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SUSWA Project Exit Strategy (June, 2025) Revised on March 2026



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SUSWA Project Exit Strategy

1. Overview

As the SUSWA Project approaches its conclusion, this memorandum outlines the final implementation phases and the structured exit strategy to ensure the sustainability of achievements made in collaboration with the Local Governments (LGs). The strategy is designed to facilitate a smooth transition, maintain critical WASH services, and reinforce institutional frameworks.

2. Analysis of Project Targets

Outcome Area 1 (OA1): Strengthened WASH Governance & Systems

- Complete institutionalization of NWASH MIS in all LGs with integrated SSC data
- Conduct Annual Performance Evaluations of WASH Units to assess readiness for transition
- Facilitate peer-learning and inter-LG exchange on governance tools
- Finalize and endorse Local WASH Policy guidelines, O&M protocols, and sustainability checklists
- Strengthen transparency tools (scorecards, grievance mechanisms) before exit
- Ensure GEDSI integration in all residual activities, with special focus on LRP support
- Conduct final outcome monitoring and prepare documentation for policy feedback

Outcome Area 2 (OA2): Climate Resilient, Safe and Functional Water Supply in Project Municipalities

The fiscal year 2082/83 will be the final year for starting new WASH infrastructure activities, making it a critical year for the achievement of the project target to provide climate-resilient, safe, and functional water supply to 160,000 people. For this reason, and despite the reduced budget, the Year 4 budget has been dominated by capital investment, which accounts for 65% of the total budget. However, in year 5, there will be no investment activities. The technical team will ensure sustainable and climate resilient infrastructure.

The results will be reached through the repair and construction of water supply systems through the Step-by-Step approach, WSP+++ action plans, and utilisation of the O&M fund provisioned through the SSC.

OA 2 PD Target Vs Achievable target		Y1	Y2	Y3	Y4	Y5	Achievable Target by	Project
SN	indicator	079/80	080/81	081/82	082/83	083/84	April 2027	Target
				w/o 100M	with 710M		Round Up	After MTR
Output 2.1: Functionality and safety of drinking water supply improved								
15	# of people served by non-functional schemes made functional and safe							
15.1	Beneficiaries from partially functioning made functional		10,138	17,016	7,086	3,543	37,783	40,000
15.2	Beneficiaries from not functioning made functional/Service improvement	5,299	30,245	23,746	34,037	11,905	105,232	120,000
Output 2.2: Functional and safe drinking water supply extended to unreached people								
16	# of people served by New W/S schemes	881	7,915	735	10,543		20,074	16,000
				41,497	51,666	15,448	163,089	176,000
OA3:	Institutional Toilet construction	25	56	57	52	0	190	204

As per beneficiaries' calculation in March 2026, there is some changes as per below information.

Summary of Total Water Beneficiaries Summary in Y4 & Y5 (082/83 & 083/84)

SN	Categories by scheme implementation	Total LGs	Nos. of schemes	Total HHs	Total Beneficiaries	Achievable in Y4 (FY082-83)	Achievable in Y5 (FY083-84)	Remarks
1	Regular Schemes	26	132	11,354	63,213	35,209	28,004	28,004 Ben from carried forward schemes of y4
2	R&M water schemes	12	67	3,093	14,493	14,493	-	67 R&M schemes in Y4 till date
3	R&M water schemes from remaining 16 LGs	16					16,400	16,400 Ben. from 82 R&M scheme of Y5 (49M budget)
						49,702	44,404	
							94,106	if we reach 88,483 only, we will meet the project target of 176,000

Outcome Area 3 (OA3): Sustainable Sanitation and Hygiene and Dignified Menstruation Management

The strategy under this outcome area aims to ensure an increased and improved access to sanitation and hygiene facilities and improved total sanitation, with a specific focus on menstrual hygiene management. SUSWA has developed a Sanitation and Hygiene Implementation Plan (SHIP) and a Behavioural Change Strategy to guide the strategic implementation of activities. Since Year 3, the PSU has encouraged LGs to adopt a Palika-wide approach to sanitation and hygiene, meaning that the activities are targeted at communities with the greatest needs and interventions are prioritized based on contextual gaps and challenges, instead of implementing sanitation and hygiene activities only in the communities where SUSWA constructs or repairs water supply systems. The new IEC and behavioural change materials produced in Year 4 and 5 will be used to support the implementation of the community level activities, with an increased emphasis on tailoring interventions to the local contextual needs and priorities.

The following cluster of activities will be contributed to the results of this outcome area in year 4 and 5:

- A) Influencing proper sanitation and hygiene behaviour – with a particular focus on dignified menstruation management

- B) Household toilet construction and improvement
- C) WASH in schools and health centres
- D) Promoting safe faecal sludge management

3. Financial Planning for Remaining Years

A detailed analysis of financial resources is attached to this work plan (Annex 2.1). The Project budget for FY 083/84 amounts to EUR 6,402,009. The EU/MFA contribution to the budget amounts to EUR 3,194,899 (which includes MWF contribution EUR 1,800,862, TA EUR 1,394,037, with a Capacity Building budget of EUR 237,280); GoN's contribution is EUR 1,465,651. (See table: Project budget FY 083/84 by source of funding and cost category). The SUSWA budget for FY 083/84 has been calculated based on the balance between stakeholders' contributions committed in the Project Document, minus the funds spent so far from the beginning of the project to Year 3, and already planned for Year 4. This balance totals EUR 5,664,602. To this amount, an additional EUR 737,407 has been added due to further contributions of EUR 293,776 financed by 11 LGs, and EUR 650,026 from the Users Committees. Conversely, the GoN contributed in Year 5 slightly less than stated in the Project Document: the actual contribution, as per Year 5 commitment letter from MoWS (see Annex 2), is EUR 1,465,651, whereas the contribution balance according to the originally committed amount should have been EUR 1,672,048, with a difference of EUR 206,397. These budget tables are calculated based on contributions and planned activities; however, the budget tables in the LMBIS format will be prepared only after final confirmation of ceilings in the Red Book and final approval from the MoF. The allocation by Outcome Areas of GoF/EU and GoN will be finalised in the LMBIS tables, the budget table in Annex 2.2 only reports the Grant Amount Palika-wise. This is to avoid having LMBIS tables annexed in the AWP that do not match the actual LMBIS tables ultimately uploaded into the system, as has happened in previous years. The TA will alert the SvB to any discrepancies or inconsistencies between the approved budget and the one that will ultimately be uploaded into the LMBIS

Below two tables present the details of financial status.

Year 5 Balance and Budget FY 83-84

		FY 78/79	FY 79/80	FY 80/81	FY 81/82	FY 82/83	FY 83/84	FY 83/85	
	Total	Inception (Expenses)	YEAR 1 (Expenses)	YEAR 2 (Budget)	YEAR 3 (Budget)	YEAR 4 (Budget)	YEAR 5 (Balance)	YEAR 5 Budget	Difference
SUSWA Budget (EUR)									
1 Programme implementation cost by	24,254,721 €	1,853 €	2,243,269 €	4,833,597 €	4,915,855 €	7,847,023 €	4,413,123 €	5,150,529 €	
OA Strengthened enabling environment	6,663,100 €	1,002 €	439,248 €	1,532,819 €	1,536,370 €	2,128,559 €	1,025,102 €	2,283,174 €	1,258,072 €
Municipality WASH Fund & Users ¹	6,209,000 €	- €	401,005 €	1,486,889 €	1,441,054 €	1,938,039 €	939,113 €	2,197,165 €	1,258,072 €
TA Capacity Development, Planning	454,100 €	1,002 €	37,343 €	43,930 €	95,316 €	190,520 €	85,989 €	85,989 €	- €
OA Climate resilient, safe and	14,077,500 €	836 €	1,500,328 €	2,515,161 €	2,715,208 €	4,644,271 €	2,501,896 €	2,367,774 €	- 133,922 €
Municipality WASH Fund & Users	13,670,000 €	- €	1,487,663 €	2,463,214 €	2,607,587 €	4,712,631 €	2,378,905 €	2,244,963 €	- 133,922 €
TA Capacity Development, Planning	407,500 €	836 €	12,665 €	31,947 €	107,621 €	131,640 €	122,991 €	122,991 €	- €
OA Sustainable S&H and dignified	3,514,121 €	15 €	303,693 €	785,617 €	664,278 €	874,193 €	886,325 €	499,581 €	- 386,745 €
Municipality WASH Fund & Users	3,301,000 €	- €	267,220 €	739,370 €	631,442 €	805,143 €	857,825 €	471,081 €	- 386,745 €
TA Capacity Development, Planning	213,121 €	15 €	36,473 €	46,247 €	32,836 €	69,050 €	28,500 €	28,500 €	- €
2 TA Contingency (For Exchange Rate)	60,000 €	- €	- €	- €	- €	- €	60,000 €	60,000 €	- €
3 TA Fees and Reimbursables²	4,339,816 €	316,126 €	646,809 €	845,409 €	890,067 €	892,938 €	748,467 €	748,467 €	- 0 €
TA Fees international	1,422,741 €	127,011 €	217,760 €	319,835 €	371,769 €	237,531 €	148,835 €	148,835 €	- 0 €
TA Fees national**	1,866,075 €	85,268 €	295,572 €	364,826 €	366,998 €	395,820 €	358,571 €	358,571 €	- €
Reimbursables	1,051,000 €	103,827 €	133,477 €	160,748 €	152,300 €	259,588 €	241,061 €	241,061 €	- €
4 Running cost³	1,300,000 €	26,202 €	153,145 €	207,556 €	248,802 €	306,852 €	357,343 €	357,343 €	- €
5 Establishment cost (one time)	400,000 €	120,391 €	88,378 €	56,186 €	52,698 €	31,400 €	50,947 €	50,947 €	- €
6 Remuneration of indirect costs to	645,463 €	- €	161,366 €	161,366 €	161,366 €	161,366 €	0 €	- €	0 €
7 PCO/DWSSM Administratives and	100,000 €	- €	- €	15,556 €	15,000 €	34,722 €	34,722 €	34,722 €	- €
Total	31,100,000 €	464,572 €	3,292,967 €	6,119,779 €	6,283,788 €	9,274,301 €	5,664,602 €	6,402,009 €	737,406 €
		Expenditure	Expenditure	Expenditure	Expenditure	Budget according to LMBIS and SUTRA; TA according to AWP	Balance Remaining	Anticipated Budget	
AWP figures:		464,572	3,131,601	5,942,848	6,107,422	9,078,213			

Year 5 Balance and Budget FY 83-84

	APR Figures	464,572	3,131,601	5,942,848	6,107,422	9,078,213		
	MWF Exchange Rate	NA	135.78	135	140	145		
FUND SOURCE	BUDGET	Inception	Y1	Y2	Y3	Y4	Y5 Balance	Y5 Budget
EUIGoF	€ 19,100,000	€ 464,572	€ 2,246,632	€ 4,570,220	€ 3,402,669	€ 5,161,008	€ 3,254,899	€ 3,254,898
LMBIS	€ 11,280,000	€ -	€ 1,110,454	€ 3,177,480	€ 1,813,963	€ 3,377,241	€ 1,800,862	€ 1,800,862
TA	€ 7,114,537	€ 464,572	€ 974,813	€ 1,231,375	€ 1,427,340	€ 1,622,400	€ 1,394,037	€ 1,394,037
TA Contingency (For Exchange Rate)	€ 60,000						€ 60,000	€ 60,000
Remuneration of indirect costs	€ 645,463	€ -	€ 161,366	€ 161,366	€ 161,366	€ 161,366	€ -	
GoN	€ 5,000,000	€ -	€ 411,172	€ 15,556	€ 1,313,160	€ 1,553,342	€ 1,706,770	€ 1,500,373
LMBIS MWF	€ 4,900,000	€ -	€ 411,172	€ -	€ 1,298,160	€ 1,518,620	€ 1,672,048	€ 1,465,651
LMBIS PCO Budget	€ 100,000	€ -	€ -	€ 15,556	€ 15,000	€ 34,722	€ 34,722	€ 34,722
Municipality & Users	€ 5,000,000	€ -	€ 322,996	€ 939,972	€ 962,421	€ 1,794,966	€ 979,645	€ 1,273,421
User	€ 2,000,000	€ -	€ 312,166	€ 594,021	€ 605,537	€ 764,986	€ (276,710)	€ 373,316
TOTAL	€ 31,100,000	€ 464,572	€ 3,292,967	€ 6,119,770	€ 6,283,788	€ 9,274,301	€ 5,664,602	€ 6,402,008

MWF Projection	BUDGET	Inception	Y1	Y2	Y3	Y4	Y5 (Balance)	Y5 Budget	Difference
EUIGoF	€ 11,280,000	€ -	€ 1,110,454	€ 3,177,480	€ 1,813,963	€ 3,377,241	€ 1,800,862	€ 1,800,862	
GoN	€ 4,900,000	€ -	€ 411,172	€ -	€ 1,298,160	€ 1,518,620	€ 1,672,048	€ 1,465,651	€ (206,397)
Municipality	€ 5,000,000	€ -	€ 322,996	€ 939,972	€ 962,421	€ 1,794,966	€ 979,645	€ 1,273,421	€ 293,776
Users	€ 2,000,000	€ -	€ 312,166	€ 594,021	€ 605,537	€ 764,986	€ (276,710)	€ 373,316	€ 650,026
TOTAL MWF	€ 23,180,000	€ -	€ 2,156,788	€ 4,711,473	€ 4,680,082	€ 7,455,813	€ 4,175,844	€ 4,913,249	€ 737,406
TA CAPACITY BUILDING BUDGET	€ 1,074,721								
	€ 24,254,721								

Note: The PCO budget is not part of SUSWA's budget ceiling. Instead, it is allocated annually by DWSSM to the PCO for administrative and monitoring purposes. Therefore, we have not tracked that budget expenditure.

4. Human Resource Mobilization Plan

Technical Assistance Team for FY 2082/83

At PSU Level

In FY 082/83, the PSU will be composed of 42 members: 19 specialists and advisors and 23 administrative and support staff. This includes one new position and two positions scheduled to end during the year, as detailed below.

Long-Term Experts

Among the 19 specialists and advisors, 16 are national long-term experts, while 3 are international experts (CTA, CC/DRR, and Field Specialists), with two of them set to conclude their assignments within the year. Below is a list of the positions, highlighting the new and expiring ones underlined:

National Long-term (LT) experts:

1. Monitoring and Evaluation/Coordination Specialist (Deputy Team Leader); he will take over the CC/DRR cross-cutting component after the end of the international expert contract.
2. Technical Specialist
3. Sanitation and Hygiene Specialist
4. Governance Specialist
5. Non-discrimination/Behaviour Change (GEDSI) Specialist

6. SSC Specialist – Institutional Support and O&M Supervision

7. Management Information Systems (MIS) Adviser

8. Municipal WASH Advisers (9 WAs will be assigned to 9 of the 12 LGs Clusters for all 28 LGs in FY 2082/83; the remaining 3 clusters will be managed by 3 additional WAs contracted through NEWAH NGO).

The new specialist position will be recruited in July/August and will work during 10 months supporting the 28 WASH Units and 2 SSC operators in capacitating WUSCs and supervising the compliance of the O&M activities. The need for this dedicated specialist is based on the huge number of committees to be registered and trained in the year (more than 1,500) and the new tools that will be implemented (O&M fund guidelines and SOP). A job description for this position is provided in Annex 8

International LT consultants:

1. Chief Technical Advisor
2. Field Specialist (International Junior Technical Adviser); scheduled to end in December 2025;
3. Climate Resilience and Disaster Risk Preparedness Specialist; take over by DTL.

Administrative and Support Staff

In FY 082/83, the PSU support and administrative team will have 23 members, and no new positions. An updated list of PSU support and administrative staff is provided here below, along with the source of funding:

SN	Position	Staff	Budget source
1	Chief Administration and Finance Officer (CAFO)	1	TA running costs
2	Account Monitoring Officer (AMO)	2	TA running costs
3	Technical quality control officer	1 5	TA running costs TA capacity building



SN	Position	Staff	Budget source
4	Fleet Manager and Drivers	4	TA running costs
5	Logistician/accountant	1	TA running costs
6	Office Support/Helper	1	TA running costs
7	Communication and Visibility Officer	1	TA running costs
8	GEDSI Compliance Monitoring Officer	1	TA running costs
9	Sanitation Marketing and Sales Officer	1	TA running costs
10	Reporting Officer	1	TA running costs
11	Municipal WASH Advisors	3	TA capacity building
12	SSC operators	2	TA capacity building
	TOTAL	23	

At Municipality Level

The following categories of staff will be mobilized in all 28 local governments under the SUSWA project:

1. WASH Coordinators (LG based staffs)
2. Technical Facilitators (LG based staffs partly support in field)
3. WASH Facilitators (LG based staffs partly support in field)

4. SSC Facilitators (LG based staffs partly support in field)
5. WASH Technicians (Field need based Staffs)
6. Social Mobilisers (Field need based Staffs)
7. Local Resource Persons (LRP) – GEDSI (Field based staffs)
8. Local Resource Persons (LRP) – Sanitation Marketing (Field based staffs)

These human resources will be instrumental in facilitating WASH planning, execution, community engagement, and systems strengthening.

Technical Assistance Team for FY 2083/84

At PSU Level

All the PSU staff will work until April 2027 as per latest budget approved by MFA. However, later human resource phasing out and the budget will be revised as needed. In addition, there will be some additional human resources to achieve major targets under SSC and sanitation. These are;

Position	Number of Staff	Duration per Staff (months)	Total Person-Months	Start Date	End Date	Timeline Notes
NWASH Advisor	1	7	7	1 April 2026	31 October 2026	Covers 28 LGs (≈1 week/LG) + onboarding; aligned with Municipal WASH Plan updates and NWASH data finalisation
Final Monitoring & Reporting Advisor	1	7	7	1 April 2026	31 October 2026	Onboarding in PSU, data cleaning, LG archive review, endline preparation, data review and final dataset preparation
Field Advisors – WUSC Capacity Building/Training	4	4 months each	16	1 April 2026	30 July 2026	Cluster-based deployment (4 clusters × 7 LGs); all field assignments completed before Dashain
TOTAL	6	–	30	–	–	

At Municipality Level

As the project enters a phase-out stage with no investment budget, the same staffing structure will be maintained with adjusted roles focusing on:

- Strengthening sustainability mechanisms
- Facilitating handover and transition to LG ownership
- Ensuring completion and institutionalization of project tools and approaches

A gradual reduction in field presence is expected from mid-year, with mentorship and remote support mechanisms in place. The contract with municipalities will be [REDACTED] only upto Feb 15, 2027 and the same condition will be applied to WASH Unit staff. In addition, there will be provision to establish permanent WASH Unit and SSC operators.

Documentation Handover Plan

Document handover

PSU will hand over the final versions of documents submitted to the Supervisory Board at the end of the project. This includes but is not limited to the Inception Report, Baseline Study, Annual Work Plans and their attachments as well as the project bi-annual and annual progress reports, including the final report, and their attachments.

Technical Data Handover

Technical data related to water supply and sanitation infrastructure will be updated in NWSH by the local governments and with the support of the PSU to the extent possible. Other technical data, including survey points and final design and cost estimations will be officially shared with DWSSM on a hard drive. No personal household level information is included in any of these datasets.

5. Communication, Knowledge Transfer and Institutional Handover

Capacity building of WASH Units

The PSU will provide capacity building training to WASH Unit staff to handle social media properly. This training will support the arrangement of content for social media on a regular basis.

Website management

The website will be kept up as a static page for at least five years after the project completion. The SUSWA will pay a website service provider to keep the website online during the agreed timeline. As per SUSWA's transparency policy; all main reports and documents published by the project will remain available on the website, along with the other contents published on the site. The site will be thoroughly reviewed before the end of the project to prepare it for the project closure. The cost of website management will be discussed later.

Social Media

Social media accounts of SUSWA, including Facebook, Instagram, LinkedIn, X, YouTube, and TikTok, will be closed at the end of the project.

6. Physical Assets Handover Plan

1) Vehicle handover: Car and Motorbike including date of vehicle free

SUSWA received all the vehicles from the previous Finnish funded project and they will be near the Asset end-of-life (EOF) by April 2027. The registration dates of the vehicles are from 2007–2015. Therefore, all vehicles will be scrapped.

Out of 9 vehicles, 4 vehicles are in use by the PSU, 1 vehicle is handed over to PCO and remaining 4 vehicles will be scrapped. The process for scrapping those vehicles will be started in Year 4. The vehicles that are to be scrapped are as follows:

- 1) 16-0-155
- 2) 16-0-156
- 3) 16-0-183
- 4) 16-0-184

The remaining 4 vehicles will be scrapped according to the table below.

Vehicle Number	Vehicle Availability for scrap	Purchased Year
16-0-203 (Ford Pick-up Closed)	End of March 2027	2015
16-0-204 (Ford pick-up open)	End of April 2027	2015
16-0-185 (Toyota Jeep)	End of March 2027	2012
16-0-158 (Toyota Jeep)	End of March 2027	

PSU has 10 bikes. These bikes will be available for handover at the end of January 2027 and can be given to the working Municipalities according to PAPA Score or according to the placement of those bikes at the time of handover.

2) Furniture, equipment and non-consumable goods

Assets in good condition above NPR 25,000 will be handed over to working Municipalities as reward according to PAPA scoring and % of Financial Irregularities (Beruju) and any other scoring criteria.

The list of assets with their handing over details will be submitted to the Embassy of Finland and Government of Nepal.

3) Satellite phones

The project has 10 Satellite phones from Thuraya Brand. These Satellite phones will be handed over to Upper Karnali LGs or PCO or DWSSM or other Finnish Projects (to be decided later).

4) List of Assets in WASH Units

All assets purchased from Municipal WASH Fund in WASH units will be handed over to respective LGs or WASH units in LGs where applicable.

7. PSU Closure Strategy

1) Closure of office quarter/Housing

The rental contract of the specialist will be according to their respective contract ending dates.

2) Office closure

The rent contract for the office will be closed at the end of April, 2027.

3) Closure of official email address

PSU uses Google Workspace and Account as official accounts. All data from the workspace will be cleared on the last day of the staff. Every Apps that are linked with the email address with Suswa.org will also be deactivated.

4) Closure of PAN

PSU will close the PAN number after all tax payments are paid and verified in April 2027.

5) Closure of bank account

After all payments at the end of the project, remaining balance in the TA Bank account will be transferred to NIRAS Nepal account and remaining balance in the Transit Account will be transferred to the Embassy of Finland. The bank account will be closed at the end of April 2027.

6) Status of Beruju and support strategy

At the end of the project, we can follow up and clear the irregularities of Year 4. Audit of Year 5 will take place after the project ends and therefore it is out of fiduciary responsibility of TA. However, until April 2027, TA will ensure monitoring and SUTRA reporting, and all financial records will be reported in the project financial report.

Support Staff Exit Strategy

All support staff will work until April 2027 as per latest budget approved by MFA. However, later Human Resource phasing out and the budget will be revised as needed.

All support staff will continue to work until the Finishing Phase and discontinue according to the table below. They will be issued with no extension notice before 1 month. The table below shows the timeline and details of the human resource exit plan for support staff.

Finishing Phase Until Jan 2027	
All Support Staff	Work as per Job Description

Closing Phase (Feb-Mar 2027)	
WASH Infrastructure Engineer	Technical reporting helps to Technical Specialist and Formal handover of project-supported infrastructure and initiatives.
SSC Operators-2	Institutionalizing permanent SSCs and WASH Units within municipal structures.
AMOs-2	Status of Unspent Fund and Irregularities and support LG Accountant
COMS	Success Stories, Plan for National Level Closing Program
Driver-3	Support all
Reporting Officer	Data collection for Reporting (Statistics and Financial)
Fleet, LA, Drivers-3	Support in asset handover processes: office, housing assets and vehicles: Car and Bike, and PAN number closing



Last Month April 2027	
CAFO	All pending works for closing
Logistician	Arrangements for assets handover, office and housing; Bank and Closure of PAN
Fleet	Support CAFO and LA
Helper	Support CAFO and LA

8. Handover of Water Supply Schemes and Institutional Toilets

1. WSS and Institutional Toilets

a. Year-wise Breakdown of Completed Infrastructure (Cumulative)

- Drinking Water Supply Schemes (WSS): XX schemes
- Institutional Toilets: XX Nos.

b. Handover Mechanism

- WSS: Schemes will be formally handed over to the WUSCs through documented processes including functionality status reports, technical dossiers, and asset transfer certificates.
- Toilets: Institutional toilets will be handed over to respective schools/institutions in coordination with LGs, supported by MoU and operation guidelines.

c. Sustainability; Plan

- Continued technical backstopping from LGs and WASH Units
- Community O&M training and systematized tariff collection
- Regular monitoring through NWASH and LGs' M&E system

2. WUSC Phase-out Strategy

a. Current Status

- Total Active WUSCs: XX
- Registered WUSCs with LG: XX
- Unregistered but functional WUSCs: XX

b. Key Interventions

- Registration: Facilitate official registration of all remaining WUSCs under LG Water Resources Committee.
- WUSC Capacity Building: Refresher training on governance, tariff collection, O&M, and conflict resolution and VMW training
- MoUs: Facilitate signing of MoUs between LGs and WUSCs clarifying roles in scheme management and accountability
- WSP+++ : Facilitate official support for implementation of WSP++ activities (W/repair and W/O repairs and maintenances)

3. SSC (Service Support Center) Plan

a. O&M Fund Establishment

- Support LGs in institutionalizing an O&M fund establishment mechanism by:
 - Promoting cost-sharing models financing for WUSCs with LGs.
 - Integrating water tariffs into WUSCs budgets
 - Promoting cost-recovery models and subsidized financing for poor households

c. Human Resource Transition

- LGs to absorb trained SSC WUSC-facilitators where feasible
- Development of ToRs for at least one permanent WASH Unit staff within LG organograms.
- Facilitate to LGs and follow up action points for establishment of permanent WASH structures
- Integration of SSC reporting into LG's digital MIS platforms (e.g., NWASH)

9. Project Conclusion Phases

The remaining period of the SUSWA Project is structured into three key phases:

1. Full-Speed Implementation (Fiscal Year 2082/83 – November 2026)

- This is the final year of full-scale implementation, focusing on delivering the last set of planned activities before transitioning.
- Key activities include:
 - Infrastructure development across targeted areas.
 - Governance strengthening and sanitation service support.
 - Capacity-building initiatives, including specialized training sessions and support for the roll out of Service Support Centers (SSC).

2. Finishing Phase (November 2026 – January 2027)

- During this period, project activities will shift towards finalization and consolidation.
- Key focus areas include:
 - Completing any remaining infrastructure and governance activities.
 - Finalizing capacity-building efforts to ensure sustainability beyond project completion.
 - Strengthening local governance mechanisms to uphold WASH services.

3. Closing Phase (February – March 2027)

- This phase marks the formal exit of SUSWA from all Local Governments (LGs), ensuring the transition of responsibilities to local authorities.
- Major closing activities include:
 - Institutionalizing permanent SSCs and WASH Units within municipal structures.
 - Transferring all N-WASH data and technical documentation to the relevant Water Department offices.
 - Formal handover of project-supported infrastructure and initiatives.

10. Exit Strategy & Implementation Calendar

The exit strategy follows distinct implementation timelines tailored to the accessibility and specific needs of different municipalities.

A) General Implementation and exit in 25 LGs

The following list comprises 25 LGs that settled SUSWA's WASH management arrangements before the end of NFY 080/81:



#	Year of implementation in SUSWA	District	Municipality/ Rural Municipality
1	Year 1 - fast track	Dolpa	Mudkechula
2	Year 1 - fast track	Dolpa	Thulibheri
3	Year 1 - fast track	Jumla	Hima
4	Year 1 - fast track	Jumla	Kankasundari
5	Year 1 - fast track	Kalikot	Palata
6	Year 1 - fast track	Mugu	Mugumkarmarong
7	Year 1 - fast track	Humla	Sarkegad
8	Year 1 - fast track	Humla	Simkot
9	Year 2	Dolpa	Tripura Sundari
10	Year 2	Dailekh	Naumule
11	Year 2	Dailekh	Bhagwatimai
12	Year 2	Humla	Namkha
13	Year 2	Humla	Kharpunath
14	Year 2	Salyan	Baghchaure
15	Year 2	Salyan	Bangad Kupinde
16	Year 2	Salyan	Chhatreswori
17	Year 2	Salyan	Darma
18	Year 2	Salyan	Kumakha
19	Year 2	Jumla	Sinja
20	Year 2	Surkhet	Bheriganga
21	Year 2	Salyan	Siddha Kumakha
22	Year 3	Rukum West	Aathbiskot
23	Year 3	Rukum West	Sanibheri
24	Year 3	Jajarkot	Tribeni Nalgad
25	Year 3	Jajarkot	Bheri
26	Year 4	Dolpa	Sheyphoksundo
27	Year 4	West Rukum	Triveni
28	Year 4	Jajarkot	Junichande

At the conclusion of the SUSWA Project, these 28 Local Governments (LGs) will have benefited from sustained engagement, ensuring they possess the institutional capacity and operational frameworks needed for independent management of WASH services. The duration of the project has been sufficient to secure sustainable results and full LG ownership, eliminating the need for additional extraordinary measures. Therefore, the calendar and phases below have been designed with a focus on normal planning procedures, facilitating an orderly and gradual transition from SUSWA-funded initiatives to full integration into the LGs' budgets. This transition will emphasize the identification of key services and processes that will be continued under LG leadership without external Technical Assistance (TA) support.

	Spring -25			Autumn -25			Spring -26			Autumn -26			Spring -27	
Full speed implementation; schemes; governance support; sanitation support; CB support; training; SSC.	█	█	█	█	█	█	█	█	█	█	█	█		
Finishing implementation work, CB and governance support.				monsoon	Dashain	Tihar				monsoon	Dashain	Tihar	█	█
Closing; phasing out; hand over; permanent SSC and WASH Unit in LG; N-WASH entries.													█	█

- **Spring 2025 – Autumn 2026:** Full-speed implementation, governance strengthening, sanitation support, training, and SSC establishment.
- **Monsoon & Festival Periods (Dashain & Tihar 2025, 2026):** Adapted work schedule due to seasonal and cultural considerations.
- **Autumn 2026 – Early 2027:** Finalization of governance and WASH service mechanisms.
- **Spring 2027:** Closing phase and transition to permanent local management.

B) Special implementation measures in 3 new LGs

The implementation approach for these three Local Governments (LGs) differs from the previous category due to a later project start, occurring midway through the third SUSWA fiscal year. Unlike the 25 LGs, these municipalities have only one full implementation year ahead, necessitating specially tailored measures. These adjustments, developed based on geographical constraints and weather conditions, ensure the most efficient and impactful use of available time within fieldwork and community engagements.

Preparatory work in these areas is conducted by an external support organization to accelerate progress. This is to establish the necessary LG WASH management arrangements before the start of the fiscal year, effectively saving approximately five months. Given the limited timeframe and the inherent sustainability challenges, the Technical Assistance (TA) team has devised this structured plan to mitigate risks and provide accelerated support. The objective is to bring these LGs up to speed, ensuring sustainable results and full ownership by local authorities.

B.1) Accessible Palikas (Year-Round Access)

#	Year of implementation in SUSWA	District	Municipality/ Rural Municipality
26	Mid - Year 3	Jajarkot	Junichande
27	Mid - Year 3	Rukum West	Tribeni

	Spring -25			Autumn -25			Spring -26			Autumn -26			Spring -27		
Preparatory works: Agreements; establishment of WASH MC; scheme identification; feasibility; AWP.	■	■		■	■	■									
WASH Unit recruitments and trainings		■	■	■	■	■									
Full speed implementation; schemes; governance support; sanitation support; CB support; training; SSC.				■	■	■	■	■	■	■	■	■			
Finishing implementation work, CB and governance support.				■	■	■							■	■	
Closing; phasing out; hand over; permanent SSC and WASH Unit in LG; N-WASH entries.				■	■	■								■	■

- **Spring 2025 – Spring 2026:** Preparatory work, including formal agreements, WASH Management Committee formation, feasibility assessments, and recruitment of WASH Unit personnel.
- **Autumn 2026 – Early 2027:** Implementation completion, capacity-building finalization.
- **Spring 2027:** Handover and formal project closure.



B.2) Mountain Area Palikas (Limited Access in Winter)

#	Year of implementation in SUSWA	District	Municipality/ Rural Municipality
28	Mid - Year 3	Dolpa	Shey Phoksundo

	Spring -25	Autumn -25	Spring -26	Autumn -26	Spring -27
Preparatory works: Agreements; establishment of WASH MC; scheme identification; feasibility; AWP.					
WASH Unit recruitments and trainings					
Full speed implementation: Schemes; governance support; sanitation support; CB support; training; SSC.		m o n s o n	D a s h i n w i n t e r c o n d i t i o n s ; l i m i t e d f i e l d a c t i o n	m o n s o n	
Finishing implementation work, CB and governance support		T i h a r		T i h a r	w i n t e r c o n d.
Closing: phasing out; hand over; make permanent SSC and WASH Unit in LG; N-WASH					w i n t e r c o n d.

- **Spring 2025 – Spring 2026:** Preparation, feasibility assessments, governance setup, and initial capacity-building efforts.
- **Autumn 2026 – Early 2027:** Full-scale implementation, governance strengthening, and sanitation initiatives.
- **Winter 2026 & 2027:** Limited field activities due to accessibility constraints, focusing on administrative and governance aspects.
- **Spring 2027:** Handover of responsibilities and formal closure.

11. Request for Collaboration

The TA kindly requests the municipality's active participation in this transition to ensure the long-term sustainability of WASH services.

Key actions required:

1. **WASH-Unit Coordination** – Ensure close monitoring of implementation milestones, particularly in governance and sustainability aspects.
2. **SSC Institutionalization** – Support the establishment of permanent SSCs within municipal structures.
3. **Data and Knowledge Transfer** – Facilitate the handover of all relevant technical documentation to local government authorities.

12. Monitoring and Evaluation

Effective monitoring and evaluation are crucial to ensure that the achievements of the SUSWA project are sustained beyond the project period. As part of the exit strategy, the following M&E measures will be implemented by SUSWA Project:

1. Exit Monitoring

To support sustainability and accountability, exit monitoring will be conducted. This includes:

Key Indicators for Sustainability Monitoring:

- Functionality of water supply and sanitation facilities (e.g., % of schemes functioning after handover)
- Water quality compliance at household and source level
- Community engagement in operation and maintenance (O&M)
- Financial contribution and fund collection by Water User Committees (WUCs)
- Adoption of hygiene practices (e.g., handwashing, latrine use)
- Status of Total Sanitation

2. Monitoring Schedule:

- January–March 2028

3. Tools and Methodology:

- Use of standardized checklists
- Participatory monitoring involving local government, community members, and WASH Management Committees
- Verification through direct observation, user interviews, and records review

4. Handover of M&E Responsibilities

- Local Government Engagement: Responsibility for routine monitoring will be gradually handed over to Palikas (municipalities/rural municipalities), with training provided to relevant staff.
- WASH Management Committees: Oriented and empowered to self-monitor their own schemes and report issues to the local government.
- Municipality level Focal Points: Identified as primary contact persons for reporting and feedback.

5. Reporting and Feedback Mechanism

- Exit Progress Reports will be prepared based on data collected during follow-up visits and shared with local stakeholders.
- Community Feedback Mechanism: Community meetings will be promoted to identify ongoing issues.
- Integration with MIS (Management Information System): The SUSWA project data will be handed over and/or linked with local WASH MIS and national monitoring platforms (NWASH).

6. Endline Survey

The SUSWA project will conduct an endline survey to capture the final results of the project. For this, SUSWA will design an endline survey with adopting standard methodology. In addition, SUSWA will orient and mobilize SUSWA staff and WASH Unit staff for the data collection in the field.

7. Final Evaluation

The project final evaluation will be decided in guidance of MFA and GoN.

13. Project Phase Out Workshop

The SUSWA will organize a series of phase out workshops at different levels with stakeholders. The phase out workshop will support the smooth transition, sustainability, and closure of SUSWA among stakeholders. In addition, it will also bring together key stakeholders to reflect on

achievements, assess sustainability, and collaboratively plan for post-project continuity. The timeline for the workshop is presented here in the table below.

SN	Description	Year and Month : 2027						Remarks
		Aug	Sep	Oct	Dec	Jan	Feb	
1	Phase out workshop at 28 LGs (In each Municipalities)							
2	Phase out workshop at provincial level (Surkhet)							
3	Phase out workshop at federal level(Kathmandu)							

14. Finalization of Project Completion Report

The SUSWA project will prepare a Project Completion Report (PCR) and submit it to MFA and GoN. A Project Completion Report (PCR) will be prepared within three months of project end (Apr, May and June 2027). The PCR will capture its implementation, assess its performance, and document lessons learned. This will be a key accountability and learning tool for MFA, Local Government, Government of Nepal and stakeholders.

Main components of a Project Completion Report:

1. Executive Summary
2. Project Overview
3. Project Implementation Summary
4. Key Results
5. Financial Summary
6. Challenges and Mitigation
7. Lessons Learned
8. Sustainability and Exit Strategy
9. Annexes

15. Work Completion Certificate

By the end of the project, SUSWA will submit a formal request to the Government of Nepal for the project completion certificate for NIRAS.

16. Major Deliverables and Deadline

SN	Deliverables	Time Line
1	SuTRA Closing	Mid March
2	Data update in SMART ME and financial reporting by	End of February

	municipalities	
3	Project Completion Report (PCR)	Mid March
4	Supervisory Board Meeting	Mid April
5	Approval of PCR by SvB Meeting	Mid April
6	Closing of PSU Office and Amin finance records	End of April

Annex:

