAL GOVERNMENT ACTORS	PRIMARY PNDS ROLES & RESPONSIBILITIES
Inter-Ministerial Coordination Committee (KKIM)	<ul style="list-style-type: none"> ▪ Provide overall strategic direction to the Program. ▪ Meet semi-annually to review progress and make necessary recommendations. ▪ Report on PNDS to the Prime Minister and Council of Ministers.
Technical Working Group (GTTIM)	<ul style="list-style-type: none"> ▪ Provide policy guidance for PNDS. ▪ Meet quarterly to review implementation progress,

	<p>and consider and resolve major program-wide implementation problems.</p> <ul style="list-style-type: none"> ▪ Lead inter-sectoral coordination. ▪ Ensure budget is provided annually from all relevant ministries (such as line ministry supervision and O&M costs) for PNDS needs. ▪ Report to the Inter-Ministerial Commission on progress and problems twice a year. ▪ Oversee adherence to program principles and cross cutting issues such as gender and social inclusion. ▪ Engage with national CSO representatives to discuss program progress and opportunities for engagement.
Treasury (Ministry of Finance)	<ul style="list-style-type: none"> ▪ Ensure funds are transferred as needed, in a timely manner, to Suco accounts and then “expensed” (in FreeBalance software). ▪ Coordinate at the National level with the Timor Leste Central Bank (BNCTL) relevant to performance issues. ▪ Ensure external Audits are carried out -and findings followed up on and posted publicly.
NATIONAL PNDS MANAGEMENT	PRIMARY PNDS ROLES & RESPONSIBILITIES
<p>Director General, Local Development in MAE</p> <ul style="list-style-type: none"> ▪ Leads and manages PNDS Secretariat 	<ul style="list-style-type: none"> ▪ Responsible for the overall quality of implementation and results of PNDS. ▪ Responsibility for quality of all PNDS field facilitation and national technical assistance. ▪ Supervises the two Units of the National PNDS Secretariat. ▪ Ensure evaluations are conducted, lessons learned are analysed and used to refine PNDS design and policies.
<p>Program Administration Unit</p> <ul style="list-style-type: none"> ▪ Headed by MAE Director level official 	
1, Human Resources Management	<ul style="list-style-type: none"> ▪ Manage recruitment of PNDS staff at all levels, liaising with MAE Central HR Unit, the Civil Service Commission and District Administrations as needed. ▪ Develop and manage the PNDS staff database. ▪ Oversee day-to-day management of field-based project staff by line managers including semi-

	<p>annual performance reviews.</p> <ul style="list-style-type: none"> ▪ Organize and manage all program training events. ▪ Manage technical specialists' inputs to regularly review and revise PNDS field guides.
2. Finance and Administration	<ul style="list-style-type: none"> ▪ Lead preparation of annual budget for PNDS in coordination with other PNDS departments, including preparation of detailed justifications for budget review processes. ▪ Coordinate with MAE Directorate of Finance on Procurement of PNDS goods and services. ▪ Manage all program logistics. ▪ Develop and maintain PNDS Asset Management System. ▪ Monitor and report monthly on execution of the PNDS Secretariat operational budget. ▪ Overall administrative support to the program, including support and liaison with PNDS District and Sub-District offices. ▪ Support HR unit with payroll management, including liaison with the MAE HR Unit and Directorate of Finance.
Program Operations Unit <ul style="list-style-type: none"> ▪ Headed by MAE Director level official 	
1. Program Operations	<ul style="list-style-type: none"> ▪ Oversight of program implementation for overall timeliness and quality through MIS and regular field supervision. ▪ Supervise project financial management and conduct periodic informal internal audits to ensure compliance with PNDS rules and processes, and transparent and accountable use of funds at the village level. ▪ Ensure standards for infrastructure design construction quality and O&M and lead coordination with line ministries on technical matters including field supervision and verification. ▪ Support compliance with PNDS community participation guidelines, with particular attention to the participation of women and marginalized groups. ▪ Monitor and assist resolution of serious

	<p>complaints, including necessary follow-up with national justice and other institutions and liaison with PNDS District Offices.</p> <ul style="list-style-type: none"> ▪ Monitor and evaluate the PNDS Program, manage the Management Information System (MIS) and participate in all evaluation activities.
2. Policy and Communications	<ul style="list-style-type: none"> ▪ Lead liaison with the Technical Working Group. ▪ Coordinate support to the Director General in reporting to and liaison with the Inter-Ministerial Commission. ▪ Monitor adherence to policy directives from the Inter-Ministerial Commission and Technical Working Group. ▪ Prepare quarterly reports to the Technical Working Group and other national stakeholders on achievements and strategic issues affecting implementation. ▪ Coordinate with Civil Society Organisations and International Development Partners. ▪ Manage, supported by the Communications Specialist, the development of communications strategies, campaigns and products for outreach and communications through media, CSOs, government, parliament, international development partners and other stakeholders. ▪ Supported by the Communications Specialist assist District and Sub-District PNDS staff to develop communications tools and methods to improve community level communications, including but not limited to information dissemination, promoting issues and achievements, sharing lessons learned, and opportunities for interaction / two-way communications.
PNDS Communications Specialist	<ul style="list-style-type: none"> ▪ Develop communications strategies to raise awareness and inform about PNDS achievements and activities, and support Program implementation at District, Sub-District and community levels to facilitate informed participation, transparency and accountability. ▪ Create campaigns and products and activities for outreach through media, CSOs, government, parliament, international development partners and other stakeholders to inform, promote issues, share

	<p>lessons learned and facilitate communications amongst PNDS participants and partners.</p> <ul style="list-style-type: none"> ▪ Support M&E Specialist, Complaints Handling Specialist and Policy to ensure PNDS information is easily accessible to key stakeholders and public at large. ▪ Monitor news, public opinion and implementation communications to identify information and outreach needs. ▪ Maintain the PNDS website.
<p>PNDS National Engineers</p> <ul style="list-style-type: none"> ▪ 5 – one of whom is appointed as Coordinator 	<ul style="list-style-type: none"> ▪ Supervise and provide technical guidance to District Engineers and assist with support and capacity building for Sub-District Technical Facilitators. ▪ Carry out intensive routine field supervision visits with District Engineers and Sub-District Technical Facilitators to monitor Suco project sites and the work of EIPs and EOMs. ▪ Compile quarterly reports highlighting key findings of the team for discussion and follow-up with Secretariat specialists and the Director General. ▪ Carry out risk-based spot checks of completed projects, conduct internal technical audits and supervise O&M of community infrastructure. ▪ Evaluate the performance of District Engineers and Sub-District Technical Facilitators, and work with the Capacity Building Specialist to prepare and deliver refresher training courses as needed. ▪ Liaise with sector ministries and donor programs on policies and technical specifications and O&M; and with MAE and National Planning Board (ADN) staff on PDD coordination.
<p>PNDS Social Development Officers</p> <ul style="list-style-type: none"> ▪ 3 Officers ▪ One of whom is appointed as Coordinator ▪ One is the Gender and Social Inclusion Adviser 	<ul style="list-style-type: none"> ▪ Work with District Coordinators to support and mentor Sub-District Social Facilitators. ▪ Carry out intensive routine field supervision visits with District Coordinators and Sub-District Social Facilitators to monitor Suco level participatory planning and social accountability processes, and the effectiveness of Suco Facilitators and Planning and Accountability Commissions (KPAs). ▪ Work with the Capacity Development Specialist to prepare and deliver training in participatory

	<p>planning tools, conflict resolution and problem solving, and facilitation skills.</p> <ul style="list-style-type: none"> ▪ Monitor quantity and quality of community participation with particular attention to gender and social inclusion in planning and implementation of PNDS and recommend strategies for improvement. ▪ Work with the Communications Specialist to monitor levels of transparency and provide guidance and skills to Sub-District Facilitators on effective information dissemination methods of information to promote transparency. ▪ Monitor public opinion and understanding, and respond to community demands and need for information or its delivery through other communications channels or activities ▪ Work with the M&E Specialist to promote more effective community monitoring, and help devise special studies assessing quality of participation. ▪ Liaise with CSOs to discuss progress and identify opportunities to enhance collaboration on issues of community empowerment, GSI, monitoring and research work, and, especially, to maximize opportunities to promote PNDS methods and achievements, and develop opportunities for two-way / interactive communications to share lessons learned.
<p>PNDS Financial Management Officers</p> <ul style="list-style-type: none"> ▪ 3 Officers ▪ One of is appointed as Coordinator 	<ul style="list-style-type: none"> ▪ Supervise and provide technical guidance to District Accountants and assist with support and capacity building for Sub-District Financial Facilitators. ▪ Carry out intensive routine field supervision visits, with District Accountants and Sub-district Financial Facilitators, to Suco project sites and the work of EIPs and EOMs. ▪ Carry out risk-based spot checks of Suco project books, conduct internal audits and spot check procurement. ▪ Evaluate the performance of District Accountants and Sub-District Financial Facilitators, and work with the Capacity Building Specialist to prepare and deliver refresher training courses as needed. ▪ Liaise with Treasury on disbursement and financial reporting.

<p>PNDS Monitoring and Evaluation Officer</p>	<ul style="list-style-type: none"> ▪ Manage monitoring and evaluation of PNDS implementation progress, results, impact, appropriateness of policies and procedures, participation and transparency. ▪ Oversee and support routine monthly reporting through the MIS database and field supervision visits, supervising support to the national and District-based MIS Officers to ensure that up-to-date, reliable data is available on demand. ▪ Work with the Communications Specialist and Secretariat staff to maintain and update the PNDS Program website. ▪ Manage (in consultation with the Director General) external evaluations and special studies. ▪ Ensure community participatory monitoring is carried out and that the results are widely known and used to improve ownership and implementation quality. ▪ Conduct an annual review of the M&E framework with stakeholders and revise targets and processes as needed. ▪ Prepare reports from field visits and other reports as required by the Director General.
<p>MIS Officers</p> <ul style="list-style-type: none"> ▪ 2 Officers 	<ul style="list-style-type: none"> ▪ Liaise with District MIS Officers to ensure data from monthly reports is verified and entered into the MIS in a timely manner. ▪ Collate and “clean” District data in the MIS each month. ▪ Prepare monthly reports using the standard PNDS templates for dissemination to National Secretariat and other stakeholders as required. ▪ Assist as necessary with other data management and analysis requests such as aggregated financial statements or complaints data, website pages, SMS reporting, etc. ▪ Assist with preparation of standard materials for public postings. ▪ Report directly to the M & E Officer, with technical support and guidance from the M&E Specialist. ▪ Ensure system protection in running the MIS, identify and address any issues with IT equipment

	or database software, and provide additional technical support as required.
PNDS Complaints Handling Officer	<ul style="list-style-type: none"> ▪ Work with Secretariat staff to ensure that all complaints, questions, reports of “force majeure” are properly recorded, and ensure timely follow up. If resolution is not possible, ensure problems are elevated to appropriate higher authorities. <p>With the National Secretariat, coordinate with formal legal system as required.</p> <ul style="list-style-type: none"> ▪ Ensure maintenance of a “blacklist” of Facilitators and members of community teams who have committed serious offences, to ensure that they are not hired by the Program again in any capacity. ▪ Ensure complaints handling (including conflict resolution and problem solving) is part of training for all Facilitators and community implementation teams, and participate in the development and delivery of training as needed. ▪ Ensure all communities know their rights and responsibilities in relation to PNDS and in particular know how to seek information and file complaints. ▪ Ensure complaints are public but anonymous. ▪ Directly ensure that the Director General and all relevant Secretariat staff are well informed regarding management and resolution of serious issues on a monthly basis. ▪ Carry out field visits, ensuring locations with many complaints and those with few are targeted, to determine why. ▪ Prepare reports on complaints handling as required.

4 Program Cycle

PNDS PROGRAM OPERATIONS MANUAL / POM

The PNDS Program Cycle

The PNDS Program Cycle is a series of steps and tools based a proven Community Driven Development approach, and experience in Timor Leste, such as, the Decentralization Development Program (PDD), as well as, in other countries in the region. It integrates lessons learned and techniques developed with the Government of Timor Leste's priorities as identified in the Integrated District Development Planning (PDID). The PNDS Program Cycle is aligned with and in harmony with GoTL plans and procedures plus, other projects and programs. It aims to support the development of critical infrastructures and public services in communities, while building community and government cooperation. The 12 steps in the Cycle follow a process of assessing needs, setting priorities, project planning and validation, implementation, evaluation, and operations and maintenance.

The most important actors in PNDS are the Communities and they are fully in control of assessments, decisions, planning, implementation and results. The PNDS Program Cycle is designed to provide a series of straightforward, systematic steps that enable, facilitate and support the involvement all members of the community. The steps provide opportunities, processes and guidelines for community participation in identifying needs, setting priorities, planning and implementing actions to improve their access to critical infrastructures and services via Suco Grants. The process and results are also intended to contribute to further development opportunities. Safeguards integrated into the steps promote transparency and accountability, and reinforce inclusion and gender equity that contribute to developing good governance.

Effective facilitation and training support for community capacity building are vital to support each of the Program Cycle steps. More intensive capacity building and follow-up mentoring will be required initially in years one and two to form a good basis for community planning and management in subsequent years.

PNDS PROGRAM CYCLE STEPS

- 1** Socialise District & Sub-District Key Stakeholders
- 2** Socialise Suco & Aldeia & Form Suco Management Teams & Select Suco Facilitators
- 3** Open Suco Bank Accounts & Disburse 100% of Operational Funds
- 4** Train Suco Management Teams & Suco Facilitators
- 5** Aldeia & Suco Set Priorities
- 6** Prepare & Verify Project Description(s) / Proposal(s)
- 7** Prepare Detailed Plan
- 8** Sign Project Implementation Agreement & Implement Project
- 9** Disburse Infrastructure Funds Tranche 1 & Commence Implementation/ Construction
- 10** Certify & Hold Accountability Meeting & Disburse Infrastructure Funds Tranche 2 (50%)
- 11** Complete Construction & Start O&M
- 12** Audit & Final Accountability Meeting & Evaluate

4.1 CAPACITY BUILDING

PNDS capacity building will take a variety of forms including direct training, coaching and mentoring for different community members. It will include a wide range of areas and disciplines from communication skills necessary for effective community participation and engagement, community organizing, management competencies, technical skills for construction and maintenance, as well as, procurement and book keeping skills. There will be a need for some “in class” or formal training, and with this, opportunities to collaborate with local capacity building service providers (individuals and/or CSOs). However, the greatest emphasis is on “learning by doing” with ongoing support from Sub-District Facilitators. The different learning needs of men and women, and the varying levels of literacy is recognized by PNDS and will be considered in designing all capacity development activities.

The quality of capacity building provided to communities will be a key factor determining program effectiveness and its lasting impact. A system will be developed in year one to guide regular monitoring and evaluation of capacity building efforts. The lessons learned from this experience will be used as input for capacity building, support plans and activities in subsequent years.

4.2 PROGRAM CYCLE STEPS OVERVIEW

Table 4A: Summary of the PNDS Process Steps

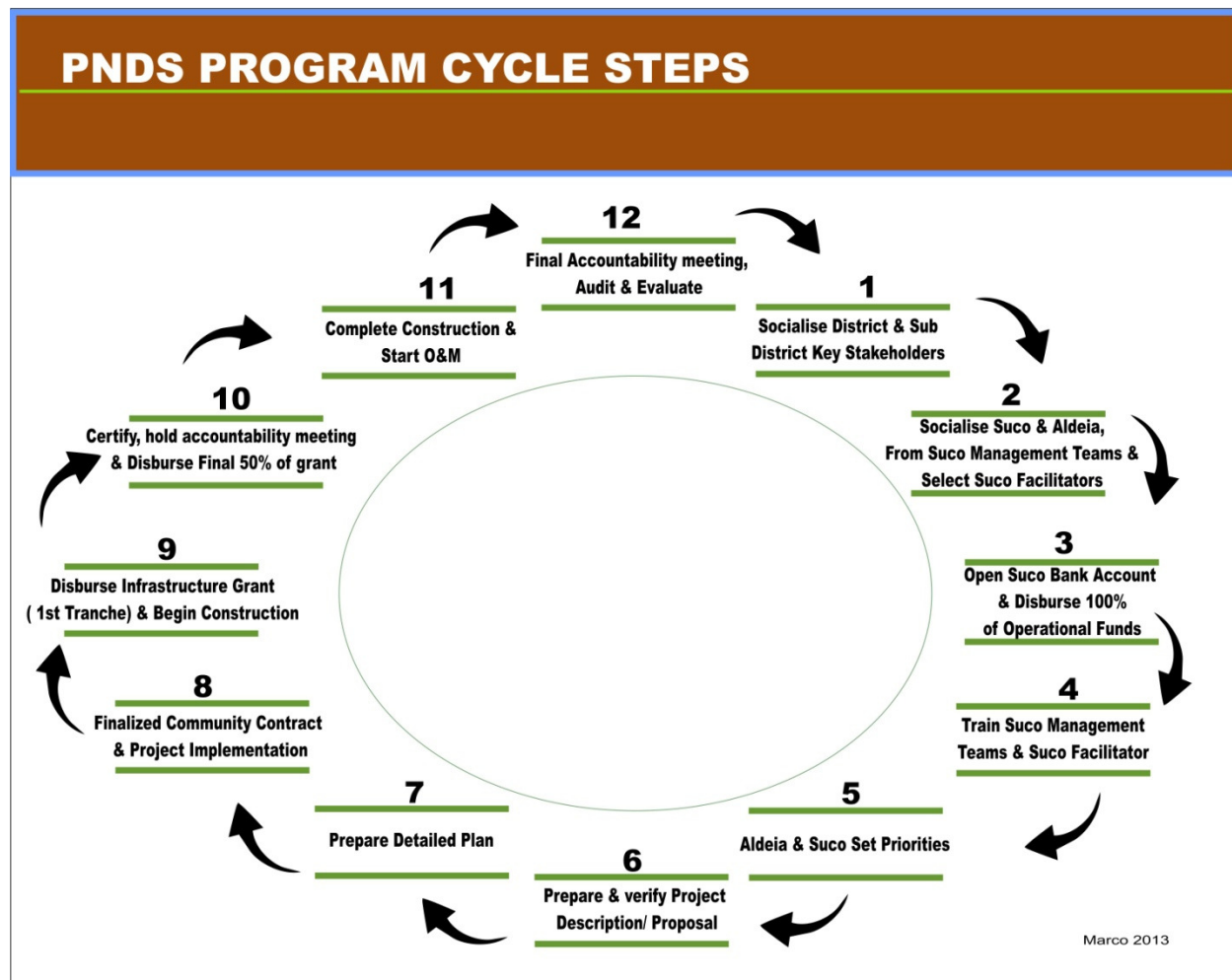
STEP	ACTIVITY	SUMMARY OF KEY ACTIONS
1	Socialise District & Sub-District Key Stakeholders	Orientation and Socialisation Meetings are held so key District and Sub-District stakeholders understand PNDS objectives, principles, procedures, and their roles in supporting Sucos to exercise their rights and responsibilities in planning and implementing PNDS activities.
2	Socialise Suco & Aldeia & Form Community Management Teams & Select Suco Facilitators	Orientation and Socialisation Meetings with Suco Councils and communities, including women and marginalized groups so they understand the PNDS Program's goals, implementation and their roles, rights and responsibilities. The community, with guidance from the Suco Council and assistance from PNDS Facilitators, elects persons to form Community Management Teams including: <ul style="list-style-type: none"> ▪ Planning and Accountability Commission (KPA). ▪ Community Implementation Team (EIP). ▪ Operations and Maintenance Team (EOM), and ▪ Two Suco Facilitators.
3	Open Suco Bank Accounts	With the support from the Sub-District Finance Facilitator, the EIP Treasurer and KPA President open 2 Suco Bank Accounts for Operational Funds and one for Infrastructure

<p>& Disburse 100% Operational Funds</p>	<p>Funds to receive the Suco Grant disbursements. Opening of the accounts triggers the disbursement of 100% of the Operational Funds for planning meetings, operations management, community monitoring, and training Community Management Teams and Facilitators.</p>
<p>4 Train Community Management Teams & Suco Facilitators</p>	<p>The Sub-District Facilitators carry out training for Suco Teams (KPA, EIP & EOM) and Suco Facilitators so that they possess the necessary administrative and technical skills to manage PNDS activities. Each of these actors is trained to perform their duties and responsibilities as required and defined in the POM. A list of mandatory trainings and materials are provided to the Sub-District Facilitators as part of their training.</p>
<p>5 Aldeia & Suco Set Priorities</p>	<p>Community mapping and situational analysis will be implemented in each Aldeia to identify infrastructure priorities, rank, and then, prioritize 3-5 of them. It includes identifying small scale projects which Suco communities can implement through Suco Grants, as well as, larger scale, more technically and financially demanding projects which can be implemented by ministries, technical agencies or contractors. Separate meetings are held for women, and then, joint meetings with men and women to set Aldeia priorities.</p> <p>The existing Suco Development Plan (PDS) is reviewed and compared to the Aldeias' priorities.</p> <p>A similar 2 step process is carried out with first a meeting of Planning and Accountability Commission (KPA) women members, and then, a full KPA meeting produces a final Priorities List integrating women's concerns. This is posted publically and additional community meetings called if there are any issues. The final List is also filed so it can be revisited in the following year.</p> <p>The Priorities List is sent to the Sub-District Development Committee (KDSD) and on to the District Development Committee (KDD) for coordination purposes.</p>
<p>6 Prepare & Verify Project Description(s) / Proposal(s)</p>	<p>From the ranked Priority List, one or more Suco Grant Proposals are prepared by the Community Implementation Team (EIP) with both Suco and Sub-District Facilitator assistance. PNDS Sub-District Technical Facilitators consult with sectoral representatives.</p> <p>The final Project Proposals and supporting documentation are submitted to the District Development Committee (KDD) through the Sub-District Development Committee (KDSD) to</p>

	confirm verification against PNDS “critical issues” and funding criteria.
7 Prepare Detailed Plan (<i>Survey, Design, Budget, Implementation Schedule, & O&M Plan</i>)	<p>Along with the PNDS District Team and KDD's review of the proposed project descriptions, a field survey is conducted by the Community Implementation Teams (EIP) and Operations and Maintenance Team (EOM) members assisted by PNDS Sub-District and Suco Facilitators and relevant sectoral Verification, Assessment and Supervision Team (EVAS).</p> <p>Based on the review and field survey detailed designs, budgets, and implementation schedules are prepared by the EIP assisted by PNDS Sub-District and Suco Facilitators and technical input from line ministries. Operation and maintenance plans are discussed and included in the plans. The community's contributions are determined and included in the final project proposal or Project Design Package.</p> <p>The Project Proposal is submitted for final review and endorsement to the District PNDS Unit along with a Project Implementation Agreement prepared and signed by the EIP Head and Xefe Suco. It is reviewed and witnessed by the KPA President.</p>
8 Finalize & Sign Project Implementation Agreement & Implement Project	<p>The EIP Head prepares and signs Project Implementation Agreement which is co-signed by Cefe Suco. The District Engineer and Accountant check and declares that the agreement with the complete Project Design Package is complete and prepared according to PNDS procedures. The agreement is then endorsed by the PNDS District Coordinator. The District Administrator signs the agreement on behalf of Government.</p> <p>The agreement signing will trigger the Tranche 1 payment of 50% of the Suco Grant Funds (minus the Operations Funds) into the community's Infrastructure Bank Account.</p> <p>The EIP, assisted by Sub-District and Suco Facilitators, prepares for project implementation, including up-dating the Project Implementation Schedule, procuring materials and equipment, and inventorying those who want to work on the project.</p>
9 Disburse Infrastructure Funds Tranche 1 & Commence Implementation/	<p>The Tranche 1 of the Suco Grant is transferred to the Suco Infrastructure Account when the Suco agreement is counter-signed.</p> <p>Project activities as per the approved plan begin once the funds are transferred, and are managed by the EIP.</p>

Construction	
10 Certify & Hold Accountability Meeting & Disburse Infrastructure Funds Tranche 2	<p>The Planning and Accountability Commission (KPA), Sub-District Technical Facilitator (SDTF) and Sub-District Financial Facilitator (SDFF) inspect and certify the Project's physical progress and expenditure against the approved budget.</p> <p>The EIP organises an open Community Accountability Meeting and reports on withdrawals and expenditures, physical progress, and accounting for funds received and utilized.</p> <p>The Report is certified and presented in an Accountability Meeting which triggers disbursement of the Tranche 2 of 50% to the Infrastructures Bank Account.</p>
11 Complete Construction & Start O&M	<p>Suco Projects are completed, inspected and certified by the KPA and SDF.</p> <p>Suco Council assumes responsibility for the new or rehabilitated infrastructures, and begins Operations and Maintenance activities.</p> <p>Project documents are filed, and 'as built' information updated.</p>
12 Audit & Final Accountability Meeting & Evaluate	<p>KPA and community members/beneficiaries implement a participatory evaluation of the Project when it is 100% complete.</p> <p>Final Accountability Meeting is held to examine and approve the certification for the funds received and utilized, physical results, participation of women, the performance of teams and staff, technical support received during planning and implementation, future funding and training needs, etc. and the Project Books are closed.</p> <p>PNDS Subdistrict Facilitators, with other local Sub-District administration officials, whenever possible, and the KPA inspect and certify works built and the books prior to the final Accountability Meeting.</p> <p>The PNDS District Team inspects the completed projects, the construction quality, functionality and O & M of the works, from time to time.</p> <p>Local PNDS Technical Facilitators with line agency counterparts regularly monitor completed projects.</p>

Diagram 4 A



4.3 PROGRAM CYCLE STEPS DETAILS

1 Socialise Districts & Sub-Districts

The goal is for key stakeholders in the District and Sub-District to understand PNDS objectives, principles, procedures and their roles in supporting Sucos in the exercise of their rights and responsibilities to implement PNDS activities. The PNDS actors and stakeholders will gain a sufficient understanding of key aspects of the program including project principles, program cycle, menu and negative list, SucoGrant amounts, financial management requirements, and roles and responsibilities. The aim is so key stakeholders support Sucos in exercising their rights and responsibilities planning and implementing PNDS activities and to lay the groundwork for coordination and cooperation.

The PNDS Secretariat will prepare an annual schedule for Socialization and Coordination Meetings in the Districts, and, with district input, for Sub-Districts. A team comprised of members from the PNDS Secretariat and District Administration will lead PNDS

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socialisation activities in every District and Sub District. Participant data by gender for each meeting will be collected through 'attendance sheets' and uploaded to the MIS.

The Socialisation and Coordination Meeting/workshops include presentation and discussion on:

1. General overview of PNDS (in the context of PDID).
2. PNDS core principles.
3. The program cycle and anticipated timeframe.
4. Gender and social inclusion policy.
5. Menu and negative list.
6. Systems for ensuring the transparent and accountable use of funds.
7. Roles and responsibilities.
8. Complaints handling procedures and sanctions for misuse of authority or funds.

The Sub-District Socialisation would also brief Suco delegations on what they will be expected to do at the start of the process to help organise initial Socialisation Meetings at Suco and Aldeia levels.

1 District Socialisation

The objective of the district level socialisation is to ensure that key stakeholders in the district understand PNDS objectives, principles and procedures of PNDS within PDID, and especially, are aware and prepared to actively support Sucos implement the program.

The socialisation should include all relevant government actors, e.g. District Development Council (KDD) and District Verification, Assessment and Supervision Team (EVAS), as well as, representatives from other local development programs and interested parties. The event is open to the public.

The participants for District Socialisation will include KDD members, District Administration, line ministries, political party representatives, relevant NGOs and other agencies working in the district.

The Socialisation Meetings during the first two years, 2013 through 2014, will be held three times, and where possible, coincide with the scheduled KDD meetings. The first Socialisation Meeting for 2014 should be held during 2013, followed by another towards the end of 1st quarter of 2014, which should involve all Sub-District officials too. The third socialisation (for 2015) is held early in the last quarter of 2014.

(Refer to Chapter 3, Table 3C Summary of District Level Actors: Roles and Responsibilities for more details).

2 Sub-District Socialisation

The goal of these meetings is to ensure all actors at the Sub-District level have a good understanding of key aspects of PNDS including program principles, the cycle, menu, Suco Grant amounts, financial management requirements, and roles and responsibilities.

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The participants for Sub-District Socialisation will include Sub-District Administration, line ministry staff, staff from relevant NGOs, and Suco representatives (XefeSuco and women and men representatives of Suco Councils). In subsequent years the Suco Council participation will include representatives of KPA and Suco Facilitators as well.

The PNDS District and Sub-District team collects any existing data on Suco Priorities and recently completed, as well as, planned and budgeted projects of the line Ministries to help avoid duplication in identifying and validating priorities each year. The PNDS District team should also share PNDS priorities with the line Ministry staff. This meeting will allow an opportunity to identify areas of collaboration among Sucos and line ministries.

This meeting should also be used to develop a schedule of SucoSocialisation Meetings and necessary preparatory arrangements.

(Refer to Chapter 3, Table 3B Summary of Sub-District Level Actors: Roles and Responsibilities for more details).

2 Socialise Suco&Aldeia, Form Community Management Teams (KPA, EIP & EOM) & Select Suco Facilitators

1 SocialiseSuco

The goal of the SucoSocialisationMeeting(s) is to ensure that the Suco Councils and community at large, including women and marginalized groups, have a good understanding of PNDS objectives, principles and procedures, and their own rights and responsibilities. It provides details on SucoGrant amounts and how Grants are managed, the planning and implementation cycle, menu options, the tasks and accountability of key actors and systems of complaints handling and sanctions. In this step the community teams and committees responsible for managing and implementing Suco Grant activities are established. If the Annual Grant Agreement between the XefeSuco, EIP Head and the District Administrator has not yet been signed, then it is signed as soon as possible after Suco Socialization.

The Suco Socialisation Meeting is organized by XefeSuco and XefeAldeia in year 1, with Sub-District Facilitators' assistance. Organising the Socialisation Meetings will include the Planning and Accountability Commission (KPA) and Suco Facilitators from year 2 onwards. The Meeting will be chaired by the XefeSuco with facilitation assistance from the PNDS Facilitator team. The participants of these meetings will include all Suco Council members, and women and men members from each Aldeia. The invitations should be oral, with a written invitation posted publicly for all, and include the agenda and time (day/hour), ensuring the time allows for both women and men to attend. The invitation will include information on the selection of Community Management Teams and Suco Facilitators as needed so nominations and selection can proceed smoothly.

The SucoSocialisation Meetings aim to:

- Ensure a good understanding of PNDS objectives, principles and procedures, and how the community can be involved (rights and responsibilities).
- Raise awareness about the planning and implementation cycle, menu options, forming the Community Management Team: Planning and Accountability

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Commission(KPA), Community Implementation Team(EIP), and Operations and Maintenance Team(EOM) plus, selection of the Suco Facilitators (SFs) and their roles, activities and responsibilities.

- Facilitate community discussion on the concept and practice of community driven development (e.g. forming Management Teams and community planning, implementation and O&M).
- Work out arrangements for Aldeia Socialisation, including identification and nomination of women members of KPA and selection of Aldeia candidates for EIP, EOM, and Suco Facilitators.

The Meetings cover:

- PNDS objectives and procedures.
- Community's rights and responsibilities.
- Suco Grant amounts and menu options.
- Planning and implementation cycle.
- Complaints handling.
- Tasks and accountabilities of key actors and how they are to be selected.

All PNDS Sub-District Facilitators are encouraged to participate, but if that is not possible given the schedule, at least one must assist. The Sub-District facilitators work together as a team, backstopping each other. Key messages on social, financial and technical issues must be provided even if only one Sub-District Facilitator is present. The Facilitators will provide a briefing on PNDS requirements on community participation and management, project planning steps and design, construction and financial processes for managing Community / Suco Grants.

Special attention will be paid to Operations and Maintenance (O & M) requirements and to issues, such as, land acquisition for PNDS projects. The Sub-District Facilitators must ensure that information is not only provided but is well understood.

The Socialisation Meeting(s) provides an overview of the Community / Suco Management Teams and their roles, selection criteria, and costs covered plus, the process and date agreed for their election. The composition of Suco Management Teams should also be clearly explained, especially, regarding minimum numbers of women and representation required from all Aldeia.

2 Aldeia Socialisation

Each Xefe Aldeia, supported by PNDS Facilitators where possible, and then conduct an Aldeia level Socialisation Meeting with the same goals as for the Suco Socialisation. The Aldeia Meeting ensures participation of women and men members from the community, and facilitates identification and nomination of Aldeia candidates for Suco Management Teams (KPA, EIP & EOM) and for Suco Facilitators. Materials will be developed and provided to each Suco to ensure clarity and consistency of information on the program and the formation of Suco Management Teams.

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Each Aldeia list should include the names of the additional KPA members, and women and men nominees for EIP, EOM and Suco Facilitators. The minimum number of nominees sent by each Aldeia depends on the number of Aldeia in Suco, as in the table below. Candidates with relevant experience, leadership qualities and technical skills should be considered. Only one person from any household should be nominated for consideration for an office in any of the Suco Management Teams. Officers of the three teams (KPA, EIP, EOM) cannot be close relatives, and cannot be from the same family or household. The KPA members and the candidates for the Suco Management Teams will be publicly posted in each Aldeia.

Table 4 B: Minimum Number of Candidates from Each Aldeia for EIP, EOM & Suco Facilitators

NUMBER OF ALDEIA IN SUCO	WOMEN CANDIATES for EIP, EOM & Suco Facilitator from each Aldeia	MEN CANDIDATES for EIP, EOM & Suco Facilitator from each Aldeia
1	6	6
2	3	3
3 – 5	2	2
More than 5	1	1

3 Form Suco Management Teams

The formation of Suco Management Teams with required male/female balance takes place using one of the methods for election are described in the PDID – voting by secret ballot. Elections take place at a minimum every 3 years, and the teams' performance is reviewed annually. If the annual review determines high levels of community dissatisfaction with performance, the election of new teams/members takes place and required training provided for new members.

Briefly, the roles and responsibilities for community teams are:

- The Planning and Accountability Commission (KPA) is responsible for annual planning and general oversight throughout the annual PNDS cycle. An important role for the KPA is to ensure broad community understanding of the Commission's roles and responsibilities, monitoring of progress, and ensuring projects are developed and implemented based on core PNDS principles and agreed processes, and that any complaints are properly addressed in a timely manner.

The KPA is to be made up of all members of the Suco Council, with an additional member elected by each Aldeia to ensure representation by two Aldeia representatives in the KPA, one of which must be a woman. For example, if the Xefe Aldeia is a man then, a woman from the Aldeia who is trusted and is considered to have the necessary leadership qualities must be chosen. Complying with general PDID requirements, the KPA must have a minimum 40 % female members.

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Community representatives working for relevant sector ministry programs (for example PSF, Community Water User Groups / GMF, agriculture extension workers) should be considered without changing the criteria that at least 40% of the KPA members should be women.

The KPA elects its officer holders including President, Vice-President, and Secretary by a secret vote of all KPA members present. Only those present can be nominated and elected for an office. At least one of the executive members must be a woman, preferably the most suitable additional female KPA member from an Aldeia. The Xefe Suco is the President of the Suco Council, and therefore, the President of the KPA is someone other than the Xefe.

- The Community Implementation Team (EIP) is responsible for managing project implementation. A minimum of three members make up the “core” team: the EIP Head who will be responsible for managing overall implementation, the EIP Secretary who will assist in planning meetings, note taking, public posting of information, and the EIP Treasurer who will be responsible for financial management including acting as the primary holder of the both Suco Bank Accounts along with the President of the KPA. The officer holders are elected, by secret vote, by the KPA members from the nominees from all Aldeia who are present at the time of the vote. At least one of the three members has to be a woman. Additional members (with a minimum representation of 40% women) can be added to the EIP based on the project(s) to be implemented. These members will hold temporary membership for the duration of project planning and implementation. Any community member can attend the election meeting of the KPA, and all KPA meetings are open.
- Two Suco Facilitators (one of whom must be a woman) will have an important role in community mobilization, particularly in the project planning and preparation phase, and to ensure that women stand for election and participate in all PNDS activities. The two Facilitators are chosen by the KPA from the candidates nominated by each Aldeia. The Aldeias are encouraged to consider Suco Council youth representatives for their nominees, if these are qualified, trusted and active. Selected candidates names are posted publically in the communities.
- Operations and Maintenance Team (EOM), will be established with an executive body comprised of Head, Secretary and Treasurer. For efficient management of Suco Bank Accounts, the EIP Treasurer will be the official signatory to the EOM account. The EOM Treasurer, however, is responsible for the management of funds including record keeping for any Operations and Management (O&M) funds. The EOM will be responsible for ongoing physical Operations and Maintenance post construction. It can appoint additional members (with at least 40% participation of women) to manage O&M activities. The EOM will coordinate with KPA and Sub-District Facilitators to train these members in the necessary administrative and technical skills. The community should be encouraged to institutionalize any existing community O&M structures and human resources by linking them to the EOM and Suco Council. For example, water user groups or Grupo Manajemenba Fasilidade (GMF), functioning in any Aldeia should be linked to PNDS project O & M structures. The formation of GMFs for new water projects

funded by PNDS should be carried out in association with the District Water Agency (SAS).

- Details on the election of Suco Management Teams and Suco Facilitators are provided in facilitator training and in a separate handout.
- The XefeSuco formalizes the results of candidates elected for the various team and committee positions.

(Refer to Chapter 3, Table 3A Summary of Community Level Actors: Roles and Responsibilities for more details).

3 OpenSuco Bank Accounts & Disburse 100% Operational Funds

The goal of this step is to establish the financial structure to support community management and implementation of the Suco Grants. The aims are to:

- *Initiate the establishment of a safe, transparent and accountable funds management system with the use of Suco Bank Accounts.*
- *Provide a mechanism for transferring Operational Funds for Suco meetings, training of community teams and preparing proposals.*
- *Provide a mechanism for transfer of infrastructure funds (in two tranches) to Suco Bank Accounts to manage project implementation.*

Upon establishment of the Suco Management Committees, the Sub-District Finance Facilitators facilitates KPA and EIP to make necessary arrangements to open two bank accounts to manage Operational and Infrastructure Funds. Until banking facilities are available at the Sub-District level the accounts will be at the District. The Sub-District Financial Facilitator, KPA President and EIP Treasurer go to the District or to the nearest place with banking facilities to open two bank accounts with all needed identification and documents necessary to open the bank accounts. The Finance Management Guidelines / Field Book will provide more details on the process and requirements.

The accounts will be called the Operational Account and the Infrastructure Account. The KPA President and the EIP Treasurer will be the primary signatory to the bank accounts. The opening of Suco Bank Accounts and submission of account details to the PNDS District Office will trigger the transfer of the Operational Grant into the Suco Bank Account for Operational Funds. The District Accountant has access to account records and is responsible to reconcile banks accounts at least at the end of each month. Up to 15% of Operational Funds can be withdrawn immediately to be used to subsidize planning meetings and activities, project management operations, community participatory monitoring, and training Suco Teams and Facilitators. Additional funds can only be withdrawn after a plan for the use of Operational Funds is prepared and approved by the KPA with the endorsement of the Sub-District Facilitators.

(For more details re: financial management refer to Chapter 2).

4 Train Suco Management Teams & Suco Facilitators

In this step the goal is to develop the skills and capabilities of the Suco Management Teams and Facilitators so they have the administrative and technical skills needed to effectively plan, manage, assess, and then, maintain the Suco Grant projects, as well as, support the inclusion of all community members, ensure transparency and accountability.

The Sub-District Facilitators carry out training for Suco Teams (KPA, EIP & EOM) and Suco Facilitators, assisted by the District PNDS Team. The training equips the Community Teams and Facilitators with the necessary administrative and technical skills to manage PNDS activities.

The goal of the training is to ensure the formally established teams and key community actors have a good understanding of the PNDS operating principles and procedures, and that they develop the required skills and capacity so each actor can undertake their roles and perform their duties and responsibilities effectively as defined in the POM. In addition to technical issues such as surveying and design, book-keeping, accounting, monitoring and reporting requirements, the training will also cover practical skills in community engagement, ensuring the inclusion of women and others with special needs (for example the aged, people with disabilities, geographically isolated people, etc).

Apart from the initial training on roles and responsibilities and basic skills required for managing functions of the Suco Management Teams, the Sub-District Facilitators (SDFs) will implement short training sessions during the monthly Coordination Meeting plus, mentor at the Suco level. The SDFs will also organize technical briefings and training sessions based on the requirements of different stages in the Program Cycle, i.e. procurement, construction supervision, monitoring participation of women and men in the community, conducting accountability meetings, complaints handling, book-keeping and financial reporting, O&M, etc. A list of the Suco trainings is included in the Sub-District Social Facilitator's training, and will be updated yearly based on emerging needs and skills gaps.

In general training will take place at the Sub-District level but can take place in an individual Suco (for example for that Suco's KPA) or in a Suco for a number of nearby Sucos in a large Sub-District.

5 Aldeia & Suco Set Priorities

The goal is for Communities to identify infrastructure needs, assess, rank and prioritize them, and then, for the Suco to review all Aldeias' priorities and decide which could be developed as projects. The process will identify needs which the community can resolve through small scale projects, as well as, larger scale ones which require more financial and technical inputs, and are more suitable to be implemented by ministries, technical agencies and contractors.

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Each Aldeia should undertake a situational analysis and mapping exercise. Then, the Suco Development Plan (PDS) priorities are reviewed and current Aldeia priorities are identified through a women's only, and a joint women and men's meeting in each Aldeia. The top three Aldeia priorities are decided using a ranking technique ("seeds in an envelope") and sent to the Suco for consolidation and final ranking ("pair-wise", "seeds in an envelope", etc.)

The Suco ranking is also done in two stages, with a KPA women only meeting to determine the women's suco priorities, and then, the entire KPA together to select the top three Suco priorities for the year. The list of Suco priorities must accommodate the women's priorities. The remaining priorities are again reviewed at the end of the year to revalidate them and identify new priorities for the next year. The ranking results are publicly posted, and if necessary, meetings held to discuss or clarify the decision making criteria and results. The first year in particular communities are encouraged to consider renovation, rehabilitation or extension of existing infrastructure rather than new facilities.

The PDID law requires an annual revision of PDS priorities to ensure they remain relevant to the differing needs of the people of the Suco. This is an important step in the process, which helps identify priorities for implementation by sectoral ministries but, especially for projects to be implemented by communities themselves. This step will form the basis for strong community ownership and responsibility for the PNDS supported projects.

PNDS places a high emphasis on the role of women in PNDS, including in priority ranking. The female KPA and Suco Facilitator, with the help of Sub-District Facilitators, organize women's only meetings at the Aldeia level (and in the Suco if needed) prior to the joint (male and female) meetings, which should also have a minimum of 40% female participants. PNDS facilitators are to meet women's group and promote their active participation in decision making in community meetings. Special training and preparation for these meetings will probably be required to ensure active, informed participation.

1 Set Aldeia Priority

In each Aldeia priority setting is facilitated by the two Planning and Accountability Commission (KPA) members (which includes the Xefe Aldeia), Suco Facilitators and Sub-District Facilitators (SDF) where possible. All households are informed about the date and place of the meeting beforehand through traditional method used to communicate, as well as, by invitation on Community Notice Boards or display boards.

The meeting attendees are briefed on the approach for Aldeia priority setting. The first step involves a mapping exercise to prepare a community map showing habitations, village infrastructure and institutions, local resources, etc. This map is then used in the discussion about the village infrastructure situation in a women's only meeting.

In each Aldeia, the women's only meeting

The Seed Ranking Method

After discussion and negotiation, each member present in the women's only and joint meeting are given three seeds with which to vote. Five envelopes or non-transparent packets are placed in the front of each of the five priorities identified as urgent. Each member has three seeds and is asked to choose the top three priorities by putting a seed in the corresponding envelope. The seeds in each envelope are counted at the end, and the top three priorities are selected based on the number of seeds in each envelope. *The priorities are those with the most votes/seeds is the first ranked, etc.*

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selects three top priorities using a ranking technique, such as, the Seed Ranking Method. These three top priorities are documented and proposed to the joint women and men's meeting. The remaining priorities are documented to review for the priority setting for next year.

In each Aldeia, the joint women and men's meeting is held after the women only meeting to select the Aldeia's top three priorities. The joint meeting is open to all female and male members of the Aldeia. The discussions during these meetings use the seed ranking method to identify 3-5 urgent infrastructure priorities for the year. These agreed three top priorities must accommodate the wishes and priorities of the women. The list of top three priorities and remaining priorities are documented. These lists are posted on the display board for community members for transparency purposes, and to allow for any complaints.

The second list is important to verify whether the Aldeia's three top priorities accommodates the wishes and priorities of the women or not. The list of the Aldeia women's three top priorities is also input for setting the three top priorities of the women at the Suco level.

2 Set Suco Priority

The Suco ranking is done by the KPA members who use a two-step approach to discuss priorities for sectoral projects and to finalize the top three priorities for the Suco for community implementation through PNDS Suco Grants. After receiving the two priority lists from each Aldeia, one from the women and one from the entire Aldeia, which takes into account and incorporates women's priorities, the KPA with assistance from SDFs and Suco Facilitators meet to prepare a Suco priorities and rank them. First is a women only meeting, and then, a joint meeting of the entire KPA, both women and men. Villagers are welcome to attend the meetings of the KPA. All KPA meetings are open to the public.

The KPA women meet first and discuss the women's priorities from each Aldeia and come up with a consolidated list for women's priorities at the Suco level. Women KPA members review the top priorities from the women of each Aldeia based on the following criteria:

- Whether it is in line with the PNDS menu and funding.
- Whether it is an urgent issue to address.
- Whether it will bring benefits to large section of the community, especially women and children and/or marginalized groups.
- Whether it is able to be constructed and maintained by the community (taking into account land issues, the environment etc).

They then decide the top three women's priorities for the Suco using the "Pairwise" ranking method and or the "Seeds in an Envelope" ranking method. This list will be submitted to the joint KPA meeting.

Next the entire KPA meets to finalize the list of 3 Suco priorities for community implementation for the year, taking into account and accommodating women's wishes and priorities. In each step the members discuss the importance of the Aldeia priorities based on the same criteria as the in the women's meeting. Based on the KPA discussion a shortlist is prepared for ranking. It includes the final priorities (maximum 5-8 including the top three

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priorities of the women). Using the "Seeds in an Envelope" ranking method to select and rank the top three Suco priorities for the year. Aldeia proposals can be combined. The remaining priorities are recorded for consideration for other programs and for PNDS for the next year(s). The final list of Suco priorities for the year and the remaining priorities kept for other programs and/or for the PNDS priority review for next year will be displayed in the Suco and Aldeias on public or Community Notice Boards for community members to review. The KPA, where required (based on any complaint), might need to call an open, full community meeting to explain the process and rationale for the final priorities and get agreement from the community at large.

The List of Suco priorities is sent to the Sub-District Development Committee (KDSD) and on to the District Development Committee (KDD) for coordination purposes. Confirmation is quick and simply based on whether the priorities are in line with the menu for PNDS, and appear to be able to be constructed with the funds available, and to ensure funding has not already been allocated from some other source.

6 Prepare & Verify Project Description(s) / Proposal(s)

The goal of this step is to translate the priorities agreed to by Suco communities into proposals for Suco Grants

The Community Implementation Team (EIP) with oversight of the Planning and Accountability Commission (KPA) and assistance from Suco and Sub-District Facilitators, finalizes the project descriptions or proposals for one or a number of the Suco priorities. The Sub-District Facilitators (SDF) undertake a verification of the proposals of the top priorities from technical, social and financial perspectives. The PNDS facilitators consult with local sectoral staff of relevant ministries, and then, the results (on a standard format) are submitted to the PNDS District Team for verification and approval for PNDS funding and for the preparation of full project designs and budgets. The PNDS District Team also consults with District Verification, Assessment and Supervision Team (EVAS) regarding the verification of critical issues and project feasibility.

This step in the Program Cycle includes four Sub-Steps:

1. Prepare project proposals or descriptions (using a standard format, attached as annex).
2. SDFs verify in the field
3. Submit proposals to PNDS District Team for verification, involving EVAS, and endorsement by the KDD for PNDS funding.
4. Communicating to Sucos about the approved list of projects so that surveys and design work can begin.

The field verification by SDFs and the District Verification aim to ensure that the project under consideration is:

- technically feasible and can be constructed and maintained by the community.
- financially feasible, i.e. within PNDS budget.

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- planned with the full knowledge and participation of women and all Aldeias and will benefit a wide section of the community, including women and children and/or marginalized groups.
- feasible with respect to “critical issues” such as land, conflict, environment, property rights, sacred sites, etc.

A Project Description in a prescribed format (template) is prepared for priority projects and includes details about the type of project, its location, beneficiaries (number by gender), anticipated benefits, initial cost estimates, community contributions, information on land ownership and a proposed outline of post-construction Operations and Maintenance arrangements.

PNDS Facilitators verify proposals on technical, social and financial aspects, and on 'critical issues' and follow-up as needed. PNDS Technical Facilitators must consult with relevant sectoral District Verification, Assessment and Supervision Team (DTs/EVAS) sector representatives on issues relating to technical feasibility and “critical issues” related to land and any links with existing or planned larger-scale infrastructure. However, if no input is received two weeks after initial contact (in person or by phone), then endorsement may be assumed, and the preparation of detailed plans may begin.

After PNDS verification and KDD endorsement, the Sucos are advised of the list of projects agreed to for PNDS funding (Suco Grants) and can proceed to finalize detailed project plans.

7 Prepare Detailed Plan (Survey, Design, Budget, Implementation Schedule, & O&M Plan)

Developing a detailed plan for the approved proposal including the design, schedule, budget, and Operations and Maintenance (O&M is the goal of this step. The process includes a field survey, confirmation of the plans, and ensuring transparency and community awareness of decisions and plans.

Community Implementation Teams (EIPs) with the participation of the Operations and Maintenance Team (EOM) members, assisted by PNDS Sub-District Facilitators (SDF) and Suco Facilitators (SF) and relevant sectoral EVAS, conduct field surveys and develop detailed project designs according to standard designs with detailed budgets for the approved priorities. Project implementation schedules are also prepared. Operation and maintenance plans are discussed and included into the final Project Proposal. Communities are made aware of the detailed plans and budgets in the Project Proposal.

If in some exceptional case, for any reason, there are issues that might prevent the project from going forward, those must be explained to the Suco Council and acceptable. Agreement should be confirmed in writing and posted publicly on the Community Notice Boards. In these cases the next priority should be processed.

The detailed Project Plan documentation or Project Design Package will include all project information in a standard format:

- Project design, maps and drawings.

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- Bill of Quantity(BoQ) with a budget including the community contribution.
- O&M Plan.
- Project Implementation Schedule.
- Annexes on land or property donations etc.

These detailed plans are submitted to the District PNDS Unit, along with a Project Implementation Agreement prepared by the Head of the EIP, reviewed by the President of the KPA and the XefeSuco, and co-signed by Xefe Suco and witnessed by KPA President for final review and endorsement by the District PNDS. The PNDS District Coordinator on the basis of the recommendations from the District Engineer and Accountant will endorse the final detailed plan. The District Administrator signs the project implementation agreement.

Detailed project planning includes the following steps:

1 Field Survey

The Sub-District Technical Facilitator (SDTF) will organise the technical survey along with the EIP and EOM teams. The Technical Guidelines and technical training for SDTF will include information on surveys for each type of project included in the PNDS menu.

2 Technical Design

The SDTF and EIP and EOM will prepare the technical design and drawings, based on information and results from the technical survey and standard designs and Bills of Quantity (BoQs). The relevant sectoral representatives are invited to participate, and are consulted on issues related to technical standards and links with existing or planned larger-scale infrastructure projects or plans. Verified technical designs are provided to appropriate line ministries via District Verification, Assessment and Supervision Teams (DTs/ EVAS.)

The SDFs will ensure participation of women and men to include their needs in making design decisions for the planned infrastructure.

3 Budget Preparation

The Sub-District Technical and Finance Facilitators will work with the EIP to prepare the budget based on the BoQ. The budget will be based on current price survey lists prepared by District Engineers with District Accountants. These price lists will be up-dated at least annually by PNDS District Accountants. The cost of materials is budgeted separately from transport costs. The designs and planned budgets will be posted on the Community Notice Board or other public display boards.

4 Technical Advice from Line Agencies

When there are infrastructure projects that might need special handling, the SDFs should consult the DTs/EVAS member from the relevant agency / ministry for sector specific issues and assistance that the community might need. As mentioned in the above, relevant sectoral representatives are invited to participate, and are consulted on issues related to technical standards and links with existing or planned larger-scale infrastructure projects.

5 Community Contribution

The community will indicate what forms of contribution they will make to the project e.g. locally available materials, labour, land, or money. These contributions should be costed into the budget and documented in the design and budget plan for the project. Some community contributions are expected and the amount of community contributions should be considered when selecting Suco priorities for PNDS.

6 Develop an O&M Plan

The EIP and EOM will work out an O&M Plan, including maintenance and repairs to be done, the estimated costs of O&M, and how these costs will be covered by community contributions where applicable. The EOM will hold a meeting with the community to explain the O&M costs and discuss their willingness and ability to contribute. The roles and responsibilities on O&M, however, will not change any existing defined responsibilities for O&M of a village asset. O & M will be defined based on existing laws and regulation of the sector agencies (where applicable) and with the necessary sharing of responsibilities between the community and other agencies (where applicable). Links should be made to local sectoral agency staff regarding support and training that might be needed for O & M.

8 Finalize & Sign Project Implementation Agreement & Implement Project

The goal of this step is to verify the feasibility of the Project Proposal, obtain agreement and sign the Project Implementation Agreement for the Project so that Project activities can commence.

A Project Implementation Agreement is prepared by the EIP Head, and signed by EIP Head and the KPA President and Xefe Suco. After the full detailed design and budget plan package (Project Design Package) are checked and cleared, the Project Implementation Agreement is then counter-signed by the District Coordinator. With the counter-signing, project implementation can commence. A copy of the agreement is posted publicly in the Suco on the Community Notice Board.

The Project Implementation Agreement utilizes a standard format and will include the following details:

- General conditions of the agreement and obligations of both parties.
- The type of project(s), the cost of the project(s) and the location.

It is conceivable that two Project Implementation Agreement could be in place simultaneously. This could occur to allow for planning for a subsequent cycle when the previous cycle is in its final stage or drawing to conclusion. In general new infrastructure funds will not be made available until after the completion of previous project(s) in the Suco.

The EIP, assisted by Sub-District and Suco Facilitators, has already prepared for project implementation, including up-dating the Project Implementation Schedule, procuring materials and equipment. An inventory of all who wish to work on the project is prepared. All who wish to work on the project can, with equal opportunities and incentives for both women and men.

4. Program Cycle

When the Project Implementation Agreement is properly signed by all parties, then the Tranche 1 Infrastructure Funds can be transferred to the Suco's infrastructure bank account. And preparations for implementation can be undertaken. The Project Implementation Agreement must be posted on Suco and Aldeia notice boards.

9 Disburse Infrastructure Funds Tranche 1 & Commence Implementation/Construction

The goal of this step is to organise and begin the Project implementation or construction.

Upon the endorsement of the full Project Plan and the signing of the project implementation agreement, the Tranche 1, 50% of the Infrastructure Funds (Suco Grant minus the Operational Funds already transferred), are immediately transferred to the Suco Infrastructure Bank Account. The Suco is informed the contract has been signed and the funds deposited in the Suco Bank Account. This step in the Program Cycle will involve regular supervision support from the SDFs, training on skills required for managing implementation, monitoring quality standards, mentoring record keeping and regular reporting, etc. Training for workers will involve construction skills and include details on the planned infrastructure, specifications and design details.

The EIP manages the implementation of Suco Projects including:

- Procuring goods and services.
- Mobilizing and paying village laborers.
- Collecting and accounting for community contributions.
- Withdrawing funds from the bank accounts.
- Accounting for the funds utilized and progress achieved.

The EIP reports to the community through meetings and postings on the Community Notice Boards.

The PNDS Sub-District Technical and Financial Facilitators provide monitoring and mentoring support throughout the Project implementation. They will make regular visits to supervise and monitor project implementation based on the approved design and budget. The Social Facilitator assists to ensure full participation of the whole community, to help resolve complaints and with reporting etc. The KPA, assisted by Suco Facilitators, oversees implementation. The Sub-district Facilitators certify progress and the use of funds with the KPA. The Technical and Finance Management Guidelines will detail the verification and monitoring steps during implementation.

The process begins when the PNDS District Unit requests the transfer of funds upon the signing of the Project Implementation Agreement, and informs the community once funds are deposited in the Suco Infrastructures Bank Account.

This step includes the following activities:

1 Plan Work

The Work Plan for construction is developed during Detailed Project Design and Budget preparation in Step 7 as part of the Project Design Package. The aim of the Work Plan is to:

- 1 Identify and define the sequence of activities and expected outputs for each phase of work.
- 2 Identify who is responsible for each task, including timing for bank withdrawals.
- 3 Review and up-date the schedule and timing for each task.
- 4 Inventory community members who want to work on construction.
- 5 Determine when and how to mobilize community contribution and purchase materials for the project implementation.

2 Consult Community

Before the construction starts, EIP will meet with the community to explain the work to be done, the schedule, the workers needed, and the proposed incentive option (output based bulk payment or daily rate with lunch or without, etc). This meeting will also be used to provide information on the materials to be procured, the packages to be “tendered” and the costs involved. This information will also be posted on the Aldeia and Suco Community Notice Boards.

3 Hire Labour

Guidelines for hiring community labour include:

- Work is open to all who want to work.
- Estimated person-days to be shared equally among all interested parties, bulk payment made for tasks completed or days worked, whichever is best for the community (most effective and efficient, with best results and accountable).
- Both men and women must be hired and paid the same incentives.
- Incentives will be set locally, based on district guidelines and slightly less than market rate for similar work. Food can be included, but should be calculated as part of the incentive. A choice must be given to each labourer regarding this matter. If women prepare the food, they are paid for their labour.
- Work lists and work schedules should be posted on the Community Notice Boards.
- If some construction tasks are highly specialised, the EIP may utilize outside skilled labour as long as it has been agreed in the village meetings, and the need to use outsiders have been included in the Project Design and Budget.
- The EIP Treasurer will keep detailed time sheets and incentives will be paid based on time sheets or signed forms, and in public, with witnesses, one of whom must be a member of the KPA.

4 Supervise Regularly

EIP will supervise the work on a day to day basis to ensure that the work is done correctly, following the agreed Schedule (Work Plan) and in accordance with technical standards stipulated in the design. The EIP Head, supported by the Sub-District Technical Facilitator, will:

1. Review the Work Plans together with the Work Team Leaders.
2. Check on the satisfactory completion of assigned tasks.
3. Check on the quality or standard of work done.
4. Help to correct mistakes and solve problems in a timely manner.
5. Provide advice and practical suggestions on how to improve work.
6. Organise on-the-job training for specific tasks as required.
7. Coordinate tasks carried out by different Work Teams.
8. Report on results and account for funds used.

External supervision and technical monitoring will also be provided by the Sub-District Facilitators (SDF), in particular the Sub-District Technical Facilitator (SDTF), and if needed the District Engineer.

5 Train Local Labour

Local skilled workers may have some knowledge of construction, but they often use poor quality practices which need to be improved. The SDTF will train the work teams on the job standards, e.g. when a new task is starting. The SDTF will bring the skilled workers together and demonstrate the skills involved in each task, e.g. mixing cement, setting up form works, putting in rebars, etc. Training will also ensure that the workers and their foremen understand the Project Design and Specifications, as well as, the Implementation Schedule.

6 Procure

The EIP will plan and implement procurement, following the Community Procurement Guidelines included in this Project Operations Manual and in the Technical Guidelines, with the objective of obtaining the required materials when needed for the best possible price. Planning and Accountability Commission(KPA) and SDFs will monitor procurement. Any infractions will be reported to the District PNDS Team. Materials procured should be in accord with the specifications in the technical designs and planned cost budgets.

Procurement steps include requesting, comparing and deciding on supplier quotations, shopping for materials and ensuring delivery of goods is in compliance with stipulated quality standards.

Transactions will fall under one of the following categories:

- Below US\$ 3,000: single source shopping is permitted, with a documented comparison of prices.

4. Program Cycle

- Between US\$3,000 and US\$25,000: 3 quotations must be obtained, sealed in envelopes by the supplier, and delivered to the Suco, and then, opened in a public space with witnesses. The best offer (least expensive in most cases) is accepted.
- Above US\$25,000: bids are invited from suppliers in a tendering process to be overseen directly by the PNDS District Accountant with assistance from the District Engineer.

Quotations for materials and equipment must separate transport costs from the materials and equipment costs. A supplier can bid to also transport the goods to the project location or the community can arrange this itself.

Some flexibility is allowed as long as procurement is based on the design specifications and approved budget, is open and competitive, and is based on the principle of obtaining the quality of goods needed, when needed, at the best (lowest) price possible, regardless from what supplier or source, including suppliers who might be from the Suco itself.

In very rare cases exceptions can apply to these rules where three quotations are not available. Exceptions must be authorised by the PNDS District Coordinator. Information on procurement should be posted on the Community Notice Board, e.g. who won the tender-which supplier, the total amount, how much - price per item, such as, bags, how many, etc. Procurement meetings are open to the public.

7 Store and Secure Materials

The EIP will store project materials, tools and equipment near the construction site and ensure their safekeeping. If necessary they will construct a storage shelter at the construction site or use other community facilities (e.g. school). This task of safely storing materials procured will involve:

1. Checking off the materials delivered to the store.
2. Making sure that the right quantity of materials is delivered to the project.
3. Organizing the proper storage of the materials e.g. cement to be stored in a certain way, safe from the elements.
4. Organising security for the storage.
5. Keeping a record of materials received and stored and each item removed from the store (using standard formats provided).

8 Provide Local Materials

The EIP will often mobilize the collection of local materials (e.g. sand and stones) for construction, and their transport to the construction site. In mobilizing local materials they will check for example:

1. The sand is clean and the right consistency for making strong concrete.
2. Gravel is according to specifications, eg. 25-30 mm thick - crushed hard rock – not limestone.

4. Program Cycle

Local materials might be donated, can be procured (using the same rules above), or can be “partially donated.” “Partially donated” could mean, e.g. that the materials, like sand and rock, are not purchased, but incentives are paid to dig and transport these materials to the project site.

9 Monitor Technical Quality

While the construction is going on, the EIP should check that each stage of construction is properly done and that the correct materials are used. Other players, e.g. SDTF and District Engineer, will also keep an eye on the construction but, it is important that the EIP also checks. They should make regular visits to the construction site to check that things are going well. In most cases the visits will have to be daily.

10 Withdraw and Use Funds from Suco Bank Account

Step 1: EIP Treasurer will prepare a Spending Authorisation Voucher, to describe the intended use of the funds, following the approved Project Budget.

Step 2: KPA President and Sub-District Finance Facilitator and Technical Facilitator will review the Spending Authorisation Voucher against the remaining project budget, and if everything is ok, will approve the voucher.

Step 3: EIP Treasurer and KPA President will sign a bank withdrawal slip.

Step 4: EIP Treasurer will go the bank to withdraw the funds, accompanied by the KPA President, who will also sign the voucher to confirm funds have been withdrawn, counted and received in full by the EIP Treasurer.

Step 5: EIP Treasurer, witnessed by the EIP Head and/or KPA President, will disburse the cash according to amounts approved on the vouchers.

Step 6: Suppliers will provide receipts for any cash received, which will be attached to the voucher. Where the supplier cannot issue a formal receipt, a standard form PNDS receipt will be used. Where a supplier holds a bank account, invoices for deposits or supply of goods should be paid via direct bank transfer, based on the approved Vouchers. This procedure may not be possible at the district level, but this is the preferred method.

Step 7: The KPA President will sign on the Spending Authorisation Voucher to verify that the goods or services purchased have been properly delivered to the Suco

11 Manage Cash at Suco Level

The KPA President and EIP Treasurer with the Sub-District Facilitator (the co-signatory) will go to the bank to withdraw money from the Suco Bank Accounts. The EIP Treasurer will store cash in a dedicated PNDS project 2-key safety deposit box, to be kept in a locked room in the Suco Xefe or Council office or any better alternative safe place. Funds will be disbursed at the Suco level as per the approved Spending Authorisation Voucher. Examples of funds disbursements at village level will include operational expenses, goods purchased and incentives for workers.

4. Program Cycle

More than one person (other than the EIP Treasurer) will be required to witness any cash transfers. Payment of local workers will be done in public, in the opens and with proper documentation. A KPA representative should be present and witness payment of wages.

12 Document and Record Transactions

The following transactions will be documented:

- Funds withdrawn from bank accounts will be recorded in EIP Bank Books and Cash Books.
- Cash disbursed will be recorded in the EIP Cash Book under the appropriate column.
- Vouchers, receipts and work incentive records will be filed in date order.
- Reports of Expenditure Against Budget and Physical Progress will be updated monthly from the Cash Book balances.

The KPA and Sub-District Financial Facilitator (SDTF) review these reports monthly against supporting receipts and for arithmetic correctness. EIP will also make financial reports available regularly (monthly) to the KPA, and to the broader community by public posting on the Suco Community Notice Board.

13 Report Change Order

Changes can be made to the agreed design or budget. The changes will be recorded, with the help of the SDTF, using a standard format which describes:

- The reason for change.
- Impact on number of beneficiaries, and potential impact on critical issues.
- Any design change.
- Any change in the budget.

The change order is submitted to the KPA for discussion and approval. Any significant proposed changes to design or scope must be discussed at a public meeting in relevant Aldeias as well. The details of the change are publicly posted ON Community Notice Boards and recorded/filed.

10 Certify, Hold Accountability Meeting & Disburse Infrastructure Fund Tranche 2

The goal of this step is to verify the construction progress, and that it, procedures and expenditures are according the PNDS guidelines and regulations so the Final Tranche or Tranche 2 of 50% of Infrastructure Funds is released to the community and deposited in the Infrastructures Fund Bank Account.

The Planning and Accountability Commission (KPA), Sub-District Technical Facilitator (SDTF) and Sub-District Finance Facilitator (SDFF) inspect and certify the Project's physical progress and expenditures against the approved design and budget when 70% of the Tranche 1 Infrastructure Funds have been utilised (withdrawn) and the Project is about 50% completed.

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The Community Implementation Team(EIP)prepares a report on withdrawals and expenditure and physical progress and accounts for funds received and utilized and results. An open Community Accountability Meeting is called by the KPA to present the EIPprogress report. The meeting is open to all, and women are encouraged to attend, as well as, those in the project location and those actually working on the project.

The KPA on behalf of the community accepts the accounting by the EIP for the funds spent to date and the quality of the physical work before endorsing the request for the last transfer into the SucoInfrastructure Account, so it can be processed. A minimum of 40% of participants should be women.

This step includes the following activities:

1 Certify

When 70% of theTranche 1funds have been withdrawn from the SucoInfrastructures Bank Account, and can be accounted for (when approximately 50% of the construction's physical completion stage), the KPA, SDTF and SDFF inspect and certify the physical Suco Grant / Suco Project's progress and funds used. This is to verify the EIP Report of Expenditure against Budget and Physical Progress. It takes into account any approved change orders. KPA or SFs should make weekly verification visits and Sub-District Facilitators (SDF) should inspect construction progress at least monthly during construction phase but, probably more often. A standard Construction Checklist is provided for use.

2 Hold Community Accountability Meeting

The EIP organises a community Accountability Meeting in the Suco with male and female KPA members plus, other members of the community. The meeting is open and all are encouraged to attend, both men and women. The KPA, considering distances, can advise the EIP to hold the accountability meeting in an Aldeia near where the infrastructure is being built so that more interested villagers, both men and women can attend. In such cases the XefeSuco and KPA representatives need to arrange to be present at the Accountability Meeting near the project site. The KPA will account for the funds spent to date, and the meeting will approve their accounting, which will be recorded in the minutes. The KPA will formalize this and document/file the approval.

Thecertification of social, technical and financial compliance from the Sub-District Facilitators, and KPA acceptance of the EIP report in the Accountability Meeting triggers the payment of the remaining amount of the Suco's Grant or Tranche 2 (the remaining 50% of the Grant) for the year in question. As noted above, theAccountability Meeting is minuted and the certificationis both filed and publicly posted on the Community Notice Board.

3 Apply for Tranche 2 (remaining 50%)

UponKPA, SDTF and SDFF certification, the Accountability Meeting, and acceptance of the accounts provided by the EIP, and formalized by the KPA, then, the EIP will apply for the remaining 50% of SucoGrant (Tranche 2 of the Infrastructure Funds), which will be transferred to the SucoBank Account immediately.

4 Utilize Funds

The remainder of Infrastructure Funds will be utilized according to the approved Project Budget, using the same procedures as in the Tranche 1. Details are included in the PNDS Financial and Technical Guidelines.

11 Complete Construction & Start O&M

Although the primary goal of this step is to verify the construction completion and functioning of the works and that construction conforms to the Project Plan, requirements and contract, the step also aims to establish an effective Operations and Management set-up to sustain the benefits of the newly constructed or rehabilitated works.

The construction or implementation completion means that the works and the accounts must be inspected and the works functionality verified, finances accounted for, certified, and submitted to the Planning and Accountability Commission (KPA) and community for review and acceptance. Another mandatory Accountability Meeting must be held, and the community must accept the accounting carried out by the EIP. With this acceptance the Suco Council and Operations and Maintenance Team (EOM) assume responsibility for the completed works, and ensure that the Project documents detailing the Project's implementation and administration including 'as build' and other design documents are on file. A set of all project files (copies) are provided to the Sub-District Development Committee (KDSD). Originals are held in the Suco. The Suco Council and EOM also ensure that the new construction is registered with the relevant sectoral agencies, and that an O&M Plan has been developed in coordination with sectoral agencies and beneficiaries, and everything is in place to operate and maintain the works effectively.

This is also the start-up for O&M. The EIP and EOM then, call a meeting in the Aldeia(s) that benefit for the work constructed to discuss the O&M plan, including the commitments made by the community for O&M, and to pay user fees or contribute to maintenance. Any existing infrastructure managed or owned by the State (e.g. school or clinic) is managed as usual by the sectoral agency. The EOM, however, discusses the roles and responsibilities that might be involved in operating and maintaining the additional or improved works or extension. For example, a water and sanitation facility built in a school and clinic will include an O&M plan with roles and responsibilities within the institution and community. For a newly created asset, the community will have full and/or joint ownership with the sector agency on O&M.

The O&M for the assets or infrastructure built through PNDS will follow the following step:

1 Complete Construction

Once the construction is finished, the KPA, will sign a form based on a physical inspection that the work is complete and the infrastructure is functional and ready for use, and that funds have been utilized as intended. This is presented to the Final Accountability Meeting. (Refer to Annex for sample form).

2 Start-Up O&M

A (minimum) two-day training for the EOM will be provided at the start of the O&M phase plus, ongoing mentoring by the Sub-District Facilitators. The training will focus on skills and competencies needed to carry out Operations and Maintenance activities, including collecting and managing community contributions. Additional members from the area might be appointed to the EOM. The extended O&M teams are included in the training.

The SDFs-Technical and Finance make an assessment of the skills needed and decide on any further training that might be required. In addition to the required skills, the KPA must ensure that the required resources for O & M are available or will be collected.

The EOM with assistance from KPA links up with any existing O&M structure (for example, a functional GMF for water) and establishes a community regulation for the management of O&M of the new or improved infrastructure. The roles and responsibilities on O&M for PNDS work do not change any existing defined responsibility for O&M of a village asset, and are defined based on existing laws and regulations of the sector agencies (where applicable), with sharing of responsibilities between community and technical agencies, when appropriate, depending on the type of infrastructure.

Different O&M for Different Types of Infrastructure

O&M will be organised in different ways, depending on the type of infrastructure:

- *Projects like roads can be handled by community labour once a fortnight or month or as included in sector guidelines (e.g. cutting grass, levelling after rains, etc).*
- *Projects like irrigation can be maintained (e.g. clearing channels) by farmers who use the irrigation – they need an agreed system for maintenance, involving all members.*
- *Projects like a piped water system, need a permanent team of maintenance workers who can repair pipeline or taps and operate the system. For water, GMFs should be used or reinvigorated if they have started to become inactive.*
- *Electricity projects, if there is any existing management structure, should be operated and maintained by the pre-existing organization.*
- *Expansion or renovation of any existing facilities (e.g. toilets for a local school) should also use existing structures (e.g. school committee) as a basis and add members and train them as necessary.*

O&M Tasks and Work Teams

Where the infrastructure requires a permanent O&M labour force, the SDTF will brief the EOM on the type of repairs which may be needed and the labour needed. Based on this information, EOM will engage work teams to do routine maintenance and repairs and arrange, with the help of the SDTF, for on the job training. O&M teams will be given the necessary tools and a clear job description. For example, if they are maintaining a piped system the job would include the following tasks:

- 1. Check on leaks and ensure that water is flowing into all taps.*
- 2. Identify leaks/problems requiring repair and repair them.*

3. Repair broken taps.
4. Organise cleaning of tanks with community help.
5. Stock spares, pipes, and materials and maintain stores records.
6. Keep records of all breakages and repairs.

O&M checklists for various types of PNDS infrastructure are included in the Technical Guidelines and teams, and facilitators are trained in O & M and to use these checklists.

EOM will meet regularly with the O&M work teams to review their work and any problems.

Spare Parts

The EOM will arrange for the purchase of spare parts on a regular basis so that the parts are available when needed to be used in maintaining and repairing the infrastructure works. The EOM will monitor the maintenance schedule and check that spare parts are changed according to a schedule. Each part has a specified life span and should be changed before the expiry date. They will need to find out what spare parts are needed, with what frequency they might be needed, what is the cost, and where these spare parts can be procured. The cost of needed spare parts can and should be included in the project design and budget.

O&M Funds and User Fees

The EOM will also manage the collection of funds from the community to use in paying for maintenance and repairs. The amount collected per household will depend on the estimated costs of maintenance, divided by the number of households. The EOM will arrange for the collection and banking of community user fees and their use for the purchase of spare parts (for later years) and for paying labour. This would necessitate the opening of a third bank account. The EIP Treasurer is automatically the EOM treasurer for the purposes of banking.

O&M Costing

O&M Costing should be done with the community doing “public mathematics”. This would involve costing each of the activities to be paid and the materials/spare parts, then adding up costs for one year, then dividing by the number of households to determine user fees. This should be discussed during the project description/proposal stage, then in detail during the design and budgeting stage and again when the project is complete and the O & M plan is being up-dated and socialised.

Once the EOM has proposed a user fee, they should present the user fee to the community for their approval. They should review and re-cost the user fee each year to ensure there is always enough money for running and maintaining the system.

Managing Money

The EOM needs a good system for managing money, including:

- Preparing an annual budget and setting a tariff (household payment).
- Collecting user fees from households.
- Using and managing the money carefully to repair the works.

- *Keeping good records of all monies collected and items or services bought.*
- *Being transparent and accountable to the community.*

Keeping the Trust

Things the EOM can do to show they are handling the money carefully:

1. *Consult the community on the amount of the tariff.*
2. *Ensure equity, i.e. that all households are expected to contribute equally.*
3. *Keep records of the money collected, and post on the Community Notice Board.*
4. *Bank the money regularly. The money should not sit in anyone's hands.*
5. *Give regular reports to the community on the money collected, banked, and how used.*
6. *Discuss issues of members not paying and report it to the KPA for necessary intervention or include regulation for non-payment and wrong doing.*

12 Final Accountability Meeting, Audit & Evaluate

The goal in this step is to mark the end of the project, assess and certify the funds utilized, the results and process, and reinforce the community ownership of the infrastructure and its continued maintenance and operations.

The Planning and Accountability Commission(KPA) coordinates the end of project cycle evaluation of all projects once they are completed. The participatory evaluation looks at technical, social and financial aspects of the project implementation and includes all community members / beneficiaries.

Upon 100% physical completion of the project or 100% use of the infrastructure funds, whichever is earlier, a final community Accountability Meeting is held at which funds received and utilized, physical results, participation of women, the performance of teams and staff, technical support received during planning and implementation, future funding and training needs, etc. are discussed. The Final Report of Expenditure against Budget and Physical Progress is presented to the community. The Sub-District Facilitators help ensure the report is understandable and understood by the community at large. The roles and responsibilities outlined in first Accountability Meeting continue to be the same here.

A range of standard formats will be used to simply document Suco expenditures. These will include forms for Expenditure versus Budget and Physical Completion for Infrastructure Funds, Bank Book and Cash Books for local incentives paid (including names and gender of recipients), EIP Procurement Meeting Minute(s), etc. These will be displayed on the Suco Community Notice Boards at least 1 week prior to the final Suco Accountability Meeting.

Following the final Accountability Meeting and certification of works, project books are officially “closed.”

Ongoing monitoring of O&M is by the Suco EOM team with the PNDS Sub-District Technical Facilitators, with participation from relevant line ministry staff as necessary.

This is the final Project Cycle step and includes the following activities:

1 Participatory Evaluation

The KPA, with help from the SDFs, will organise a community site visit and meeting to evaluate the process, looking at the following issues:

- Number and gender of beneficiaries.
- Extent of “inclusiveness” in planning and implementation.
- Quality of the works constructed.
- O&M plan (and community contributions).
- Transparency of the process and effectiveness of complaints handling mechanism and resolution of complaints received.
- Overall community satisfaction with the work of Sub-District facilitators and community teams (KPA, EIP, cadres).
- Level of satisfactory support for the Suco and PNDS from local technical agencies.
- Overall level of satisfaction with the process, the results and the benefits from the PNDS community infrastructure constructed.

The evaluation results will be recorded, posted on the Community Notice Board and submitted to KDSD and KDD. This analysis will be a useful input to the next programming and training cycle.

2 Financial Accounting

This final step also includes final accounting for any funds from Grants not used and still in Suco Bank Accounts. Bank accounts are reconciled monthly against Suco project accounts, until the balance is zero and funds are accounted for. Unused community funds will be available for use in planning and for other Suco projects in subsequent years. Operational funds can continue to be used for planning, training of community teams, cross-Suco visits, etc.

3 Audit

The PNDS District Engineer and Accountant will perform an Internal Program Audit, and at the same time participate in Cross-Suco Audits on a sample basis. In years one and two every Suco must conduct at least one cross-Suco visit per year.

Results of the evaluations must be discussed with community teams, posted publicly and submitted to KDSD and KDD. Lessons learned should be captured and shared during cross learning visits to other Sucos.

4.4 ENGINEERING TECHNICAL ISSUES

Detailed guidance on technical issues relating to verification, surveys, designs, budgeting, construction, construction supervision and Operations and Maintenance will be provided in training and the Technical Guidelines issued by the PNDS Secretariat. The Guidelines will be

4. Program Cycle

based on consideration of the different needs of men and women, and also, people with disabilities, and will be in accordance with environmental standards. These guidelines will be used in training of Technical Facilitators and to guide them in their work in the field. It will also support them in their role as trainers and/or mentors for community construction teams, progressively building up local survey, design and construction skills.

The Guidelines will include details of each of the step relating to project preparation, implementation, and to the resources and skills needed for effective ongoing Operations and Maintenance.

Whilst the overall technical processes and construction quality is the primary responsibility of the PNDS Technical Facilitators and District Engineers, they will be working closely with both the EIP and EOM and associated work teams, who will have received basic training in these issues after their election, as well as, on-going mentoring and on-the-job training. The facilitators and community teams should coordinate closely with relevant Line Ministry representatives. The involvement of all these different actors will increase understanding of technical issues needed for the PNDS construction and will contribute to building local skills for future projects, resulting in better projects and increased employment opportunities as well.

Table 4B: Summary of Technical Issues/Steps

CYCLE STEP ACTIVITY	OBJECTIVE / ACTIONS	RELATED DOCUMENTATION
6 Prepare & Verify Project Description(s)/ Proposal <i>Prepare & Verify Project Description(s) / Proposal(s)</i>	<ul style="list-style-type: none"> Confirm land availability. Determine number of beneficiaries (men and women) and level of benefits provided. Confirm technical feasibility and ability to be constructed and maintained by community with minimal outside assistance. In the case of extension or renovation of an existing public work, confirmation that the originating agency is willing and able to maintain the extension with community support. Confirm reasonable cost estimate and sufficiency of available funds (PNDS Grant and community contributions). Verify with support from EVAS that the proposed project is feasible from perspective of critical issues – site constraints, 	<p>Completed verification form (Annex 5)</p> <p>Checklist for environment</p> <p>Documentation on land ownership/use</p>

	<p>issues relating to land tenure, environmental risk/impact, conflict, sacred sites.</p> <ul style="list-style-type: none"> ▪ Proposal checked by PNDS District Engineer. ▪ KDD verifies that proposal complies with PNDS criteria. 	
<p>7 Prepare Detailed Plan (Project Design Package)</p> <p><i>Prepare Detailed Plan</i></p>	<ul style="list-style-type: none"> ▪ Site survey (including walk along path of proposed road or pipeline locations with community members) to form basis of calculations for design (technical drawings) and budget. ▪ Field measurements for the design (with appropriate collection and recording of information). ▪ Survey on the availability and price of necessary materials from three different stores or vendors. ▪ Final design drawings and budget plan, including the preparation of a draft Operations & Maintenance Plan (including estimation of resources required). ▪ Community confirms willingness contribute agreed O&M costs. 	<p>Standard Forms(<i>Refer to Annex</i>)</p> <p>Site observation and measurement report</p> <p>Standard survey form for material availability and unit price</p> <p>Detail Engineering Design</p> <p>Budget Plan</p> <p>Project implementation schedule</p> <p>O & M Plan</p>
<p>8 Prepare Project Implementation Agreement & Implement Project.</p> <p><i>Finalize & Sign Project Implementation Agreement</i> & <i>Implement Project</i></p>	<ul style="list-style-type: none"> ▪ A Project Implementation Agreement is prepared, based on the detailed documentation prepared in the step 7, then signed by the EIP Head and witnessed and co-signed by the Xefe Suco and KPA President. Contracts signed by PNDS District Coordinator certify that the projects are approved, funded and can be implemented ▪ The Detailed Engineering Design is verified by the PNDS 	<p>Signed Project Implementation Agreements</p> <p>Verification reports are filed at PNDS District Offices with copies provided to Sucos</p>

	<p>District Engineer, in consultation with relevant DT/EVAS colleagues to ensure technical feasibility, disability accessibility and environmental safeguards. Site visits are conducted as part of this verification on a risk-based 'spot check' basis.</p> <ul style="list-style-type: none"> ▪ The detailed budget is verified by the PNDS District Accountant to ensure financial feasibility, compliance with procurement rules, price surveys and labour rate guidelines. ▪ The PNDS District Coordinator verifies compliance with social safeguards, including gender equality, disability access and beneficiary analysis (sufficiently broad and pro-poor), as well as "critical issues" related to land, in consultation with District EVAS. The District Coordinator signs the contract and approves the project. 	
<p>8 Prepare for Construction</p> <p>_____</p> <p><i>Finalize & Sign Project Implementation Agreement</i></p> <p><u>&</u></p> <p><i>Implement Project</i></p>	<ul style="list-style-type: none"> ▪ Preparation for implementation, including identifying labour teams and developing schedules (and necessary training for labourers). ▪ Site preparation (including obtaining written permission from land owners to construct public infrastructure on proposed sites). ▪ Procurement/tendering process, arranging "packaging" of procurement. ▪ Confirm suppliers/material delivery, including schedule. ▪ The Project Implementation Plan, prepared by the EIP, 	<p>Detail Engineering Design</p> <p>Project Implementation Schedule</p> <p>Procurement form</p>

	including labour and procurement details and cost, is made available to the community and posted on notice boards.	
<p>9 Construction Implementation</p> <p><i>Disburse Infrastructure Funds Tranche 1</i></p> <p><u>&</u></p> <p><i>Commence Implementation/ Construction</i></p>	<ul style="list-style-type: none"> Ensure construction is implemented according to Detailed Engineering Design, Budget Plan and schedule. 	Construction supervision checklist and reports
<p>9 Supervision, Technical Monitoring and Evaluation, including</p> <p><i>Disburse Infrastructure Funds Tranche 1</i></p> <p><u>&</u></p> <p><i>Commence Implementation/ Construction</i></p> <p>10 Quality Certification</p> <p><i>Certify</i></p> <p><u>&</u></p> <p><i>Hold Accountability Meeting</i></p> <p><u>&</u></p> <p><i>Disburse Infrastructure Funds Tranche 2</i></p>	<ul style="list-style-type: none"> Provide technical supervision of construction (quality of physical construction and materials versus budget). EIP and KPA to conduct supervision visits at least once per week. PNDS Sub-District Facilitators (Technical, Financial and Social) conduct supervision visits in each Suco at least once per month, and usually minimum once per fortnight. Keeping track of progress and implementation process. Routine reporting on construction progress, funds used, labour, material, and compliance with implementation schedule (making progress reports available to the community). Meetings between PNDS Sub-District Facilitators and EIPs address any issues relating to construction. 	<p>Monthly supervision reports to be kept on file at the PNDS Sub-District Office with copies provided to the KPA to be posted on Suco notice boards, and on project notice boards in Aldeia where projects are located.</p> <p>Standard Form for monitoring-Measuring % progress against plan</p> <p>Progress documentation</p> <p>Inspection report</p>

<p>11 Community Review of Final Construction</p> <hr/> <p><i>Certify & Hold Accountability Meeting & Disburse Infrastructure Funds Tranche 2</i></p>	<ul style="list-style-type: none"> ▪ Preparation of document to account to community for physical progress and accounts funds used. ▪ Ensure that completed works are verified, including conducting commissioning tests, and finances are accounted for, certified and submitted for review and acceptance by community. ▪ Ensure “as-builts” (engineering designs adjusted to show any agreed deviations from the original design – prepared by PNDS SDTF with support from the EIP) are provided to KPA and explained to the EOM. ▪ Ensure all final documents are on file both at Suco and copies provided to the KDSD and KDD ▪ Ensure key documents and accounts are posted on SucoNotice Boards. 	<p>Final documents including “as built” drawings</p> <p>Details of final expenditure (budgets versus actual)</p> <p>Completion report</p>
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5 Monitoring & Evaluation Framework

PNDS PROGRAM OPERATIONS MANUAL / POM

The PNDS Monitoring and Evaluation (M&E) system aims to provide a credible evidence base to measure the performance of Program and account for public spending. It also helps communities and the Government of Timor Leste learn from experience about how best to manage the Program and further accelerate local development. The M&E system provides guidelines, procedures and tools to:

- Conduct outcome and impact assessments using baseline, midterm and final impact studies plus, special studies.
- Regular checks of project progress using routine and systematic monitoring with monthly reporting, Suco supervision visits, technical, financial and social audits, and a complaints handling mechanism.
- Collect information using community participatory monitoring.
- Conduct a rural infrastructure inventory for a baseline instrument and for further planning.

The M&E system provides the PNDS Secretariat with information for management, and in M&E support is provided by PNDS District Coordinators. Additionally, the system provides information to The Inter-Ministerial Coordinating Committee and other government agencies. It also provides communities, Sub-District and District PNDS participants and stakeholders with timely information and feedback about project progress, issued and emerging needs.

5.1 COMMUNITY MONITORING AND ACCOUNTABILITY MECHANISMS

The Community Implementation Team (EIP) is primarily responsible for reporting on implementation of construction technical quality and funds used. The Operations and Maintenance Team (EOM) is responsible for managing community contributions and undertaking Operations and Management (O&M). The Planning and Accountability Commission (KPA) is responsible for monitoring overall progress in implementation, transparency and accountability, and compliance with program rules and procedures. These three teams will be supported and mentored by Sub-District Facilitators to carry out their functions.

The data to be collected at the Suco and Sub-District levels using standardised templates includes:

- physical progress against Work Plans.
- progress in implementation cycle and outputs (e.g. decisions made, reports filed, procurement results).
- men and women's participation in all program cycle steps (including community meetings, training and labour).
- funds received and used, bank balance and cash on hand.
- O&M activities (including community participation and provision of community contributions and user fees).
- New complaints received, progress of current complaints, and those resolved.

All Sucoteams will provide progress updates to communities through meetings and displays in public areas at Aldeia and Suco level especially, the Community Notice Board. As noted above, the KPA will also convene community accountability meetings prior to release of implementation funds (at least once, around the time of 50% completion) and at the completion of construction to provide full information on the financial and technical status of the project.

When construction is completed the KPA implements a project evaluation by to enable community members to provide feedback on:

- the quality of community participation, construction, and transparency and accountability during the PNDS cycle.
- the overall “performance” of the project.
- lessons learned forming valuable input into the next cycle.

5.2 GOVERNMENT MONITORING AND OVERSIGHT

Both the functional (that is PNDS-dedicated facilitator and supervisory staff) and structural personnel (government officials who support PNDS implementation as part of the regular government structures and systems but are not full-time on PNDS and continue to carry out their main tasks and responsibilities) are responsible for program monitoring and oversight at all levels as described below.

5.2.1 Sub-District Level

PNDS sub district facilitators in conjunction with the Sub-District Community Development Officer (CDO) will monitor implementation progress at the Suco level through field visits, discussions with both men and women and the Suco Management Teams (KPA, EIP, EOM, FS) to verify community data. They will assess progress against Work Plans and identify any problems.

The Sub-District Facilitators and representatives of Sub-District Administrations convene regular monthly Coordination Meetings with key stakeholders, including representatives of Suco Councils, KPAs, EIPs and Suco Cadres, to review progress and emerging issues. Each Suco brings its collected data and reports to this meeting. These meetings should take place on or soon after the 7th of each month. (A list of required reports and their templates with submission deadlines is provided to PNDS facilitators and discussed during their training.)

The Sub-District Development Committee (KDSD) also undertakes monitoring visits to each Suco to assess progress and identify any emerging issues in line with the Integrated District Development Planning (PDID) law and other relevant Government regulations.

5.2.2 District Level

The PNDS District Coordinator, District Engineer and District Accountant conduct regular field visits at the Suco level to monitor progress. They will verify data from Sub-District Facilitators and assess progress against the schedule of activities, flag those Sucos that are lagging behind or have social, technical or financial issues. They also assess overall progress for the district,

including overall completion rates, compliance with technical and financial standards, community participation and status of complaints handling by the Planning and Accountability Commission (KPA) and District Development Committee (KDD). The PNDS District Coordinator also collates the performance assessments of the District and Sub-District Facilitators.

The District Coordinator convenes monthly coordination meetings with District and Sub-District Facilitators with KDD members, as appropriate. The Sub-District Facilitator (SDF) team will ensure a copy of its Monthly Report and Work Plans, is submitted at the time of the monthly coordination meeting, which will be held on or shortly after 14th of each month. The District Coordinator must ensure copies of these reports are made available to meeting participants.

Both District Verification, Assessment and Supervision Team (EVAS) and the District Development Committee (KDD) undertake periodic field visits to assess implementation as it progresses and prepare Field Reports on key findings and issues. Field Reports are sent to the GoTL District Administrators, as well as the PNDS National Secretariat and Program Support Unit (PSU).

5.2.3 National Level

The National PNDS Secretariat, assisted by the PSU, is responsible for program implementation and quality:

- In monitoring the key outputs and outcomes of the program.
- Analysing progress against the key performance indicators for PNDS.
- Identifying any issues arising that have national or strategic implications for GoTL.

The PSU undertakes routine monitoring to the Suco, Sub-District and District levels, and prepares Field Reports documenting key findings and issues. It also coordinates special studies and other ad hoc monitoring and evaluation exercises.

5.3 REPORTING AND MANAGEMENT INFORMATION SYSTEM

Standardised reporting and data collection templates are in the Annex for use in Cycle One. These will be evaluated and revised as needed for Cycle Two. These are user friendly and only collect data that is needed to ensure the Program is on track. All data is gender disaggregated, reflecting views of men and women in the community. Data is collected and aggregated for each level of reporting as described below.

5.3.1 Suco Reporting

The Community Implementation Team (EIP), assisted by Suco Facilitators, prepare Monthly Reports using a standard format for the Planning and Accountability Commission (KPA) which include:

- Financial, social and technical data.
- Progress against Work Plans.

- Emerging issues.

It includes monthly financial statements related to disbursement and reconciliation of accounts, including for previous years' projects Operations and Maintenance (O&M) of previous years' projects. A copy of the EIP Report is submitted to the Sub-District Facilitators by the 1st of the month. Once the report is verified by the Xefe Suco, the KPA will provide the report to the Sub-District Development Committee (KDSD), with a formal copy to the Facilitators. A copy is provided, at the time of the monthly PNDS coordination meeting (on or shortly after the 7th of the month) as well. Key information from the KPA report is also posted on the Community Notice Board.

5.3.2 Sub-District Reporting

The Sub-District Facilitator team prepares a Monthly Progress Report and submits it to the PNDS District Coordinator, with a copy to the KDSD/Sub-District Administrator. The Report collates information from all Sucos in the Sub-District, progress against their own Work Plans and issues arising. The Social Facilitator will compile the Report with inputs from the Technical and Financial Sub-District facilitators, and it will be submitted to the District Coordinator at the time of the monthly district PNDS coordination meeting (on or shortly after the 14th of the month).

5.3.3 District Reporting

The District MIS staff organizes and files all hardcopies of Monthly Reports and Data Sheets from the Sub-District Facilitators into a filing system that is accessible to all PNDS and GoTL staff involved in PNDS. Data should be verified and inputted into the MIS within five days of receiving these reports, and at the latest by 21st of the month.

The District Coordinators prepare Monthly Consolidated Reports including:

- Aggregated Suco level data.
- Monthly disaggregated Financial Reports prepared by the PNDS District Accountants.
- Technical Status Report from the PNDS District Engineers.

District reports should be prepared and sent to the PSU and copied to the KDD by 21st of each month.

5.3.4 National Reporting

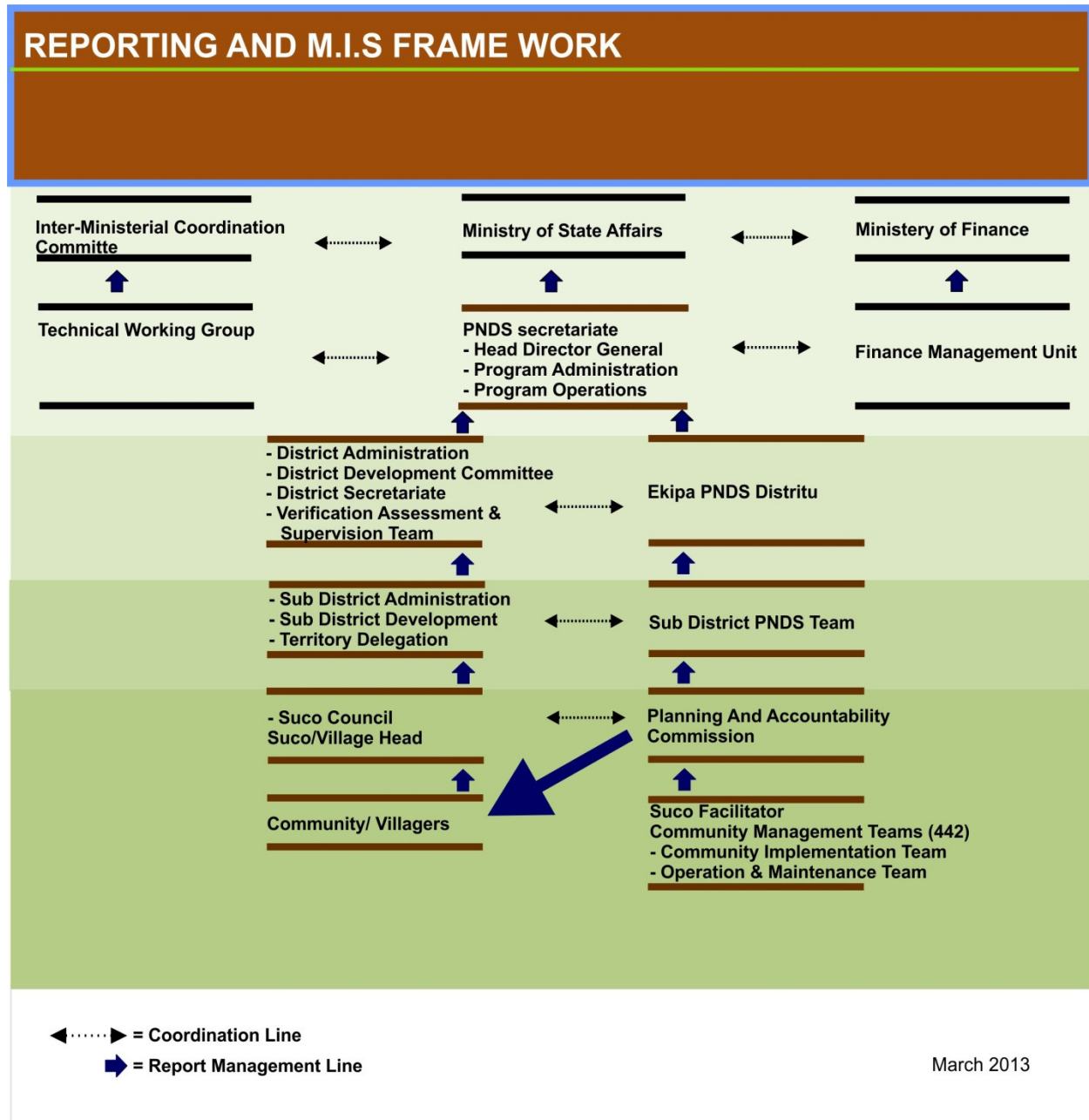
District Monthly Consolidated Reports are checked and the data verified and a National Report prepared and submitted by 28th of each month. In the first week of every month, before 7th, the PNDS Secretariat will provide feedback to each and every district on progress, delays, implementation problems and any data problems reported through the MIS.

The Secretariat will prepare a Quarterly Report based on a set of standardized key queries using aggregated district data from the MIS. The Report will be supplemented with additional financial information from the Treasury, national level activities, data from any special studies and photos. (More detailed data is available, as needed, down to the Suco and individual projects

through MIS and on the web site). The report is sent to the Technical Working Group (TWG) each quarter as requested.

The PNDS Secretariate will prepare brief Semi-Annual Reports to the Inter-Ministerial Coordination Committee (KKIM) related to program-wide progress, outcomes and impacts, policy issues and recommendations. This Report will be made available to the Council of Ministers and Parliament.

Diagram 5 A: Reporting & MIS Framework



5.4 Management Information System (MIS)

The Management Information System (MIS) is the central hub for all administrative and financial data related to PNDS, and data on the type of infrastructure constructed. It is updated and maintained by the PNDS Secretariat. The MIS stores a range of baseline data, financial information and administrative data related to the planning and implementation process, community participation, disbursement and use of Suco Grants, projects constructed and O&M.

The District MIS Officers are responsible for checking and inputting data from Sub-District Facilitator Monthly Progress Reports into the MIS on a monthly basis. During the first week of each month, the National MIS Officers, supervised by the M&E Specialist, will check and validate information in the MIS and contact the relevant District Coordinator(s) to check on data errors. The National MIS Officers will clean the data by removing any duplication, correcting misspellings and errors and then create an electronic backup. National MIS Officers also act as the MIS Help Desk for District queries. All District PNDS personnel will be trained in the MIS. It will be reviewed annually and updated as needed, in which case refresher training will be provided.

5.5. EVALUATION FRAMEWORK

The Evaluation Framework is designed to measure the overall impact of program interventions at a National and local levels and to evaluate the extent to which PNDS has achieved its objectives, whether this was done in a cost effective way, and how the program can be improved for the future. This will involve a range of evaluation activities over the life of the Program including, for example:

- Study of the program's impacts on household welfare (in line with PNDS goal), community satisfaction, and improved governance (transparency and accountability).
- Study on mechanisms and channels by which positive economic change occurs for households benefiting from PNDS infrastructure.
- Infrastructure Technical Quality Evaluations and Economic Rate of Return studies.
- Financial Audits.

Baseline Data will be collected during the first year through an external specialist. A comprehensive Baseline is particularly important for PNDS as the Program will work in every Suco in Timor Leste. If possible, key questions will be added to the Census for 2020 which will provide data from every household for the final impact evaluation. A mid term evaluation will also be considered in order to assess emerging impacts and identify which processes need to be modified or strengthened so as to maximise results for the remainder of the eight-year Program.

Case Studies will be conducted from year 3 onwards to analyse emerging themes in more depth, and to document good practices and lessons. Possible themes include:

- Community capacity to manage local development projects, social capital and social cohesion through community led development.
- Effectiveness of local level institutions.

- Social and gender inclusion in community governance structures.
- Cost comparisons for local infrastructure development between communities and private sector.
- Women's leadership in CDD programs.
- Innovations in financing community infrastructure and differences in urban and rural areas.

The PNDS Secretariat will have responsibility for coordinating these studies which will be done by teams of international and national researchers or research organisations.

5.6 RESOURCING FOR THE M&E SYSTEM

The quality of M&E system relies primarily on people having sufficient time and capacity to carry out their functions and being held accountable for the quality of their monitoring. The following personnel are dedicated to the operations of the M&E system:

- National PNDS M&E Coordinator.
- Two National PNDS MIS Officers.
- One MIS Officer in each District.
- All field Facilitators working with Suco PNDS teams, the Suco Xefe and the Suco Planning and Accountability Commission (KPA).

Resources will be dedicated to conduct annual training to upgrade the capacities of all other Government PNDS staff and Suco teams who have monitoring and MIS responsibilities, and to address staff attrition/turnover. This training will be coordinated by the PNDS Secretariat and included in the Annual Work Plan and Budget. Resources will be provided to periodically upgrade and update the MIS, as well as, to conduct baseline, mid-term and end of program evaluations and other special studies.

5.7 COMPLAINTS HANDLING

An effective Complaints Handling System (CHS) is critical for building trust and strengthening governance. Its effectiveness rests on the different PNDS actors' good understanding of rights and responsibilities of all stakeholders, and a clear understanding of PNDS systems and processes. It is therefore very important that these issues, along with the CHS process itself, are well explained during socialization, and re-emphasised through public information tools, such as, community posters and the PNDS website, as well as, through training for Secretariat and PNDS Secretariat staff, field Facilitators and community implementation teams.

The CHS goals are to:

- Build capacity to understand and follow principles of good governance.
- Reduce misconduct.
- Reduce financial/benefit loss.

- Ensure justice through sanctions and legal action for offenders.
- Create trust.
- Address questions/confusion about PNDS procedures.

The CHS is guided by the principles of respect for customary dispute resolution mechanisms, confidentiality, inclusiveness, subsidiary (proximity to community), verification, transparency, accuracy and promptness.

The CHS aims to support resolving two basic types of complaints--those involving non-compliance with PNDS processes, procedures and values and those related to financial mismanagement. An overview of the two main types of complaints is provided below. The first type relates to Non-Compliance Complaints which could include:

- Individuals or groups prevented from participating in steps of the Program.
- XefeSucoor Suco Facilitators force the community to accept certain activities as Suco priorities.
- Lack of transparency or exclusion of certain individuals or groups in recruiting workers.
- Changes or modifications to the infrastructure design /plans without community knowledge/approval.
- Suco Council not informing communities about important decisions affecting the program.
- People are restricted from using infrastructure constructed.
- Mismanagement by PNDS/Government staff in supporting Sucos for PNDS activities.
- Disputes over land ownership.
- Threats of or actual damage to infrastructure.

Complaints may also be related to financial mismanagement or funds are not properly accounted for, including mis-procurement or contractual non-compliance. Examples could include:

- Mismanagement of a bank account (e.g. false withdrawals).
- Cash handling at bank level (i.e. stealing money).
- Non-compliance with procurement rules such as falsifying documents, favouring suppliers or inflating prices for profit.
- Violation of a supply or service agreement by a supplier.
- Collusion between government officials, bank officials and/or community representatives.
- Falsifying payroll for community labour or accepting kickbacks.
- Use of community property or materials for purposes other than PNDS approved project.
- “Borrowing” or “Lending” of project funds or materials.
- Using operational funds for purposes not approved under the PNDS guidelines.

5.7 LODGING COMPLAINTS PROCEDURE

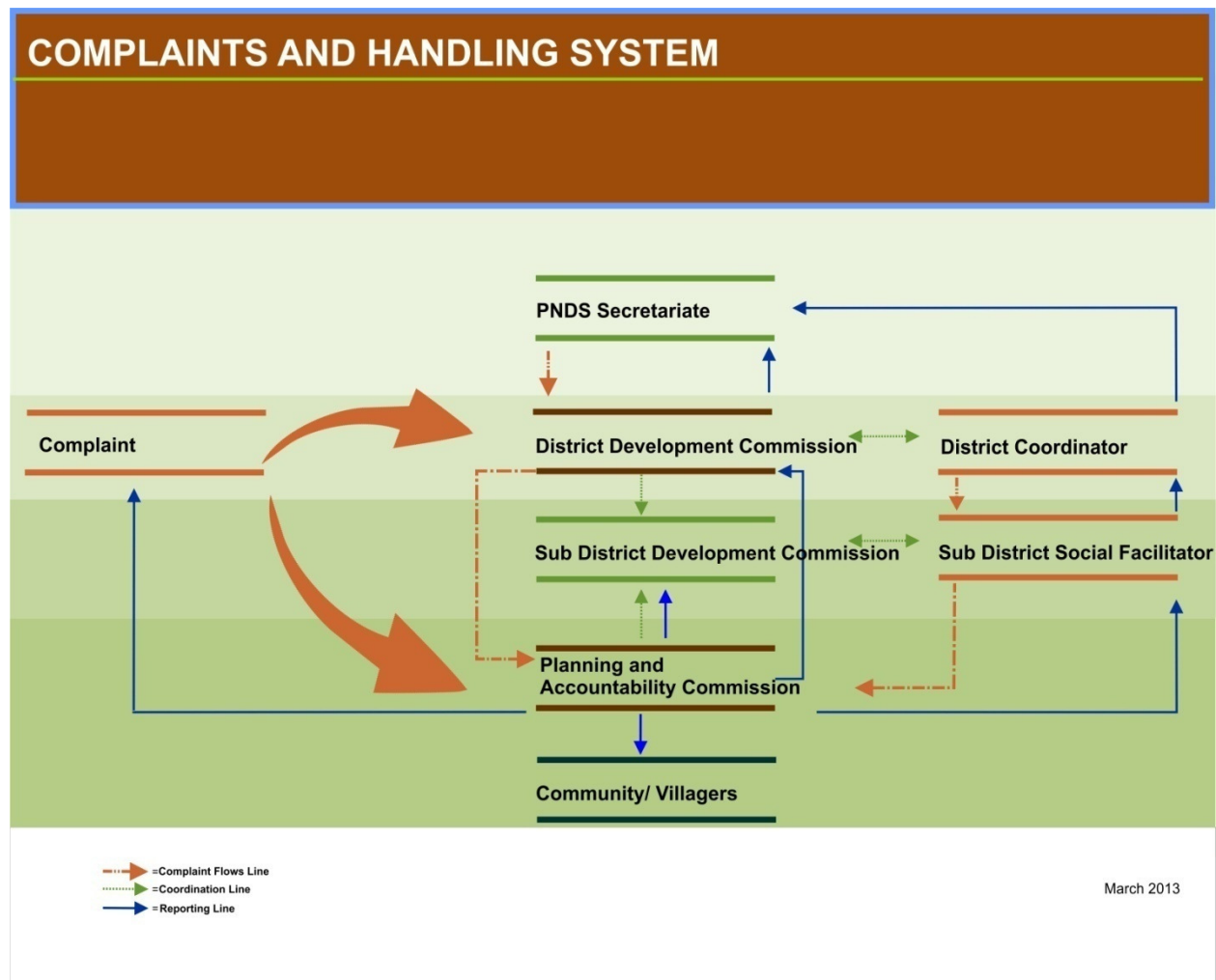
A variety of mechanisms will be available so that people feel able to make a complaint confidentially and without fear, including:

- Letters to locked PNDS complaints boxes at Suco, Sub-District and District levels.
- Personal contact with PNDS staff, Facilitators and members of the Suco Management Team.
- Phone calls.
- SMS messages.
- Email and online complaint forms via the PNDS website .

A number of options are provided through the CHS for people to lodge complaints related to PDID (PDNS or PDD), which guarantee confidentiality.

Complaints may be voiced to different people who are trusted by the person filing the complaint, for example to religious leaders or Civil Society Organizations (CSOs), as well as, to the Sub-District Facilitator, who can assist with formally registering the complaint through the channel outlined in the diagram. The complaint is lodged with either directly with the Suco Planning and Accountability Commission (KPA) or the District Development Committee (KDD), which then sends the complaint to the KPA for initial handling, using the process shown in the following diagram.

Diagram 5 B: Complaints & Handling System



Once received, the KPA and KDD will immediately register the complaint (carefully summarized and categorized) in the PNDS database, with support from the District Coordinator or Sub-District Facilitator. All complaints and questions received should be registered.

Registration and handling complaints should always begin at the .KPA. The identities of those complaining will not be revealed to ensure confidentiality. If there is a potential conflict of interest, for example, a complaint involves someone in the Suco Council or the KPA, then the KDD with support from the PNDS District Coordinator, must directly process that complaint.

With support from Sub-District Facilitators, all complaints reported, actions taken and progress by KPA are reported monthly to KDD, with a copy to Sub-District Development Committee (KSDS), except where more frequent reporting is required for large or more serious cases. This ensures that the process is effectively monitored (investigation, resolution, and reported back to communities). PNDS Sub-District Facilitators also keep complainants regularly informed of progress of their complaints.

Community members will be kept informed by the KPA or Sub-District Facilitators of any complaints registered and the actions taken at every step whilst protecting confidentiality of the complainant. Community members may also be involved in solving complaints and/or problems that are more appropriately addressed through community mechanisms such as customary dispute resolution.

If a complaint is not satisfactorily resolved or there is no significant progress in 30 days at KPA level, it must be elevated to KDD level. Similarly, complaints not resolved or progressed in 30 days at KDD level will be elevated to the National Secretariat.

When complaints are resolved, this will be so indicated in the database by the District Coordinator and cases will be labeled as 'closed'. The report will include information about the final resolution (including funds recovered) or decision.

Every month, the District Coordinator will produce a report with a summary of all complaints received and status of progress. This is discussed by KDD at routine coordination meetings--ensuring that confidentiality continues to be respected--and reported to the PNDS Secretariat.

Where the complaint received is related to PDID/PDD, the KDD can involve an independent team or establish a multi-stakeholder board to process the complaint.

APPENDIX

PNDS PROGRAM OPERATIONS MANUAL / POM



PROGRAMA NASIONAL DEZENVOLVIMENTU SUKU

ANNUAL GRANT AGREEMENT

Contract Number:

This **Annual Grant Agreement** (the "Agreement") is made and entered into by and between the undersigned below:

- I. Name :
Title : District Administration, Distrito.....
acting under delegation of competences on behalf of Minister of State Administration of the Government of Timor-Leste, hereinafter referred to as the First Party.
- II. Name :
Title : Xefe, Suco , Suco.....
Sub- Distrito..... Distrito
acting on behalf of the *Comité de Planeamento e Responsabilização* (CPR) of the Estrutura de Suco do PNDS of Suco.....
And
- III. Name:
Title: Head of EIP , Suco
acting on behalf of the *Equipa de Implementação e Planeamento* da Estrutura de Suco do PNDS of Suco.....
hereinafter referred to as the Second Party.

WHEREAS the Strategic development Plan of Timor-Leste (2011-2030) recognizes that one of the aspirations of the Timorese people to create a strong and prosperous nation is the development of infrastructures capable of providing socio-economic development, increasing productivity, and creating jobs, finding that it serves a legitimate public purpose.

WHEREAS Government Resolution n.º1/2012, January 25, established a Inter-ministerial Committee and an Inter-ministerial Technical Working Group to develop a mechanism to accelerate community development.

WHEREAS, the goal of the *Programa Nacional de Desenvolvimento dos Sucos* (PNDS) is to improve socio-economic conditions through community managed infrastructures.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants hereinafter set forth, the parties hereby agree as follows:

- (1) **Governing law, principles and guidelines:** This Agreement is subject to the General Regime of *Programa Nacional de Desenvolvimento dos Sucos* set forth in the Decree-Law and also subject to Ministerial Dispatch formalizing the Program Operations Manual and to subsidiary program technical guidelines, which the parts agree to fully comply with. In addition, this Agreement to the extent applicable, is also subject to Government Decree n.º1/2009, February 18 on Public Grants.
- (2) **Type of allowable activities:** Suco grant provided funds community priority small infrastructure projects only as specified on the menu of allowable activity types set forth on the Program Operations Manual approved by the Ministry of State Administration, namely:
- Access infrastructure, including local roads, bridges, paths, jetties and other of identical nature;
 - Small, simple village water systems, including washing facilities, sanitation facilities as part of public facilities;
 - Irrigation and drainage, including check dams, canals and gates;
 - Extension, renovation or rehabilitation of local schools and health posts/clinics;
 - Multi-purpose community halls;
 - Other small-scale community public facilities, such as, local markets, electricity supply, children's playgrounds and sport facilities.
- (3) **Grants:**
- (3.1) First Party, agrees to give the Suco Structure of *Program Nacional Desenvolvimento dos Sucos* (PNDS) a annual grant of \$.....« INSERT: amount received by specific Suco»,
- (3.2) The Annual grant will comprise an operational grant which will cover planning and administration related expenses and an infrastructure grant to allow the construction
- (3.3) Grants shall be paid on the following schedule:
- (i) Operational grant of \$.....« INSERT: amount received by specific Suco» upon signature of this Agreement; ☐
 - (ii) Infrastructure grant tranche 1, amounting to 50% of the Grant upon signing the Project implementation agreement with the project proposal; ☐
 - (iii) Infrastructure grant tranche 2, upon expenditure and accounting of 70% of tranche 1 and submission of project progress certification.
- (4) **General obligations of parties:** This Agreement shall be construed and the rights and obligations of the Parties shall be determined in accordance with the Governing law, principles and guidelines set forth in clause 1, in particular:
- (4.1) The first party is responsible for the supervision, management, audit and technical support for the execution of this agreement.
- (4.2) First Party, agrees to assist with the resolution of any serious cases of misuse of authority or funds or any other complaints from villagers.

- (4.3) First Party is responsible to provide adequate information, which will enable the full compliance of PNDS through periodical socialization, training and technical implementation guidelines.
- (4.4) The second party shall not engage in any activity on behalf of the first party, nor take any action, that jeopardizes or compromises the implementation of the *Programa Nacional de Desenvolvimento dos Sucos* set forth in the legal framework and on the Program's Operational Manual.
- (4.5) Second Party, promises any disagreements or allegations of misuse of authority or funds will be treated seriously and transparently and the Suco will resolve the matters satisfactorily or seek assistance from higher level authorities if unable to handle and resolve cases locally, at the community level.
- (4.6) The Second party agrees to submit and present within timely manner, all requested information and reports requested by the First party.
- (4.7) The Second party shall establish and maintain all records associated with the grants in accordance with the principles set forth in the Program Operational Manual, and shall promptly make available to the First party all of its records with respect to matters covered by this Agreement including, but not limited to, financial records, records of community workers, and shall permit the First party to audit, examine and make copies from such records.
- (4.8) Second Party agrees and promises to maintain the infrastructure and facilities through community Operations and Maintenance with needed community contributions.
- (4.9) The Second Party shall ensure gender and social inclusion in all phases of the program set forth on the Program Operations Manual.
- (5) **Bank account:** The Payment shall be made in US Dollars by bank transfer to the following banking details:

ACCOUNT NAME	Estrutura de Suco do PNDS, Suco « INSERT: name of Suco » « INSERT: name 1 st signatory » « INSERT: name of 2 nd signatory »
OPERATIONAL ACCOUNT NUMBER	
INFRAESTRUTURE ACCOUNT NUMBER	
BANK NAME	
BANK BRANCH NAME	

- (6) The following documents shall be deemed to form and be read and construed as part of this Contract:
- (a) Minutes of the election meeting for the representatives for the Suco Structure

as Annex (1)

(b) Dispatch of Delegation of competences

as Annex (2)

- (7) **Term.** This Agreement shall be effective upon signature by both Parties and shall expire ☐ on «End Date», unless terminated earlier if it appears to the first party that the second party has failed to perform satisfactorily or is in violation of any requirements or provisions of this Agreement and the rules and principles set forth on the Governing law.

IN WITNESS WHEREOF, the duly authorized representatives of the Parties hereto have executed this Grant Agreement on the last date set forth below:

ON BEHALF OF THE SUCO STRUCTURE OF PNDS	ON BEHALF OF THE MINISTRY OF STATE ADMINISTRATION
<hr/>	<hr/>
XEFE DE SUCO	DISTRICT ADMINISTRATOR
<hr/>	<hr/>
EIP HEAD	
Date: ____/____/2013	Date: ____/____/2013



PROGRAMA NASIONAL DEZENVOLVIMENTU SUCU

**KPA FIRST MEETING MINUTES
SUCO OFFICE HOLDER'S ELECTION**

A. INFORMATION			
Length of meeting	Date	Start (time)	Finish (time)
Meeting facilitated by:	Sub-District Facilitator		
KPA Members	Women	Men	
Number of KPA members for each category			
Number of KPA members attending the meeting			
Other (specify)			
Attendance list attached?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	
Meeting Agenda			Checked (yes or no)
1 Introduction			
2. Formalize the KPA members based on Aldeia additions			
3. Explanation about the roles and responsibilities for each position (KPA, EAP, EOM and sucofacilitatos)			
4. Explanation about the election process for each position			
5...Next Steps (raining for selected office holders)..			
.....			
B. SUCO OFFICE HOLDER'S ELECTION RESULT			
KPA Office Holder	Name	Gender (female/male)	
1. President			

2. Vice President		
3. Secretary		
EIP Office Holder	Name	
1. Head of EIP		
2. Secretary		
3. Treasure		
EOM Office Holder	Name	
1. Head of EOM		
2. Secretary		
3. Treasurer		
Suco Facilitators	Name	
1. Female Suco Facilitator		
2. Male Suco Facilitator		
D. Questions and other matters raised		
E. Agreed Solution/ Recommendation		
Minutes prepared by:	Name:	Date:

	Signature:	
Minutes including the election results approved by XefeSuco	Name:	Date:
	Signature:	

Attached:

- Attendance list
- KPA members list declared by Xefe Suco



PROGRAMA NASIONAL DEZENVOLVIMENTU SUKU
ALDEIA PROPOSAL PRIORITIES LIST (Women)

Aldeia :
Suco :
Sub-Distritu :

Based on Aldeia Women Prioritization Meeting dated,, Aldeia Women's Proposal Priorities List is::

Priority	Sub-Project Name	Location	Volume (km)	(unit)	Estimated Budget (\$)	No. Beneficiaries			Remark
						F	M	HH	
1									
2									
3									

Signatures:20.....
Suco Facilitator
(.....)



PROGRAMA NASIONAL DEZENVOLVIMENTU SUKU
ALDEIA PPROPOSAL PRIORITIES LIST (Final)

Aldeia :
Suco :
Sub-Distritu :

Based on Aldeia prioritization meeting dated,, Aldeia proposal priorities list is:

Priority	Sub-Project Name	Location	Volume (km)	(unit)	Estimated budget (\$)	No. Benerfiaries			Remark
						F	M	HH	
1									
2									
3									

Signatures:

Xefe Aldeia

.....,20

(.....)

SUCO DEVELOPMENT PRIORITIES LIST

114

Total				
2) Total number of people present during proposal identification discussion in Aldeias.	Men	Women	Total	
B. PROJECT PRIORITISATION RESULT				
1) Priority	Type of Infrastructure and Location	Is it included in the three women's priorities list? (yes/no)	Volume (estimated/ approx)	
1				
2				
3				
4				
5				
2) Total number of people involved in the KPA meeting (final priority discussion)	Men	Women	Total	
3) Proposals received by the KPA for each sector (write the total number of projects for each sector)	Sector		Number of proposals	
	Health			
	Water and sanitation			
	Education, culture and sport			
	Agriculture and food security			
	Environment and natural resources			
	Infrastructure (road etc)			
	Other sector (specify)			
4) Date of the KPA Meeting				

Attached :

- Aldeia women group's Priority Lists submitted by all aldeias.
- Aldeia joint women and men group's priority lists submitted by all aldeias

.....20.....

Declared by:

Komisaun Planu no Akontabilidade

Presidente



PROGRAMA NASIONAL DEZENVOLVIMENTU SUKU

SUCO PROJECT DESCRIPTION

1. SUCO NAME & No. ALDEIAS IN SUCO		
2. PROJECT TITLE		
3. PROJECT PROPOSED BY: (write the number of groups in Suco proposing the project for each category)	Women group	
	Joint women and men group	
4. INFORMATION ON THE PROJECT		
(a) Project description, including but not limited type of infrastructure, objectives and benefits of the project		
(b) Project priority ranking		
(c) Number of beneficiaries	No. Beneficiary households	
	No. Women beneficiaries	
	No. Men beneficiaries	

(d) Other information (location, specifications, initial cost estimate, etc.)	
(e) Critical Issue to be addressed by the project, if any.	Issue:

....., 20

Checked by
 Sub-district Social Facilitator

Proposed by
 XefeSuco

Declared by
 PresidenteKomisaun Planu no
 Akontabilidade

(.....)

(.....)

(.....)



PROGRAMA NASIONAL DEZENVOLVIMENTU SUKU

PROJECT VERIFICATION CHECKLIST

District : Suco :
Sub District : Type of Infrastructure :

CRITERIA	ASSESSMENT	
	YES	NO
1. Project type proposed is on the allowed menu and not on the negative list		
2. The proposed infrastructure does not interfere with a sacred place and is not construction of a place of worship		
3. Not overlap with other projects or existing plans		
4. No Land Ownership Issues Any land needed has been purchased or is owned by the suco or has been donated freely by other owner (a declaration of land donation attached).		
5. Can be built and maintained by the community, with the grant funds provided.		
6. Environmentally Feasible a. Not cause erosion, landslides, floods b. Not cause damage to plant life and sustainability c. Not cause damage to animal life and sustainability.		
7. Technically Feasible a. Will use relatively simple technology b. Will involve local labor c. Materials, tools and expertise will be easily imported d. Heavy equipment used can be minimized.		

8. No cases of social conflict unresolved.		
9. In the Priorities List		
10. Women and marginalized groups were involved in the discussions of proposals identification and prioritization		
11. It has been consulted to DT/EVAS.		

The project proposed has been inspected and there are no problems with respect to critical issues and the proposal is in line with PNDS criteria and regulations and appears feasible for construction and O & M by the community and is cleared for further processing.

Verified by:

Fasilitador Social Sub Distritu

Fasilitador Tekniku Sub Distritu

(.....)

(.....)

Declared by:

The president of KPA

(.....)



PROGRAMA NACIONAL DESENVOLVIMENTU SUKU

PROJECT IMPLEMENTATION AGREEMENT

Contract Number:

This **Project Implementation Agreement** (the "Agreement") is made and entered into by and between the undersigned below:

I. Name :
Title : District Administration, Distrito.....
acting under delegation of competences on behalf of Minister of State Administration of
The Government of Timor-Leste,

hereinafter referred to as the First Party.

II. Name :
Title : Xefe, Suco , Suco....., Sub
Distritu....., Distrituacting on behalf of the
Comité de Planeamento e Responsabilização (CPR) of the Estrutura de Suco do PNDS of
Suco.....

And

III. Name:
Title: Head of EIP , Suco acting on behalf of the *Equipa de Implementação e Planeamento* da
Estrutura de Suco do PNDS of Suco.....

hereinafter referred to as the Second Party.

WHEREAS on « Date», the Parties signed the Annual Grant Agreement, which required the subsequent signature of a Project Implementation Agreement for the disbursement of the Infrastructure grants allocated to *Programa Nacional de Desenvolvimento dos Sucos (PNDS)*.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises hereinafter set forth, the parties hereby agree as follows:

- (1) Annual Grant: the First Party, agrees to give the Suco Structure of *Program Nacional Desenvolvimento dos Sucos* (PNDS).a annual grant of \$..... « INSERT: amount received by specific Suco»which comprises an operational grant which will cover planning and administration related expenses and an infrastructure grant to allow the construction.
- (2) Operational grant: Operational grant of \$..... « INSERT: amount received by specific Suco» received upon signature of the Annual Grant Agreement. ☐
- (3) Infrastructure Grant:
- (3.1) Infrastructure grant tranche 1, amounting to « INSERT: amount received by specific Suco»,of the Grant upon signing this Agreement and submission the project proposal; ☐
- (3.2) Infrastructure grant tranche 2, upon expenditure of 70% of tranche 1 and submission of project progress certification.
- (4) **Project proposal**
- (4.1) Total funds needed from the grant for the project: \$« INSERT: amount estimated to the project»
- (4.2) Total cost of the project (including any community contribution): \$......« INSERT: amount estimated to the project»
- (4.3) Project information enclosed:

CPV number		
Type of infrastructure		
Location		
Period of execution		
Type of procurement used	<ul style="list-style-type: none"> • Direct adjudication • Three quotations • Other, specify_____ 	
Project Map	YES	NO
Project drawings	YES	NO
Project design	YES	NO
Bill of Quantities (BoQ)	YES	NO

(with a budget including community contribution)		
Operations and maintenance Plan	YES	NO
Project implementation schedule	YES	NO
Annexes on Land or property donations	YES	NO
Number of beneficiaries		
Short summary of objectives of the construction		

- (5) Failure to meet obligations. In the event that the second party can not meet its obligations, the opportunity of the Second Party to obtain PNDS grant in the future can be affected with future grants reduced, delayed or cancelled.
- (6) **Publicity.** The Second Party shall post copies of this contract on information boards in at least three public places in the Suco, including at the project site.
- (7) **Bank account:** The Payment shall be made in US Dollars by bank transfer to the following banking details:

(8) ACCOUNT NAME	Estrutura de Suco do PNDS, Suco « INSERT: name of Suco » « INSERT: name 1 st signatory » « INSERT: name of 2 nd signatory »
OPERATIONAL ACCOUNT NUMBER	
INFRAESTRUTURE ACCOUNT NUMBER	
BANK NAME	
BANK BRANCH NAME	

(9) The following documents shall be deemed to form and be read and construed as part of this Contract:

(b) Minutes of the election meeting for the representatives for the Suco Structure
as Annex (1)

(b) Dispatch of Delegation of competences
as Annex (2)

(10) **Term.** This Agreement shall be effective upon signature by both Parties and shall expire ☐ on «End_Date», unless terminated earlier if it appears to the first party that the second party has failed to perform satisfactorily or is in violation of any requirements or provisions of this Agreement and the rules and principles set forth on the Governing law.

IN WITNESS WHEREOF, the duly authorized representatives of the Parties hereto have executed this Grant Agreement on the last date set forth below:

ON BEHALF OF THE SUCO STRUCTURE OF PNDS	ON BEHALF OF THE MINISTRY OF STATE ADMINISTRATION
<hr/>	
XEFE DE SUCO	
<hr/>	
EIP PRESIDENT	<hr/>
DISTRICT ADMINISTRATOR	
Date: __/__/2013	Date: __/__/2013



PROGRAMA NASIONAL DEZENVOLVIMENTU SUKU

GUIDELINES FOR HIRING COMMUNITY LABOUR

It is anticipated the majority of labour on PNDS projects will be sourced from the local Community. The below guidelines will apply to the sourcing of this labour:

1. Labourers will be engaged individually, though might work in groups.
2. The EIP will organize and pay labor on a lump sum basis. This means an agreement will be made with a group of labourers on the amount of work (including the specifications and quality required based on the approved design) to be done in a specified period. Labourers will be paid for work done and not for the time spent working, not an hourly or daily incentive. "Piece work" is NOT sub-contracting.
3. The amount of work required by each labourer will be clearly defined in advance. The labourer will not be paid if the work is not completed satisfactorily. If a group member does not complete the agreed amount of work, the incentive can be reduced proportionally. The decision to reduce an incentive may only be made with joint agreement by the EIP, the group and the labourer(s) in question. The decision cannot be taken the group leader or foreman alone.
4. Laborers receive an incentive (not a salary or wages) based on the approved budget of the plan. The budgeted incentive rate should be slightly less than a worker would make for a similar job on the open market in the same location.
5. Incentives for Community Labour will be paid by the EIP Treasurer, in the presence of the at least two other witnesses. Payments are not made through the group leader or foreman.
6. The sourcing of PNDS labour is open to all who want to work and estimated person-days will be shared equally among all interested parties.
7. Men and women have the same opportunities to work and must receive the same incentives.
8. Special efforts should be made to include the disabled as well who wish to participate and work on the project.
9. Work lists and work schedules should be posted on the Community Notice Boards.
10. If some construction tasks are highly specialised, the EIP may utilize outside skilled labour as long as it has been agreed to in the village meetings, and the need to use outsiders has been included in the project design and budget.



PROGRAMA NASIONAL DEZENVOLVIMENTU SUKU
CERTIFICATION OF PHYSICAL AND FINANCIAL PROGRESS
OF 50% OF FUNDS RECEIVED AND UTILIZED

Distrik : Suco :
 Sub Distrik : Type of Infrastructure :

CRITERIA	ASSESSMENT	
	Yes	No
1. Progress in line with the approved design and budget and with the funds received to date Notes :		
2. Books and receipts in order Notes:		
3. Meeting Minutes of Accountability Report of the 1 st Tranche to Community and Attendance List.		

Note :		
4. Documentation : a. Pictures of Accountability Report Meeting b. Pictures of Construction process and Progress. Note :		

The project and its progress is in line with the design, budget and funds received and the remaining grant funds are needed now and approved for transferred into the suco infrastructure bank account immediately

Date :

VERIFICATION TEAM

NAME	POSITION	SIGNATURE
1.	Fasilitador Tekniku Sub-Distritu	1.
2.	Fasilitador Social Sub-Distritu	2.
3.	Fasilitador Finansa Distritu	3.
4.	The KPA	4.
5.	The KPA	5.
6. etc	The KPA	6.
etc		



PROGRAMA NASIONAL DEZENVOLVIMENTU SUKU

CERTIFICATION OF COMPLETION

Distrik : Suco :

Sub Distrik : Type of Infrastructure :

CRITERIA	ASSESSMENT	
	YES	NO
1. 100% of construction complete and US\$.....of allocated budget has been utilized in line with the project plan.		
2. The infrastructure can be used/operated by community		
3. The infrastructure can be maintained by community		
4. Accountability report is accepted by community		
5. Completion documents are submitted		
6. No misuse of funds		
7. No social conflict		
Comments and advice for follow up:		

The project is certified that it has been completed satisfactorily

Fasilitador Sub-Distritu

(.....)

Finansas

(.....)

Social

(.....)

Tekniku

District :
Sub-District :
No. Suco :

[illegible]



APPENDIX

Reported by
Sub-District Facilitator

(.....) (.....) (.....)
Technical Social Finance



PROGRAMA NASIONAL DEZENVOLVIMENTU SUKU
COMPLAINTS RECEIVED REGISTRATION FORM

A. INITIAL IDENTIFICATION OF COMPLAINT				
1). Number (number/month/year)				
2) Status of Complaint	New Complaint	Related to previous complaint (specify its number)		
3). Received Date				
4) Channel used: (circle the channel used)	Personal Contact/SMS/Letter/E-mail/Telephone/Field Visit/Fax			
5) Source of Complaint	Community/facilitator/government official (if needed)			
6) Someone who register of complaint				
B. DETAIL INFORMATION OF COMPLAINT				
1) Type of Complaint	QUESTION	NON-COMPLIANCE	MISMANAGEMENT OF FUNDS	OTHER (SPECIFY)
2) Matter of Complaint and chronology				

3) Location of case complained																
4) Identity of Object whom be complained																
5) Estimated time of the case complained happens																
C. ACTIONS TAKEN AND PROGRESS																
Date	<table border="1"> <tr> <th>Actions Taken</th> <th>By (who take action)</th> <th>Status (process or finish)</th> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table>	Actions Taken	By (who take action)	Status (process or finish)												
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APPENDIX
