

**OUTCOME EVALUATION OF THE UNDP COUNTRY  
PROGRAM OUTCOME 2 – VULNERABLE GROUPS HAVE  
IMPROVED ACCESS TO ECONOMIC OPPORTUNITIES AND  
ADEQUATE SOCIAL PROTECTION: FINAL EVALUATION  
REPORT**

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## TABLE OF CONTENTS

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Acknowledgements .....	3
List of Acronyms .....	4
Executive Summary .....	7
I. Introduction.....	12
1.1 Purpose and Scope of this Evaluation.....	12
1.2 Country Program Context and Background.....	13
1.3 Evaluation Methodology.....	19
II. Evaluation Findings. ....	22
2.1 Relevance .....	22
2.2 Effectiveness .....	24
2.3 Efficiency .....	36
2.4 Impact .....	37
2.5 Sustainability of Results .....	39
III. Conclusions and Recommendations .....	40
3.1 Conclusions .....	40
3.2 Recommendations.....	45
Annex A: Evaluation Terms of Reference.....	48
Annex B: Evaluation Criteria and Questions.....	70
Annex C: Project Descriptions.....	73
Micro-Enterprise Development Program (MEDEP) .....	74
Strengthening National Planning and Monitoring Capacity (SNPMC).....	79
Support to Knowledge and Lifelong Learning Skills (SKILLS) .....	84
Livelihood Recovery for Peace (LRP).....	86
Community Infrastructure and Livelihood Recovery for Peace (CILRP).....	86
Rapid Enterprise and Livelihoods Recovery Project (RELRP) .....	89
Conservation and Sustainable Use of Wetlands in Nepal (CSUWN).....	91

Renewable Energy for Rural Livelihoods (RERL).....	94
Annex D: Team Background and Detailed Responsibilities .....	102
Annex E: Resource Documents .....	104
Annex F: List of Key Informants.....	108
Annex G: Case Studies .....	109
Potato Rustic Store Common Facility Centre .....	110
Dhaka Weaving Enterprise .....	113
Micro Hydro Station .....	116
Alital Multipurpose Cooperative Ltd.....	120
Chandrama Bedbansh Sajha Subidha Kendra (CBSSK) Cane Crafts .....	122
Youth Mobilisation for Peace and Development.....	125
Kharbang Chiuri Herbal Soap Enterprise .....	127
Ritu Saughat Griha.....	129
Sunhara Agriculture cooperative ltd, Common Facility Centre .....	131
Dhaka Weaving common facility center (CFC), .....	133
Kuluhabagiya, Common Facility Center .....	136
Girindi Khola Micro Hydro Cooperative Santha Limited .....	138
Anakhola Micro Hydro Plant.....	141
Annex H: Indicator analysis Table .....	144
Annex I: Contribution to Improved Economic Opportunity & GESI by Project .....	154
Annex J: Rating Standard .....	157

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## LIST OF ACRONYMS

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ADB	Asian Development Bank
AEPC	Alternative Energy Promotion Centre
BDSPO	Business Development Service Providing Organization
CBS	Central Bureau of Statistics
CEDAW	Convention on the Elimination of all Forms of Discrimination Against Women
CILRP	Community Infrastructure and Livelihood Recovery for Peace
CILRP	Community Infrastructure and Livelihood Recovery Program
CPAP	Country Program Action Plan
CPD	Country Program Document
CSIDB	Cottage and Small Industries Development Board
CSUWN	Conservation and Sustainable Use of Wetlands in Nepal
CTEVT	Council for Technical Education & Vocational Training
DADO	District Agricultural Development Office
DCCI	District Chamber of Commerce and Industry
DCSIO	District Cottage and Small Industries Office
DDC	District Development Committees
DEECCS	District Energy, Environment and Climate Change Sections
DEDSP	District Enterprise Development Strategic Plan
DFAT	Australian Department of Foreign Affairs and Trade
DFID	United Kingdom Department for International Development
DFO	District Forest Office
DLSO	District Livestock Service Office
DMEGA	District Micro-entrepreneurs Group Association
ESAP	Energy Sector Assistance Programme
FAMOS	imc FAMOS 7.1
GESI	Gender Equality and Social Inclusion in Nepal
GIDC	Government Information Dissemination Centre (GIDC)
GoN	Government of Nepal
GRB	Gender Responsive Budgeting
GRBC	Gender Responsive Budget Committee
HDI	Human Development Index

IEDI	Industrial Enterprise Development Institute
IFAD	International Fund for Agricultural Development
JICA	Japan International Cooperation Agency
KOICA	Korea International Cooperation Agency
LRP	Livelihood Recovery for Peace
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MED	Micro Enterprise Development
MEDEP	Micro Enterprise Development Program
MEDPA	Micro Enterprise Development for Poverty Alleviation
MoE	Ministry of Education
MoF	Ministry of Finance
MoFALD	Ministry of Federal Affairs and Local Development
MoI	Ministry of Industry
MoPE	Ministry of Population and Environment
NEA	National Electricity Agency
NGO	Non-governmental Organization
NMEFEN	National Micro Entrepreneurs' Federation Nepal
NORAD	Norwegian Agency for Development Cooperation
NPC	National Planning Commission
NRM	Natural Resource Management
NRREP	National Rural & Renewable Energy Programme
RE	Renewable Energy
RELRP	Rapid Enterprise and Livelihoods Recovery Project
RERL	Renewable Energy for Rural Livelihoods
SDG	Sustainable Development Goals
SKILLS	Support to Knowledge and Lifelong Learning
SNPMC	Strengthening National Planning and Monitoring Capacity
TVET	Technical Vocational Education and Training
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDAP	United Nations Development Assistance Program
UNDP	United Nations Development Program

UNEG	United Nations Evaluation Group
UNEP	United Nations Environment Program
USD	United States Dollar
VDC	Village Development Committee
VEDC	Village Enterprise Development Committee
VEDP	Village Enterprise Development Plans

# EXECUTIVE SUMMARY

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## Introduction

This evaluation was conducted to determine whether United Nations Development Program (UNDP) has designed and implemented the most appropriate interventions in responding to the Country Program's Outcome 2: Vulnerable groups have improved access to economic opportunities and adequate social provision. The report provides background on the program, the evaluation methodology, the evaluation findings and conclusions and recommendations.

This outcome evaluation assesses the Program results, reviews the UNDP strategies and approaches in relation to Outcome 2, and provides recommendations for UNDP's Program focus and strategies for poverty reduction and inclusive growth in order to inform the upcoming cycle of UNDP's Country Program Document (CPD). Specifically it places an emphasis on effectiveness, efficiency and sustainability with some attention to relevance and impact. These latter two criteria were considered by of less importance because the relevance is abundantly clear since Nepal is designated as a least developed country and vulnerable groups fare economically more poorly than others. It is early to determine impact, so only preliminary anecdotal information is provided in the report.

The data-gathering methods included: 1) a desk review of over 80 documents, 2) 29 key informant interviews with donors, government officials and UNDP staff, 3) data pull with raw data from seven districts; and 4) 13 case studies developed through field visits to seven different districts. The data pull did not prove fruitful because not all districts were provided to the evaluators. However, statistical data was available through the documents.

## Overview of the Program

The Country Program Action Plan (CPAP) led to an agreement signed between UNDP and the Government of Nepal that provides the structure for the United Nations Country Team's (UNCT) within Nepal from 2013 - 2017, building on work that started with the introduction of its first development plan in 1956. The current CPAP sets out 10 desired outcomes. This outcome evaluation is to focus on Outcome 2: *Vulnerable groups have improved access to economic opportunities and adequate social protection*. Vulnerable groups defined in the Country Program include a broad range of populations including women subject to sexual abuse and exploitation; women in the mid- and far west; women of reproductive age; adolescent girls; endangered and highly marginalized indigenous people; other disadvantaged women and girls; Dalits, Madheshi, Janajati; persons with disabilities; children without basic education; undernourished children; under- and unemployed youth; migrant workers and their families; rural landless and land-poor; bonded and forced labourers; urban slum dwellers and squatters; conflict-affected people; people who are illiterate; people from the lowest performing districts; and people from areas especially vulnerable to climate change.<sup>1</sup>

UNDP support is focused on three areas: 1) creating an enabling environment for evidenced-based policy-making through the generation of information and knowledge products to inform

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<sup>1</sup> United Nations Development Assistance Framework for Nepal 2013 – 2017, 2012



pro-poor policies; 2) support for enterprise development and employment creation for poor and vulnerable populations; and 3) enhancing livelihoods asset through energy access and environmental services. Outcomes will be explored in the context of these three areas.

## **Key Findings**

The following summarizes the key findings of the report. One of the challenges in completing the final report was the discovery of some discrepancies between the perceptions of some UNDP staff and what we were told or observed during field visits. These are provided in greater detail in the body of the report.

### ***Relevance***

About 23% of Nepal's people still live below poverty, Women and other vulnerable groups are marginalized from economic participation at a much higher rate. Hence CPAP Outcome 2 is highly relevant to UNDP, the Government of Nepal, other donors and beneficiaries. It addresses two key priority issues that are important to all stakeholder categories:

- Alleviating poverty
- Improving gender equality and social inclusion

All stakeholders indicated that these area need to continue to be a priority since the issues are just beginning to be addressed.

### ***Effectiveness***

The program has been relatively effective in achieving its intended results related to development of clean energy, entrepreneurs and enterprises. Where reporting is available it appears that UNDP has achieved or is moving towards achieving its goals. The CPAP Progress Report for 2015 indicates that data is not yet available for 2013, 2014, 2015 for some key indicators such as GESI. The last report card on gender equality was published in December 2013, providing a baseline for comparison once data does become available. Credible data regarding poverty levels is also lacking. However, based on MEDEP data the CPAP Outcome 2 has successfully targeted and included women and other vulnerable groups in significantly improving their participation in enterprises. It has met its percentage targets. It appears that women are less involved in community decision-making as their participation on VDCs and DDCs is relatively low. During the field visits, women reported having increased participation in decision-making within the family once they began contributing financially.

UNDP has been less effective in supporting capacity building and devolving projects to the government. In part this is because of high turnover in government. Although that is not within UNDP's control, capacity building strategies need to take this into account. UNDP needs to develop workable strategies to devolve projects, starting with MEDEP being completely taken over by MEDPA. This may require some significant paradigm shifts in the next phase of the country program, with UNDP moving entirely away from implementing projects, other than demonstration pilots.

The discrepancy between what UNDP staff report in terms of status in some communities and what was the evaluators heard and/or observed in the communities does raise a question regarding the accuracy of information regarding effectiveness.

### ***Efficiency***

While efficient in the areas of project delivery, the program could gain efficiencies in planning through improved communication with donors and a better understanding of the respective roles and responsibilities.

### ***Impact***

The projects have clearly had an impact on individuals, families, communities and government. The power provided through RERL has supported opportunities to develop businesses and relieve some of the work carried out by women in the home. The training and financial support has provided entrepreneurs with the opportunity to develop their businesses and increase their incomes. The program has help move many above the poverty line with disposable income that can be used to send children to school. Women at various field sites indicated that this disposable income makes it possible to send their children to school, thus increasing the employability potential for the next generation.

### ***Sustainability***

Many of the results of the projects are likely to be sustained, particularly successful enterprises, many of which have already grown into small to medium sized businesses. The opportunity for women and vulnerable people to have their own incomes has been transformative in that it provides those individuals and their families with the means to have sustainable income and often allows them to grow businesses that employ others.. Although there is still concern that in some cases, women turn over their income to the male household head, women consistently reported keeping control of their earnings and using it for their priorities such as education of children.

The transitional nature of the government and natural disasters are the two biggest threats to sustainability.

### **Recommendations**

The recommendations address key areas that can be considered in developing the next round of UNDAF and the CPD.

1. Poverty alleviation and gender equality and social inclusion continue to be important areas to address. UNDP should consider a broader definition of poverty alleviation that includes providing direct supports to individuals within the targeted populations, as it already does, and incentives to established enterprises to provide decent employment to individuals within the targeted populations.
2. UNDP should continue its role of supporting demonstration projects that work and then devolving those that work well to the Government of Nepal. This would be consistent with the intent of the government to graduate from being a least developed country through creating an enabling policy environment, investment in infrastructure, and skills development. This would include energy, economic development, and gender equality and social inclusion projects as well as project with a strong environmental focus

3. As it did with CPAP, the CPD should focus on economic development in those areas that show greatest potential such as agriculture, tourism, crafts, forestry, and infrastructure development.
4. The upcoming CPD needs to place even greater emphasis on building the capacity of the Government of Nepal and devolving responsibility for policy development and program implementation to them. This would be consistent with the National Implementation by Government of UNDP Supported Projects: Guidelines and Procedures. It will be important to think outside of the current parameters and move towards a complete paradigm shift in order to increase the building of capacity with the Government of Nepal. For example, UNDP has already begun the process of transferring MEDEP functions to the government's MEDPA. It is occurring more slowly than planned in part because of the government's capacity. The MEDEP staff have proven capability, but are reported to be reluctant to leave for a government job because of income disparity. UNDP could consider establishing a process for transferring MEDEP staff, all of whom are Nepalese, to MEDPA thus increasing the government's capacity to deliver the program substantially. Such transfer would need to take into account the income disparity, with UNDP supplementing the incomes for a period of time, perhaps two years. This would be need to contingent on an agreement with the government to cover the salaries fully at the end of the time period.
5. UNDP needs to shift the emphasis of its work with government from a 'doing with' approach to a supporting and empowering approach. This could be reflected through subtle changes such as having UNDP's support acknowledged rather than being presented as an equal partner. It is important that the government be given the opportunity to produce its own policies and implement its own programs and learn through the process. UNDP could play a strong mentoring role.
6. UNDP should continue its approach as facilitator, coordinator and demonstrator. It already establishes projects to which other UN agencies, donors and NGOs can contribute and/or collaborate. In order to gain increased credibility in this role, UNDP needs to address some of the issues raised by donors including communication, accountability and the capacity of UNDP staff to meet the changing expectations that the new roles will demand.
7. The discrepancies between what is reported by some UNDP staff and what was reported by or observed in some communities requires further investigation in order to understand the reasons that such discrepancies exist and to take corrective action.
8. UNDP needs to imbed monitoring and evaluation in CDP from the beginning. The information generated from such a system would support improved accountability and communication. The Guidelines for Monitoring and Evaluation can service as an excellent starting point. Specifically, the performance monitoring system should include:
  - Development of an overarching theory of change for upcoming CDP and each of its major outcomes
  - Development of measureable indicators, using a template in the M&E guidelines. Where possible these should build on indicators where data is already being collected
  - Collection of baseline data as early in the project as possible

- Move quickly towards the implementation of FAMOS so that data collected and stored electronically, using a system that can easily generate reports
- Continued quarterly reporting of progress to senior management, providing evidence of the extent to which projects have met their targets, keeping in mind that targets need to go beyond the products produced or services provided and measure the difference those products and services are making

Where funding is being funneled through UNDP, the new system should provide an opportunity for customized reports to be provided to donors that fit their needs and timing.

9. As the role of UNDP shifts during the next phase of CPD, the competencies of UNDP staff are also likely to shift. This requires that greater emphasis be placed on learning and development. An effective learning and development system includes a performance assessment that focuses on current and future expectations. A professional development plan needs to be created jointly between staff person and manager to ensure that it reflects the competencies that need to be acquired or upgraded. It needs to include specific activities for which the staff person takes responsibility and that are supported by UNDP in terms of making time available as well as some financial support.

## I. INTRODUCTION

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This evaluation was conducted to determine whether United Nations Development Program (UNDP) has designed and implemented the most appropriate interventions in responding the Country Program's Outcome 2. The report provides background on the program, the evaluation methodology, the evaluation findings and conclusions and recommendations. It should be noted that throughout this report 'program' refers to Country Program's Outcome 2 which is comprised of projects designed to achieve that outcome.

### 1.1 PURPOSE AND SCOPE OF THIS EVALUATION

#### **Purpose**

This outcome evaluation assesses the Program results, reviews the UNDP strategies and approaches in relation to Outcome 2, and provides recommendations for UNDP's Program focus and strategies for poverty reduction and inclusive growth in order to inform the upcoming cycle of UNDP's Country Program Document (CPD).

The primary objectives of this evaluation are to evaluate:

- a) *the extent to which planned outcome and the related outputs have been, are being achieved, or likely to be achieved;*
- b) *the causal linkage by which outputs contribute to the achievement of specified outcome;*
- c) *concrete evidence of the UNDP contribution to the outcome including the use of case studies as a tool to explain results;*
- d) *factors that facilitate and/or hinder the progress in achieving the outcome, both in terms of external and internal environment to the portfolio interventions, including: weaknesses in design, management, human resource skills, and resources;*
- e) *UNDP's partnership strategy for the achievement of outcome 2;*
- f) *strategic values and comparative advantages of UNDP in contributing to the outcome; and*
- g) *lessons learned from the implementation of the interventions in order to provide direction for the next cycle of the CPD*

The key evaluation questions cover relevance, effectiveness, efficiency, impact and sustainability.

#### **Scope**

The evaluation includes seven specific projects associated with Outcome 2 plus the Livelihood Recovery for Peace projects associated with Outcome 9. It covers the period from 2013 forward. While it does not cover the period prior to 2013, it does refer to the historical context as far back

as 1996. While this is not an evaluation of the individual projects, each of the projects was explored in-depth in order to determine UNDP's response to outcome 2. Other outcomes of the Country Program are not included in this evaluation, but may be referred to in order to provide context.

## Evaluation Criteria and Questions

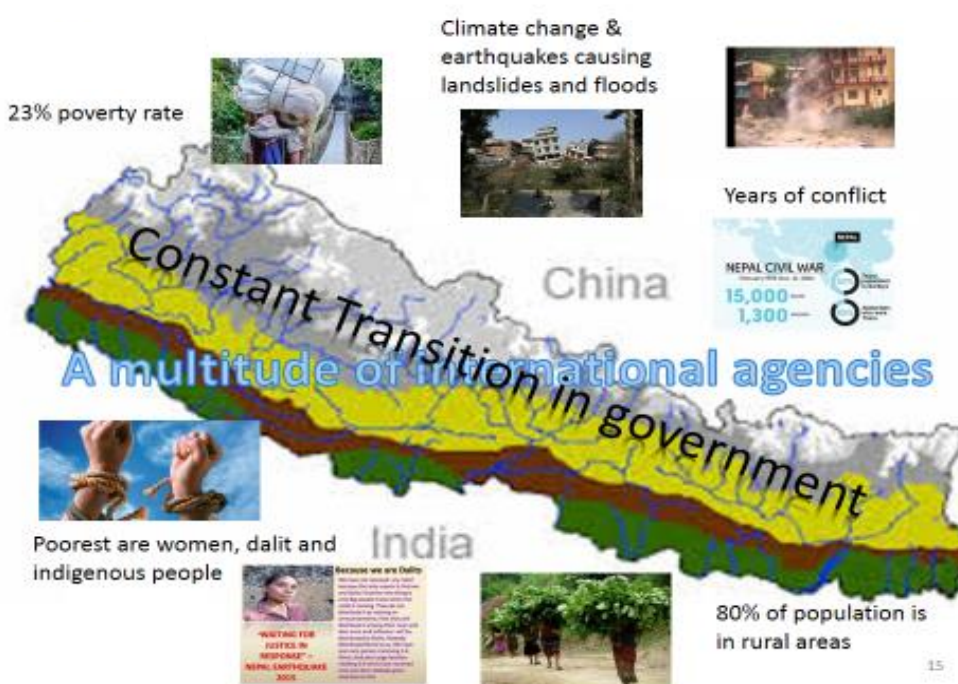
The evaluation criteria and questions that will guide this evaluation are set out in Annex B. These were developed in consultation with the Evaluation Management Group (EMG), which indicated that the highest priority should be place on effectiveness, efficiency and sustainability. The number of questions has been reduced substantially from those set out in the terms of reference. This helped to focus the evaluation and allow for in-depth data collection in the priority areas within the timeframe allowed.

## 1.2 COUNTRY PROGRAM CONTEXT AND BACKGROUND

### Context

Nepal is a country with tremendous potential and huge challenges. The complexity of Nepal's context is depicted in the diagram below.

Figure 1: Nepal's Complex Context



### Geographical Context

Nepal is a landlocked mountainous country with approximately 26.6 million people, 83% living in rural areas. The Himalayans are the youngest and most active mountain range with frequent earthquakes. During the past century there have been 6 significant earthquakes causing thousands,

the most recent in April 2015 with the aftershock in May 2015, with a total of 8,317 deaths<sup>2</sup>. Because of this geological activity, the best of roads are winding with hazards of land slides and flooding, particularly during monsoon season. The worst cannot be navigated at times, leaving villages isolated, often without electricity or connectivity to the rest of Nepal.

Nepal is seen to have three main regions: the plains or Terai region bordering on India, the hill region, and the mountain region. This diversity of geography separates Nepal from China and Tibet, and contributes to the isolation of many villages. Climate change is contributing to increased challenges. With the melting of the snows, there are increased flooding and landslides. The changes in the monsoons means adjusting to different seasonal changes.

### ***Socio-economic Context***

The population includes multiple ethnic, linguistic, caste and religious groups. The United Nations-led Country Analysis indicates: *the most fundamental socio-cultural root cause of vulnerability is the exclusion and discrimination emanating from socio-cultural traditions, norms and practices.*<sup>3</sup>

Nepal is one of the poorest countries in the world. The UNDP's Human Development Report 2015 placed it as one of the lowest developed countries with a Human Development Index (HDI) of 0.0548 (out of a possible 1.00).<sup>4</sup> This is up from 0.463 in 2013.<sup>5</sup> While the overall poverty rate for Nepal is 23.8 per cent, this figure increases to 45 per cent in the Mid-Western region and 46 per cent in the Far-Western region<sup>6</sup>. Poverty is highest in marginalized groups such as Dalits, Janajatis and women.

Food security and poor nutrition, which is the result of poverty and also an indicator of poverty, are of major concern. While Nepal has improved from 2002 to 2015, it is still rated as having severe poverty according to the Global Poverty Index<sup>7</sup>, as indicated in Figure 2.

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<sup>2</sup> National Centres for Environmental Information

[https://www.ngdc.noaa.gov/nndc/struts/results?bt\\_0=1916&st\\_0=2016&type\\_17=EXACT&query\\_17=None+Selected&op\\_12=eq&v\\_12=NEPAL&type\\_12=Or&query\\_14=None+Selected&type\\_3=Like&query\\_3=&st\\_1=&bt\\_2=&st\\_2=&bt\\_1=&bt\\_4=&st\\_4=&bt\\_5=&st\\_5=&bt\\_6=&st\\_6=&bt\\_7=&st\\_7=&bt\\_8=&st\\_8=&bt\\_9=&st\\_9=&bt\\_10=&st\\_10=&type\\_11=Exact&query\\_11=&type\\_16=Exact&query\\_16=&bt\\_18=&st\\_18=&ge\\_19=&le\\_19=&type\\_20=Like&query\\_20=&display\\_look=1&t=101650&s=1&submit\\_all=Search+Database](https://www.ngdc.noaa.gov/nndc/struts/results?bt_0=1916&st_0=2016&type_17=EXACT&query_17=None+Selected&op_12=eq&v_12=NEPAL&type_12=Or&query_14=None+Selected&type_3=Like&query_3=&st_1=&bt_2=&st_2=&bt_1=&bt_4=&st_4=&bt_5=&st_5=&bt_6=&st_6=&bt_7=&st_7=&bt_8=&st_8=&bt_9=&st_9=&bt_10=&st_10=&type_11=Exact&query_11=&type_16=Exact&query_16=&bt_18=&st_18=&ge_19=&le_19=&type_20=Like&query_20=&display_look=1&t=101650&s=1&submit_all=Search+Database) Downloaded August 21, 2016

<sup>3</sup> Country Program Action Plan Between the Government of Nepal and the United Nations Development Program in Nepal 2013 to 2017

<sup>4</sup> United Nations Development Programme (2015) Human Development Report 2015

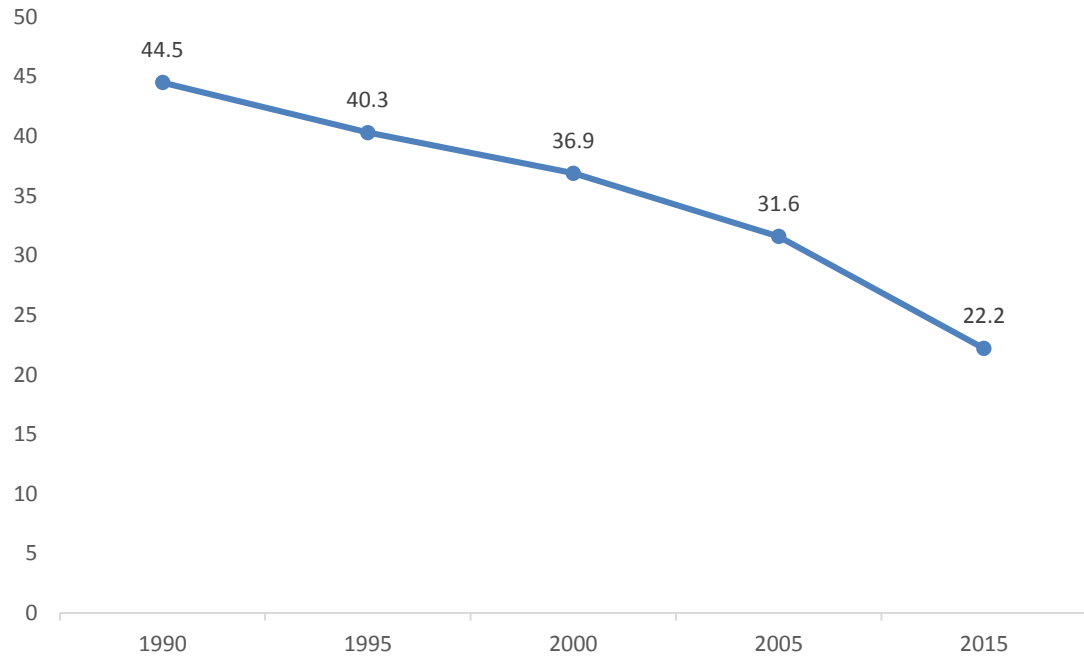
<sup>5</sup> United Nations Development Programme (2013) Human Development Report 2013: The Rise of the South Human Progress in a Diverse World

<sup>6</sup> International Fund for Agricultural Development (IFAD)

<http://www.ruralpovertyportal.org/country/home/tags/nepal> downloaded 21 August 2016

<sup>7</sup> International Food Policy Research Institute (2015) Global Hunger Index: Armed Conflict and the Challenge of Hunger

**Figure 2: Global Hunger Index Score**



Source: International Food Policy Research Institute

IFAD reports *a wide gap between women and men in terms of access to health care, nutrition, education and participation in decision-making. Within households, women often have less to eat than men, with mothers' insufficient calorie intake leading to chronic malnutrition among their infants. At the same time, more women are heading households and taking on the burden of sustaining the rural economy. Women constitute more than 60 per cent of the agricultural labour force but have little access to land, production technology and training*<sup>8</sup>.

### ***Political Context***

Nepal, previously a constitutional monarchy, became a republic with a multi-party system in 2007 following ten years of armed conflict, Nepal adopted a secular, inclusive and federal democratic constitution in 2015. The World Bank's Worldwide Governance Indicators<sup>9</sup> show variable improvement in the effectiveness of governance over the past ten years, as indicated in Figure 3.

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<sup>8</sup> International Fund for Agricultural Development (IFAD)

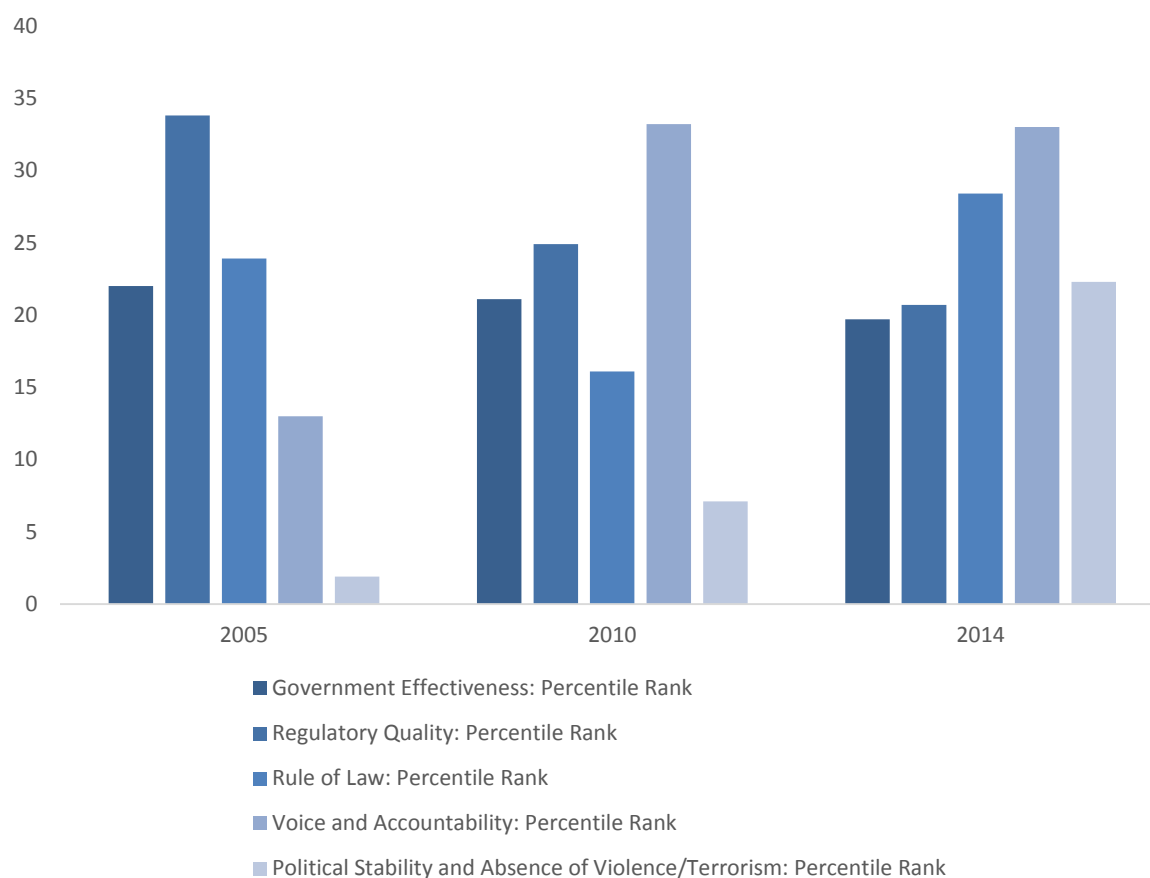
<http://www.ruralpovertyportal.org/country/home/tags/nepal> downloaded 21 August 2016

<sup>9</sup> World Bank World Wide Governance Indicators

<http://databank.worldbank.org/data/reports.aspx?source=Worldwide-Governance-Indicators> downloaded 21 August 2016



**Figure 3: Trends in Governance Effectiveness**



Source: World Bank

The transitional nature of the government presents challenges as it is constantly changing. However, Nepal has established a national plan for implementing the SDGs<sup>10</sup> and has partnered with UNCT in the development of the United Nations Development Assistance Framework for Nepal 2013 – 2017<sup>11</sup>.

### ***Donor Context***

Nepal is served by a multitude of international organizations including the Asian Development Bank (ADB), Norwegian Agency for Development Cooperation (NORAD), United Kingdom Department for International Development (DFID), Australian Department of Foreign Affairs and Trade (DFAT), Government of Finland, Korea International Cooperation Agency, (KOICA), Japan International Cooperation Agency (JICA) and USAid plus numerous other UN agencies that contribute funding to projects established to contribute to the achievement of Outcome 2..

<sup>10</sup> National Planning Commission (2015) Sustainable Development Goals 2016 – 2030 National (Preliminary) Report, Government of Nepal

<sup>11</sup> United Nations Country Team Nepal (2012) United Nations Development Assistance Framework for Nepal 2013-2017: 2012. United Nations

## Overview of the Program

The Country Program Action Plan (CPAP) led to an agreement signed between UNDP and the Government of Nepal that provides the structure for the United Nation's Country Team's (UNCT) within Nepal from 2013 - 2017, building on work that started with the introduction of its first development plan in 1956. The current CPAP sets out 10 desired outcomes. This outcome evaluation is to focus on Outcome 2: *Vulnerable groups have improved access to economic opportunities and adequate social protection*. Vulnerable groups defined in the Country Program include a broad range of populations including women subject to sexual abuse and exploitation; women in the mid- and far west; women of reproductive age; adolescent girls; endangered and highly marginalized indigenous people; other disadvantaged women and girls; Dalits, Madheshi, Janajati; persons with disabilities; children without basic education; undernourished children; under- and unemployed youth; migrant workers and their families; rural landless and land-poor; bonded and forced labourers; urban slum dwellers and squatters; conflict-affected people; people who are illiterate; people from the lowest performing districts; and people from areas especially vulnerable to climate change.<sup>12</sup>

UNDP support is focused on three areas: 1) creating an enabling environment for evidenced-based policy-making through the generation of information and knowledge products to inform pro-poor policies; 2) support for enterprise development and employment creation for poor and vulnerable populations; and 3) enhancing livelihoods asset through energy access and environmental services. Outcomes will be explored in the context of these three areas.

The program consists of the following projects: Micro Enterprise Development Program (MEDEP); Strengthening National Planning and Monitoring Capacity (SNPMC); Support to Knowledge and Lifelong Learning (SKILLS); Livelihood Recovery for Peace (LRP); Rapid Enterprise and Livelihoods Recovery Project (RELRP); Community Infrastructure and Livelihood Recovery for Peace (CILRP); Renewable Energy for Rural Livelihoods (RERL); and Conservation and Sustainable Use of Wetlands in Nepal (CSUWN). More detailed information about each of the projects designed to achieve Outcome is provided in Annex C. The cumulative efforts of the projects are intended to contribute to achievement of the intended outcomes.

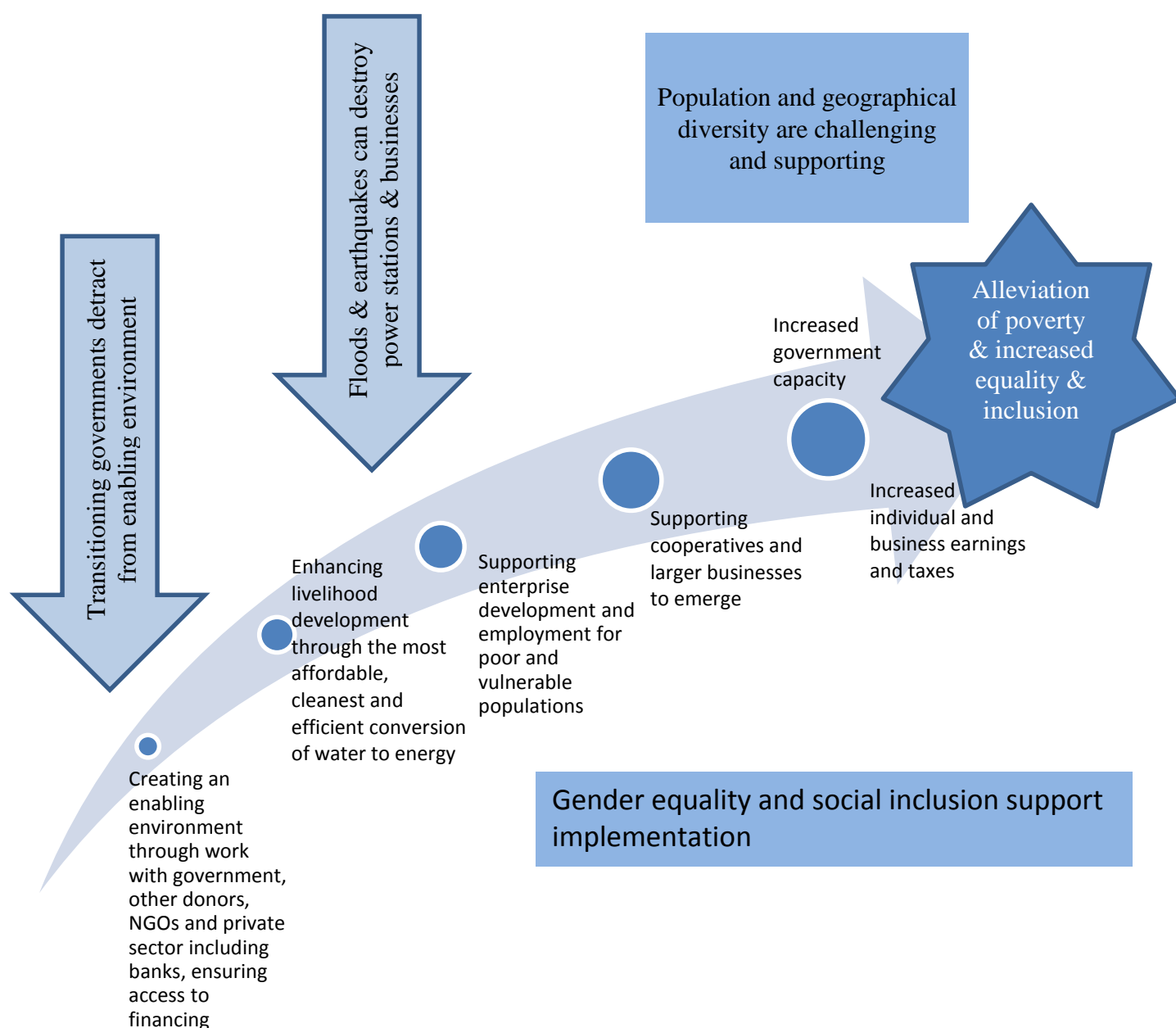
## Program Theory of Change

A program theory of change is a tool that describes and illustrates how and why a change is expected to occur in a particular context. Although often logic model and theory of change are used inter-changeably, a theory of change is different in that presents the underlying theory of why a program is expected to work. In addition to helping program stakeholders gain a shared understanding, it should be a useful communication tool that can quickly explain the program to others so it is important that it presents the complexity of the program in the most simplified way possible. The following theory of change depicts what the evaluation saw as the underlying theory that supports the achievement of Outcome 2.

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<sup>12</sup> United Nations Development Assistance Framework for Nepal 2013 – 2017, 2012

**Figure 4: A Possible Program Theory of Change for Outcome 2**



The intended outputs associated with Outcome 2 include:

- Government and relevant stakeholders have increased capacity to develop, strengthen, review and implement inclusive labour and economic policies and legislation that bolster productive employment and income opportunities.
- Government has improved capacity to design, execute and manage economic development Programs and strategies.
- Financial service providers have increased capacity and incentives to responsibly extend financial services to vulnerable groups.
- Vulnerable groups have increased access to sustainable productive assets and environmental services.

- Government and relevant stakeholders have increased capacity to support safe migration and productive use of remittances.
- Government is better able to define and administer adequate social protection benefits.

Because the Government of Nepal is new and just learning to grapple with the issues that will allow the country to move from least developed country status, building its capacity is foundational to all other success. This needs to be supported by an enabling environment where all donors, NGOs and private sector support this capacity-building. A secondary foundation for poverty alleviation and increased equality and inclusion is access to energy. Most enterprises cannot thrive without a reliable energy source. With the foundational pieces in place and support to entrepreneurs, enterprises can be expected to develop and grow. Over time, cooperatives and larger business should emerge, providing increased individual and business earnings, which should result in increased taxes for the government. In order for the government to gain from this improved economy, it needs to have the capacity to support and regulate business, including tax collection, returning once again to the need for capacity building. Gender equality and social inclusion are essential for all citizens of Nepal to have the opportunity to be part of the economy. Minimizing gender and social inequality helps to create an environment with fair access to development opportunities for women and marginalized groups. Throughout this change process, the geography and transitioning government create challenges. Population diversity is both a strength and a challenge. Ultimately this combination of steps should lead to reducing poverty and increasing gender equality and social inclusion.

## 1.3 EVALUATION METHODOLOGY

### The Evaluation Team

The evaluation team consisted of an international evaluation expert as team leader, an expert in livelihood and economic develop, an expert in renewable energy and an expert in gender equality and social inclusion. Details of each individual's experience and role in this evaluation is attached in Annex D.

### The Evaluation Approach

**Appreciative:** This evaluation was conducted using an appreciative approach, looking for examples of good practices, upon which futures practices can be built. An appreciative approach looks at the challenges faced and uses them as learning opportunities. It is a forward-thinking approach that looks at the desired future and what is needed to achieve that future.

**Realistic:** Because of Nepal's diversity, a realistic evaluation lens was applied during the data gathering and analysis in order to determine what works for whom under what circumstances.

**Systems oriented:** Because of the complexity of the context in which CPAP is being delivered, it is important to interpret the findings, by looking at the various systems that contribute to the achievement of the intended outcomes.

## Data Collection Methods

This evaluation was conducted using multiple methods to obtain information from multiple sources as described briefly below.

**Desk Review:** The documents listed in Annex E contributed to addressing all of the evaluation questions. The gathering of documents for review continued throughout the evaluation process, contributing to the inception report and adding to the data as new documents were forwarded during the report-writing process.

**Key Informant Interviews:** Interviews, conducted with representatives from the Government of Nepal, UNDP, partners and other donor agencies contributed to addressing all of the evaluation questions. The key informants were purposefully selected in order to cover the full range of stakeholders. UNDP staff suggested possible key informants. The key informants often invited others to join the interview in order to provide more in-depth and relevant information. A list of people interviewed is attached in Annex F.

**Data pull:** The data pull did not occur as raw data was not provided. The CPAP results progress report dated 10 March 2016 was provided. The statistics requested from the National Bureau of Statistics were not provided.

**Case Studies:** Individual examples of implementation of the projects were obtained through field visits to the following districts:

- Mahottari
- Parbat
- Baglung
- Dolakha
- Sindhupalchowk
- Kailali
- Dadeldhura

These districts were selected based on suggestions by the EMG. The specific sites were selected in consultation with the project managers. Information was obtained from UNDP field staff, Village Development Committee (VDC) members, District Development Committee (DDC) members and entrepreneurs through interviews, focus groups, community participatory statistics and photovoice by having the beneficiaries direct the evaluators to particular ‘pictures of change’.. Many of the communities already had statistical data through documents and focus groups. This information contributed to a better understanding of the effect of the projects at a community level and the interactions among national, district and local levels. The case studies are attached in Annex G.

## Analysis Process

The evaluation criteria and questions serve as the foundation to the analysis plan. All of the information was been organized by evaluation question. Qualitative data coming from the desk review, interviews and field visit interviews, focus groups, photo-voice was analysed using content analysis, looking for emerging themes as well as important insights regarding the relevance, effectiveness, efficiency, impact and sustainability. This analysis looked at the extent to which there are trends in views and perceptions, noting differences and exploring why those differences exist. Some quantitative data was pulled from the CPAP March 2016 project report

as well as from project reports. Because the raw data was not provided, this report is only able to provide descriptive statistics. It is not possible to determine whether any changes were statistically significant.

The data from different sources was triangulated to determine the extent to which the information from different sources is consistent. Where it is not consistent the discrepancies are noted and discussed.

### ***Contribution Analysis***

Because this is a complex Program with many donors, NGOs, government ministries and local organizations contributing to its design and implementation, it is not possible to attribute successful results to UNDP or any other entity's efforts alone. A very rough contribution analysis was used to determine whether UNDP contributed to the changes that occurred. Without having detailed information regarding the timing and amount of all donor contributions, it is impossible to identify UNDP's relative contribution. Some rough analysis of the extent to which UNDP input leveraged additional funding is included within contribution analysis.

### ***Interpreting the Findings and Drawing Conclusions***

Interpretation of the findings and drawing conclusions was carried out using a systems approach, which places the findings into the country context and the various systems that interact with the Country Program. It assisted with understanding inter-relationships and multiple perspectives, recognizing the different interpretations of the findings may reflect the position from which a person is viewing those findings.<sup>13</sup> The EMG's input supported taking a systems perspective as the diverse membership brought different perspectives into interpretation of the findings.

## **Strengths and Limitations**

### ***Strengths***

Although this evaluation was conducted within a very short timeframe, starting on 18 July 2016 and completing the data collection on 23 August 2016, data was gathered from multiple sources using different methods. Most of the program's projects had substantial documentation. Triangulation of the data provided a fairly consistent picture of the program, thus allowing the evaluators to have confidence in the findings.

A EMG contributed to the development of the evaluation methodology as well providing input into the interpretation of the findings. This supported grounded interpretation and the development of the recommendations.

### ***Limitations***

The limitations include:

- The short timeframe within which this evaluation was conducted meant that the data could not be analyzed prior to presenting the preliminary findings so discussion with EMG was based on the impressions of the evaluators. As well, documents continued to be provided

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<sup>13</sup> Williams, Bob (September 2014) Systems thinking. Better Evaluation downloaded from [http://betterevaluation.org/blog/systems\\_thinking\\_August\\_2](http://betterevaluation.org/blog/systems_thinking_August_2), 2016

throughout the writing of the evaluation report as the evaluators found as the evaluators learned about additional documents and requested them. This report does represent a more comprehensive analysis as a result of receiving those additional documents.

- The organization of the field visits did not take into account road conditions and travel time so that visits were often rushed. In one case it was not possible to visit a site because of road conditions. A telephone interview was conducted. A key concern was taking people's time and not being able to use it to the full advantage
- The indicators set out in UNDAF were changed over time so that the CPAP progress reported on different indicators. While some rationale for changes was included in the progress report, it does appear that indicators were changed to reflect what was produced rather than what was intended to be produced.
- There is a lack of solid data:
  - The lack of comparative statistical data makes it difficult to determine changes over time. As well, neither the Government of Nepal nor UNDP have monitoring systems at this point that support quick access to specialized reports. Most micro-enterprises are not registered so no data is available through government systems. The quantitative data used in this report is taken primarily from annual and progress reports. UNDP has recently implemented a database called FAMOS. Further information regarding the database has been requested in order to determine its potential for future monitoring.
  - Many of the checklists that have been developed for project monitoring ask open-ended questions, which are useful but also leave the potential for a wide variety of answers. The CPAP progress reports do not include content analysis of the responses to these questions.
  - There were some discrepancies between information provided by UNDP staff and that provided by community members and observed during the field visits. These differences call into question the accuracy of information. This was taken into account when interpreting the data.

## II. EVALUATION FINDINGS.

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The findings are drawn from all of data. As part of the analysis individual case studies of local enterprises were conducted. Although the projects were not evaluated, a detailed information from each of the projects was gathered. This section is organized by evaluation issue with further breakdown by evaluation question.

### 2.1 RELEVANCE

Although the evaluation did not focus on relevance, considering the level of poverty and the lack of gender equality and social inclusion, this program is highly relevant to UNDP, to other donors, the Government of Nepal and the beneficiaries of the program. It will continue to be highly relevant for the next period covered by the Country Program Document (CPD) 2017 – 2022.

The following sections discuss the ways in which the program is relevant to each of the key stakeholder groups.

### ***To UNDP***

The program is directly tied into the Country Program Action Plan Outcome 2: Vulnerable groups have improved access to economic opportunities and adequate social protection. At the time the framework was produced Outcome 2 related primarily to Millennium Development Goals (MDG): 1. Eradicate extreme poverty and hunger; 3. Promote gender equality and empower women; and 7. Ensure environmental sustainability. The Sustainable Development Goals (SDG) now set the context for development work through 2030. The current relevant SDGs are: 1. Ending poverty; 5. Achieving gender equality and empowering all women and girls; 7. Ensuring access to affordable, reliable, sustainable, and modern energy for all; and 10 Reducing inequality within and among countries.

### ***To the Government of Nepal***

Since about 23% people are still below the poverty line and marginalised, outcome 2 seems most relevant. Vulnerable groups as outlined in the UNDAF are still marginalised. For instance, only 17% micro-entrepreneurs under MEDEP in Dadeldhura district have moved out of poverty. It means that there are still 83% of the micro-entrepreneurs who are below poverty line. There are many similar cases in other districts. A well, youth are leaving districts in search of jobs.

The CPAP is consistent with the Government of Nepal's 13<sup>th</sup> (2013/14 – 2015/16) and 14<sup>th</sup> Plans (2016/17 – 2019/20). These plans set out the government's priorities and establish the rationale for resource allocation. The long-term vision of the government is to see Nepal upgraded from a least developed country by 2022, with the following goals:

- Reduce the proportion of the population living below the poverty line to 18 percent
- Increase the economic growth rate to 7.2%

The 14<sup>th</sup> Plan emphasizes the priority of alleviating poverty through its slogan: 'Inclusive Prosperity through Productive Investment'. The plan focuses on five core areas: human capital, physical infrastructure, agriculture, social sector and good governance. After the energy crisis of 2015/16, the Government committed to gradually reducing dependency on imported fossil fuel by promoting renewable energy and thus ensuring energy security. The Government also sees promotion of small scale renewable energy systems as a means for improving rural livelihood.

At the same time the Government of Nepal is committed to empowering specific groups that have been historically disenfranchised, both socially and economically. It is also concerned with protecting the natural resources and environment.

### ***To Other Donors***

All of the donors interviewed indicated that poverty alleviation and gender equality and social inclusion were major emphases of their funding initiatives, thus making the program related to achievement of Outcome 2 highly relevant to all donors. While some donors indicated no collaboration with UNDP on projects, many of the donors suggested that the projects created a comfort level in contributing that they would not have had in donating directly to the



Government of Nepal.. They noted that in some instances the funding was funneled through UNDP in order to support the level of accountability required by the donors.

### ***To the Beneficiaries***

During the field visits, beneficiaries, who are members of the vulnerable groups targeted by CPAP, consistently indicated that the supports being provided to them through the various projects were highly relevant. For example, RERL provided energy that supported the development of their enterprises. RERL supported communities to install clean energy systems that helped improve their livelihood, better lighting for education, reduced drudgery particularly for women, provided access to information, introduced Multiple Uses of water System (MUS) and helped to establish enterprises.

A number of projects assisted with recovery following the earthquake. MEDEP directly supported the development of businesses which helped to alleviate poverty through environmentally-friendly businesses. The projects also helped to provide livelihood for women which in theory would empower them and hopefully lead to greater participation in family and community decision-making. Empowerment of women in community decision-making was evident in some communities, such as Dolakha and Sindhupachowk and not in others such as Singate. Many beneficiaries were born into poverty and had experienced conflict as well as other disasters. The program provided resources to enterprises and organizations that helped to make a difference in people's lives in terms of income, food security and stability. They consider.

## **2.2 EFFECTIVENESS**

Overall, the program appears to have been effective in contributing to moving towards alleviation of poverty and promoting gender equality and social inclusion through its projects. It has not been as successful at building capacity with the Government of Nepal.

The table attached in Annex H provides the analysis of the indicators being used by UNDP to track effectiveness. As shown in the table many of the indicators have changed over time. Without a detailed monitoring evaluation plan and protocols to show how the indicators were developed, it is difficult to interpret these changes and why they occurred. Nepal Country Office M&E Guidelines were provided in response to the evaluators' request for such a plan. This guideline primarily addresses processes and provides templates for planning and reporting. It indicates that as of 2009, supported projects are to report on beneficiaries using the following disaggregated categories:

- Hill Dalits and Madhesi Dalits
- Hill Janajatis and Tarai Janajatis
- Hill Brahman/Chhetri and Madhesi Brahman/Chhetri
- Other Madhesi caste groups
- Muslims
- Others
- Youth (19 – 29 years)
- People with disabilities
- Male and female for each of the above categories.

Reporting has been disaggregated by Dalits, Janajatis, gender and in some instances age. It includes an excellent template for indicator development, but the evaluators did not receive the completed template for indicators related to CPAP Outcome 2.

The table attached in Annex C provides a breakdown of each of the projects' contribution to economic opportunity and gender equality and social inclusion.

### ***Projects Contribution to Improved Access to Economic Opportunity***

Some projects such as MEDEP, CILRP, LRP, RELRP, and CSUWN are intended to contribute directly to improving access to economic opportunity. As shown in the table attached in Annex C, the various projects contributed in different ways:

- MEDEP, CILRP/LRP, RELRP, and CSUWN contributed directly to economic development opportunities for entrepreneurs and the creation of new jobs
- CILRP/LRP contributed to the registration of cooperatives, which is a means of upscaling the enterprises developed by individual entrepreneurs
- RERL contributed to 24,581 households having access to clean energy. This energy also supported the development of enterprises and provided business opportunities in some instances such as Singate prior to the damage to their plant.

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*The technical support from MEDEP and RELRP helped the Potato Rustic Store Common Facility Centre in Sindhupalchowk district to expand from 70 micro-entrepreneurs in 2008 to 260 in 2016. RELRP allowed the facility to expand from a capacity of 4000 kg of potatoes to 10 tonnes of potatoes.*

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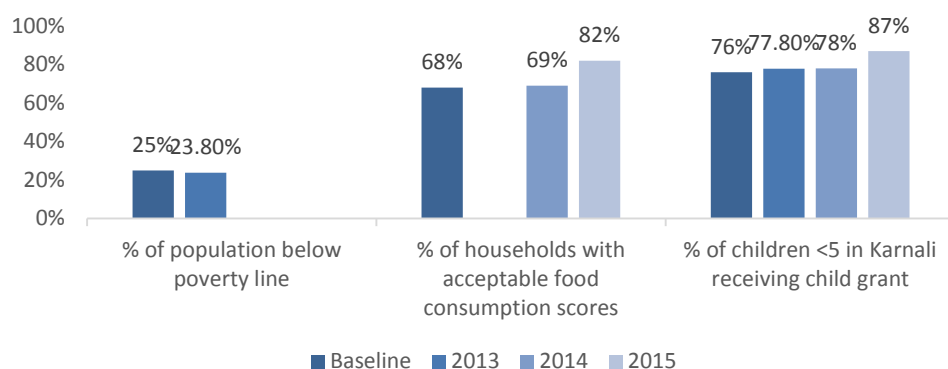
*The Girindi Khola Micro Hydro Cooperative in Baglung provides an example of where the community has been able to develop a 100 watt FM station, a computer lab facility in a local school, and dental clinic and dispensary as the result of an installation of an 11 kV micro hydro plant.*

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CSUWN indicated that in the two pilot areas, the average household income increase by 34%, giving evidence of the potential

Improvement in poverty levels between 2013 and 2015 cannot be accurately determined based on the UNDAF data because the progress reported is based on an estimate. Hunger incidence is often used as an indicator of poverty. A greater percentage of households are not living with hunger, with the percentage of households with acceptable food consumption scores. The percentage of children in Karnali are receiving the child grant was also considered to be an indicator of poverty alleviation in the UNDAF Annual Reports. This improved from 76% in 2013 to 87% in 2015.

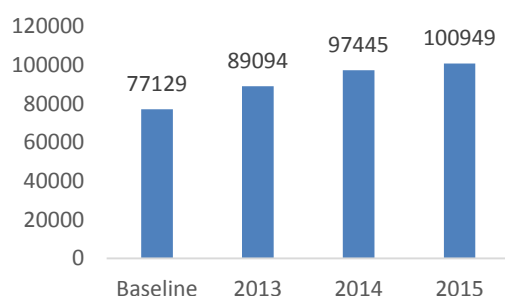
**Figure 5: Improvements based on UNDAF indicators**



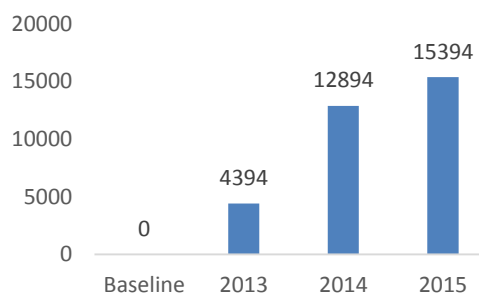
Source: UNDAF Annual Progress Reports

As indicated in the program's theory of change, access to hydro is a prerequisite for successful enterprise development. More households are connected to micro hydro, with the intended number of 25,000 households connected to micro-hydro was fully achieved. Another indicator was that more household benefit from forest-based livelihoods. The number increased from zero to 15,394.

**Figure 6: # of households in remote areas connected to micro-hydro each year**



**Figure 7: # households benefitting from forest-based livelihoods**



Source: UNDAF Annual Progress Reports

The UNDP Human Development Reports 2013 and 2015 show improvement in the poverty index and the gross national income per capita. Similar information was not available in the 2014 report. Because this represents only two comparison points, caution is needed in interpreting this increase. It does represent movement in a positive directions

Figure 8: Gross national income per capita

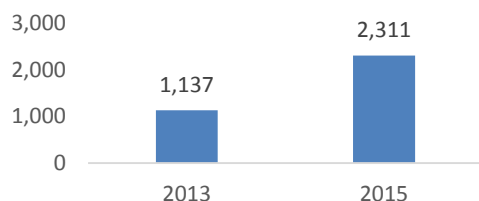
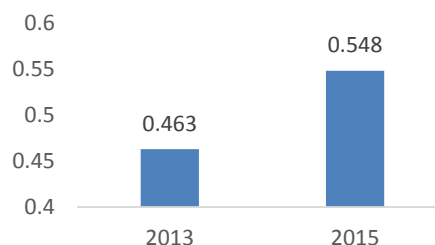


Figure 9: Poverty index



Source: UNDP Human Development Reports 2013 and 2015

One of the concerns expressed by both government and donor key informants was that moving forward one entrepreneur at a time was not sufficient to address the size of the issue. This concern does not appear to be grounded in either the monitoring data or what was learned through the field visits.

Most of the enterprises visited during field visits involved more than a single entrepreneur. For example, the two weaving enterprises were actually small businesses involving 10 women each. The honey enterprise involved 80 entrepreneurs and the potato common facility centre involved approximately 270 farmers, making both businesses medium – sized. One enterprise that was owned by a single family employed six additional staff. As well, the entrepreneur training is provided to groups of people and staff facilitate the formation of enterprises involving more than one entrepreneur so that the efforts are not occurring one entrepreneur at a time. This likely needs to be better communicated to partnering donors.

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*Chandrama Bedbansh Sajha Subidha Kendra Cane Crafts in Kailali provides an example of where MEDEP support for the use of a non-timber forest product has resulted in an increase in profits from around 20% profitability in 2013 to approximately 70% profitability in 2016. On average, incomes have increased from NR 150 to NR 600 per day*

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In all instances, energy was a key element to successful enterprise development. Based on the field visits, it appears that where energy availability was limited, enterprises in the area were limited.

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*Community members in Chhula Bagarkot report that sharing water between hydro and agriculture means that hydro is not always available when it is needed and limits running of enterprises.*

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There has been significant progress in terms of achieving planned outputs ( 14484 micro-entrepreneurs in 2015 against 35000 MEs phased target created and MEDEP has provided graduation support to 3986 MEs (71% women, 29% men, 26% Dalit, 36% Janajati, 20% Madhesi and 68% youths) against targeted 40000 existing micro-entrepreneurs who have scaled up. In total MEDPA has achieved 13332 micro-entrepreneurs against the total phase target of 43000. Additional 1183 micro-entrepreneurs were provided scale up supports through local body resources and 3121 MEDPA micro-entrepreneurs were provided graduation support through MEDEP resource.

Rapid micro-entrepreneurs restoration for earthquake affected people occurred in seven districts. Input through the field visits from women, line-agencies and cooperatives suggest that some

outputs have been achieved. For example, the recovery of micro-entrepreneurs and community facility centres construction are well on track. On the other hand, CILRP supported small scale irrigation canal construction at Mirge VDC, but the infrastructure is still under construction. It requires NRs. 550,000 to complete the project. The project benefits 225 households providing water for crops. The DDC and VDC have not put any money so far and the community hopes that UNDP will assist. At this point, UNDP staff report that the construction is complete. The repair and maintenance of micro-hydro projects such as in Dolakha is yet to begin, with the community seemingly unaware that the plan has changed from repair to grid connection. Both of these examples indicate a disconnection between what is perceived by the community and what is understood by UNDP staff. UNDP should follow up on the Post Disaster Needs Assessment (PDNA) conducted by the World Bank and work with National Reconstruction Authority (NRA) to support GoN towards faster implementation of the reconstruction programme

Based on the input received during the field visits, job creation through backward and forward linkages still needs to occur in many places. Entrepreneurs need assistance to better understand their markets and what they need to do to serve those markets. A sales enterprise in Pokhara provides an example where this is working. The store moved from selling orange juice to providing a wide variety of products such as laptop bags, women's handbags, men's and women's wallets, allo/smartphone bags, coin purse, guitar covers, yoga bags, and passport bags. The enterprise is owned by a Janajati couple who have moved from poverty and now employs 12 full-time staff. They estimate that an additional 20,000 people have benefitted through the forward linkages of marketing and backward linkages of product production.

### ***Contribution to Policy Changes at the National and District Levels***

All of the projects aimed at achieving CPAP Outcome 2 have contributed to policy changes at the national and district levels, as documented in the project descriptions in Annex C. A primary focus has been to build government capacity to develop and implement policies that support improved livelihoods and gender equality and social inclusion. Two projects (SNPMC and SKILLS) are directed specifically at building capacity within the Government of Nepal. SKILLS is intended to support the government of Nepal to review, harmonize and reform the Technical Education and Vocational Training (TVET) Policy 2012 through comprehensive dialogue among public private sectors, donors/organizations and design monitoring and evaluation system for TVET quality assurance .

In response to this report, UNDP staff reported that by September 2016, the project prepared ground work and desk reviewed TVET policy for conducting upcoming TVET policy dialogue events. A draft mechanism for private sector productive engagement and labor market assessment has been developed and the process for developing National Web Based TEVT MIS and Impact Evaluation Mechanism is on-going. The project developed TVET Dialogue Process Guideline approved by Govt. Technical Committee with 17 line ministries representatives. However, while there has been extensive dialogue, this project is at the beginning stages so there are not yet concrete results.

SNPMC project staff have been working with the Government of Nepal in order to increase the capacity for evidenced-based planning. UNDP staff report that the SNPMC project supported the National Planning Commission (NCP) to develop an online reporting system for priority

projects and programs of the government by line ministries. Under this system NCP developed an online report software entitled "Project Performance Information System", a server was established in Government Information Dissemination Centre (GIDC) and 138 government monitoring and evaluation staff were trained to operate this software. Now this software is generating basic information for progress monitoring. The NPC had commissioned and overseen six evaluations as of August 2016. Government officials reported that the evaluations are made available in the Nepalese language in order for the evaluations to be used by parliamentarians in making legislative and policy decisions.

The Government is also moving towards conducting regular household surveys. Although the original intent was annual surveys, the process requires extensive resources and NPC has determined that it cannot be carried out annually but must be carried out at regular intervals, yet to be determined.

UNDP staff report that RERL is working closely with AEPC to draft a Renewable Energy Policy. RERL also supported AEPC to prepare a draft Renewable Energy Subsidy Policy 2016 which has been approved by the Cabinet. During the energy crisis, RERL helped to prepare different policy documents including Energy Security and Energy Mix, Technical and Economic Analysis of Electric Urban Transportation and Technical & Economic Analysis of Utility Scale Renewable Energy in Nepal. Additionally, RERL contributed significantly to organizing Renewable Energy Exhibition 2016 to provide awareness and promotion of renewable energy based technologies to overcome the scarcity of fuel for cooking, heating and lighting.

While no donor funding contributes to SKILLS or SNPMC, a number of donors raised the question as to whether UNDP has been developing policy for the Government of Nepal rather than improving the capacity of the government to create its own policies. They are concerned that UNDP was not moving as quickly as it might towards transferring responsibility for policy development and project implementation to the Government of Nepal. The donors did acknowledge that with the government still in transition that such transfer is difficult. However, in looking at what UNDP set out to accomplish in terms of building capacity, there is still much work to be done. The monitoring indicators have changed since the development of UNDAF 2013 – 2017. Many of the original indicators are no longer being used so have no monitoring data. Establishing a labour market information analysis system was one of the indicators that is no longer being tracked. It is still seen as a priority by UNDP senior management with hope that the SKILLS project will be able to address this. The reasons and processes for changing the indicators is not clear.

Of the new indicators aimed at building capacity with the Government of Nepal the following have been achieved or partially achieved with assistance from UNDP:

- A graduation from 'least developed country' strategy has been developed. It appears that has yet to be finalized and adopted by the Government of Nepal
- The a results framework for the 13<sup>th</sup> plan has been prepared
- The 14<sup>th</sup> plan has been drafted
- The NPC has developed monitoring and evaluation guidelines. These have been finalized with training on the guidelines provided to 28 government officials and impact evaluation training provided to 37 senior government officials

- The annual household surveys were published in 2014, 2015 and 2015.. The Central Bureau of Statistics (CBS) is reviewing whether the survey should be done annually. This is reasonable, given that the changes that are being assessed may not change significantly from year to year
- In 2014 the Nepal Human Development Report was produced. In 2015, the National Strategy for the Development of Statistics was drafted, a Master Sample Survey was prepared and the draft MDG final report was prepared. Achieving this goal is on track as the intent is to produce a total of six knowledge products.

It is evident that some progress has been made, but more emphasis on assistance from UNDP that moves the government towards greater independence would be useful.

### ***Unintended Changes***

Although the focus of the program is on improved livelihoods and gender equality and inclusion, other changes have occurred as a result of the work carried out through each of the projects. For example, following the earthquake, RELRP provided psycho-social counselling to entrepreneurs and their families. Not only did the counselling support the entrepreneurs in rebuilding their enterprises, it contributed to family stability by providing a safe place for women to speak with their husbands regarding the negative impact that their drinking had on the family. Women reported that in many cases this resulted in the husbands changing their behaviours.

Another example, is the use of extra income to send children to school. Although the program is not focused on education, many children have benefited as well. Women consistently reported that they used their extra income to send their children to school, thus making it more likely that the next generation is in a better position to pursue decent livelihoods.

Some beneficiaries reported that people have used support from the program to improve their financial position so that they are able to emigrate to other countries. This migration could potentially have a negative impact on Nepal if it loses people who are making a positive contribution to the economy.

### ***UNDP Influence on Gender Equality, Social Inclusion and Human Development***

#### ***Gender Equality and Social Inclusion***

Annex I provides an overview of project contribution to improved economic opportunity and GESI. This section looks at it from a national and policy perspective.

The UNDP Gender Equality Strategy 2014 – 2017 sets out a vision of eradicating poverty and reducing gender inequalities by empowering women. Gender equality and social inclusion (GESI) is a concern of the government of Nepal and other national and international development agencies. Incorporating GESI into policies and initiatives is aimed at achieving development with the face of human justice, equity and environmental sustainability. In contrast to the earlier development paradigm that focused only on economic growth, current development efforts emphasize on achieving higher well-being and human security.

The Government of Nepal (GoN) has taken several steps in its commitment to enhance gender equality and empowerment of women. The GoN is signatory to various international conventions on gender equality and women's empowerment, including the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Millennium Development Goals (MDGs) and the Beijing Platform of Action. It has also endorsed the Gender Equality Act and adopted gender-responsive budgeting (GRB) principles. The Government increased GRB allocations from USD 1.13 billion in the 2013/14 fiscal year to USD 1.36 billion in 2014/15, now accounting for 21.93 per cent of the total budget. On the recommendation of the Gender Responsive Budget Committee (GRBC), the Ministry of Finance (MoF) decided to establish GRBCs in all sectoral ministries and through Ministry of Federal Affairs and Local Development (MoFALD) in all District Development Committees (DDCs). Accordingly, 17 ministries and 71 DDCs have already established GRBCs. For the institutionalization and operationalization of GRBCs and effective implementation of GRB principles at the local bodies, MoFALD is in the process of approving the GRB Localization Strategy, (2015).

The Constitution of Nepal was promulgated on 20 September 2015, representing a key milestone of the Comprehensive Peace Agreement of 2006 and both progression and regression (including in relation to citizenship) for women's rights. The new constitution establishes National Women's Commission as a constitutional body, with the mandate to protect women's rights. It has extended the fundamental rights of the women, with right of women to special opportunity in the spheres of education, health, employment and social security on the basis of positive discrimination. It guarantees women's representation in various government structures and at the leadership level, with at least one-third women's representation in the Federal Parliament, National Assembly, Provincial Assembly, District Coordination Committee, Municipal Assembly, Village Assembly and Ward Committee<sup>14</sup>. It ensures the right to social security for single women who are in a financially backward, physically challenged and in a helpless situation. It guarantees non-discrimination on the basis of gender with regard to remuneration and social security for the same work. It also guarantees equal rights to property. For the first time, this constitution has recognized the need to assess the economic value of women's unpaid work.

Despite Nepal's progress, significant challenges remain with respect to socio-economic inclusion and advancement of vulnerable groups. Such challenges include the limited availability of productive employment and income opportunities, inadequate access to productive assets, and insufficient social protection. The CPAP initiatives under Outcome2 do attempt to address some these gaps, targeting women, Dalit, indigenous groups and youth. People with disabilities are not included in the reporting. Women's ownership of land is still constrained. Outcome 2 does support employment creation and inclusive economic growth through its projects particularly in agriculture, industry and trade. Tourism is another area where there is significant potential.

The following information indicates that emphasis on GESI needs to continue:

- In the recent earthquake, women and girls sustained higher levels of deaths (55%) in comparison to men (45%) Based on the data provided by the Nepal Disaster Risk Reduction Portal Cases of sexual violence increased.

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<sup>14</sup>Constitution of Nepal, Constitution Assembly, Singhadurbar 2015 (Nepali)



- Only 19.7 per cent of households report ownership of land, houses or both in the name of a female member.<sup>15</sup> Limited land ownership by women results in them not being listed as head of households.
- Although women significantly contribute to agricultural activities, they are not often viewed as farmers, and are rarely approached and consulted by agricultural extension service providers.<sup>16</sup>
- Women have limited access to markets, productive resources such as credit, irrigation, seeds, fertiliser and technology.<sup>17</sup>

As was seen in the field visits, although women are increasingly active in the labour force, they are still not as involved as men on DDCs and VDCs. Although progress has been made through the Domestic Violence Act 2009 (prior to this phase of CPAP) and the Sexual Harassment Act 2015, government key informants report that there are challenges with knowledge of the acts and enforcement. Other outstanding issues exist such as the inability to spread women's empowerment campaign to the community level, the fact that women are not represented in all organs of the state, lack of the desired progress in gender mainstreaming in various development dimensions, and the inability to effectively control physical, mental and other forms of violence against women despite its being punishable under the law.

CPAP Outcome 2 has and should continue to incorporate an approach to support gender equality and social inclusion. MEDEP, in particular, reported on inclusion of women and other vulnerable groups. During the field visits, women consistently reported that training and being able to have their own income gave them greater influence within their households. In particular, they reported that they now determine how their money is to be spent. In most instances, they reported that their priority was educating their children, which lays the foundation for improved employability of future generations. Some ideas for moving forward include

- Ensuring that people with disabilities are included in the reporting and not lost as a vulnerable population
- Economic opportunities should broaden from the micro-entrepreneur focus to employment of vulnerable populations within enterprises. Not everyone is able to have all of the abilities and take on the tasks required of an entrepreneur. Nor does everyone wish to. Hence attention needs to focus also on job creation within existing enterprises.
- Supporting the creation of a GESI network with participation from DMEGA, DDCs, VDCs and vulnerable populations. This would require work to engage these groups in order to get GESI better understood at the grassroots level.
- Focusing more on the synergies between entrepreneurship development and the use of renewable energy. In addition to providing energy for enterprises, the availability of energy frees women's time by allowing many of the tasks they perform to be done more quickly, providing more time for paid work.

<sup>15</sup>Government of Nepal, Central Bureau of Statistics 2012. National Population and Housing Census 2011.

<sup>16</sup> UN Women, 2013. Strengthening Gender Equality and Social Inclusive Provisions in Nepal's Agricultural Development Strategy.

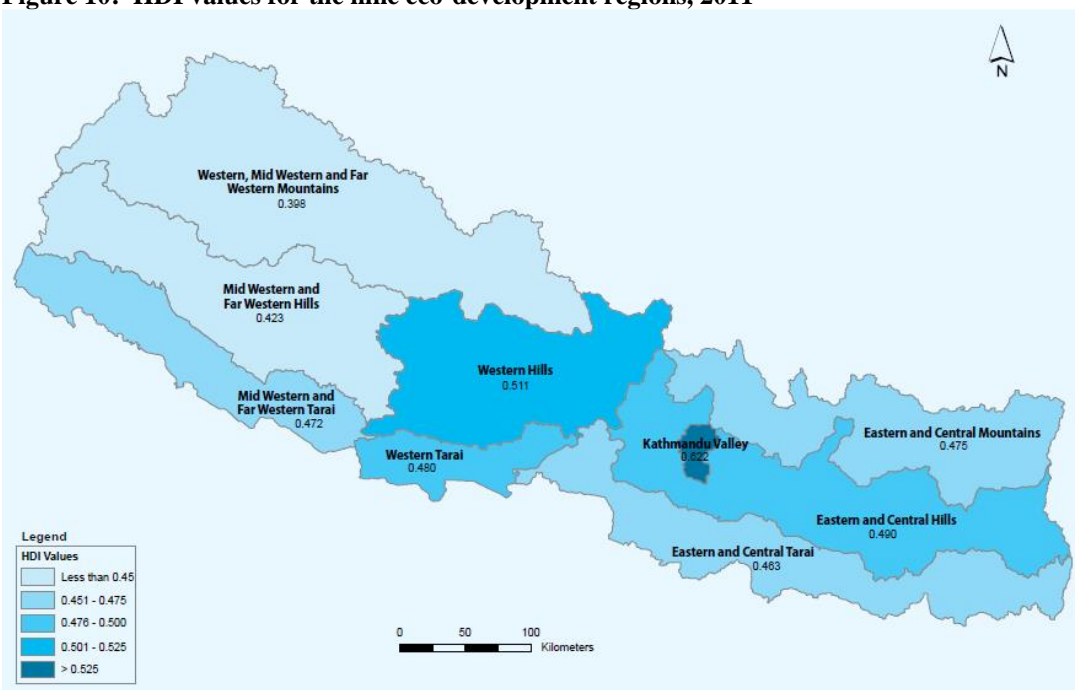
<sup>17</sup>UN Women, 2012. Joint Programme on: Accelerating Progress towards the Economic Empowerment of Rural Women, National Consultative Workshop - Workshop Report.

- Working with the Government of Nepal to review its policies regarding external migration and remittances back to Nepal. While the number of women migrating is increasing, most often it is men who leave, resulting in households without a male head, thus placing an increased burden on women.

### ***Human Development***

The Nepal Human Development Report 2014 was produced jointly by the Government of Nepal and UNDP, using a standardized human development index and percentage of poor. The analysis of human development provides the government with an important planning tool. For example, the following map indicates the regions with the lowest HDI values, supporting selection of geographical areas to target.

**Figure 10: HDI values for the nine eco-development regions, 2011**



Source: Nepal Human Development Report 2014

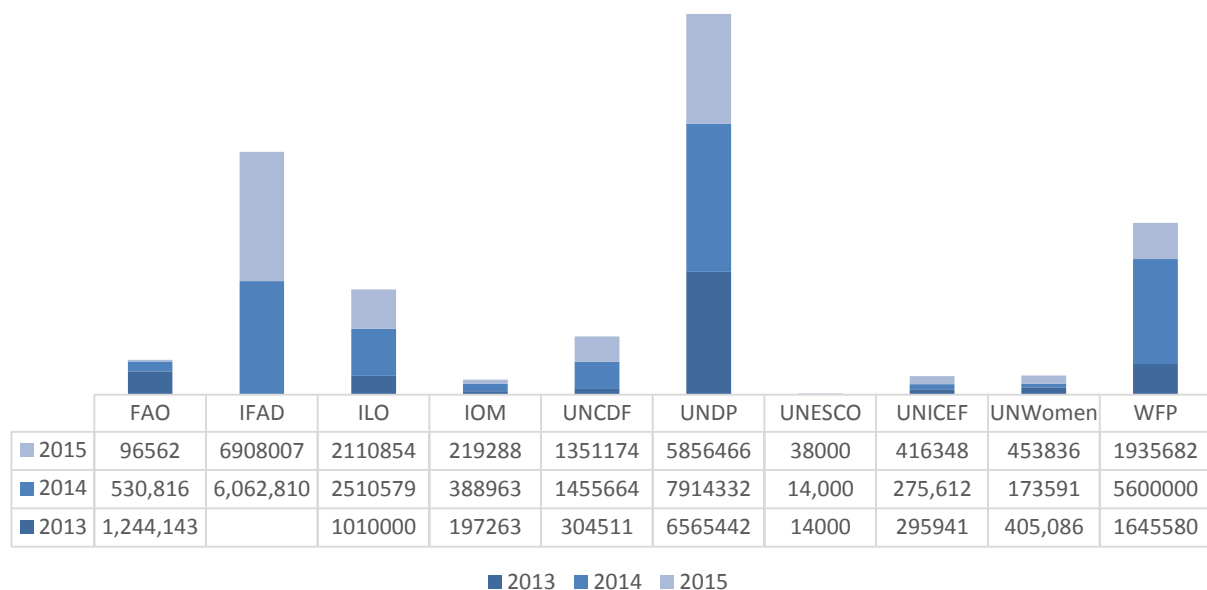
The report also includes HDI values by caste and ethnicity, indicating that Dalits and Muslims have the lowest HDI values. The report provides comparative information for 2001, 2006 and 2011. As with census data in many countries, the data is collected every five years, so does not provide information relevant to this evaluation. The next round of data collection should occur this year.

### ***Factors Contributing to Achievement of Desired Goals***

The following factors contributing to achievement of the desired goals were gleaned through key informant interviews and the evaluators own observations.

- The partnerships formed with other UN agencies and other donors resulted in significantly increasing the resources available to implement the various projects. As shown in Figure 11, from 2013 to 2015, the proportional financial contribution by UNDP decreased substantially. In most instances, UNDP was a minor financial contributor. Without the contribution of other donors, many of the projects would not have occurred.

**Figure 11: Financial Contribution of UN Agencies to Outcome 2**



Source: UNDAF Annual Progress Reports

- The development of concrete projects allowed donors to direct their resources to activities that were focused on goals that were shared, specifically alleviating poverty and promoting gender equality and social inclusion. Donors indicated that because UNDP had a good relationship with the Government of Nepal, they felt their funds would be better used than if the funding went directly to the government. At some point, however, donors hope that the government will have sufficient capacity that more direct relationships can exist.
- Inclusion of VDCs and DDCs as part of the process contributed to capacity building at the regional and local level as well as encouraging them to contribute financially and through supportive policies.
- The emphasis placed on gender equality and social inclusion meant that efforts were directed to those most in need of support. The flexibility in project development which allowed for relatively quick support to entrepreneurs affected by the earthquake. Women and girls are severely affected during conflicts and natural disasters. Based on the information received during the field visits, it appears that the women move into recovery effort more quickly than the men, with much of the initial work falling on their shoulders.

The UNDP recovery projects included psycho-social counselling which supported couples in working together.

### ***Factors Detracting from Achievement of Desired Goals***

One of the most significant factors that detracted from achieving the desired goals was the 2015 massive earthquake and the aftershock. It destroyed buildings and machinery that were needed to carry out businesses. It also had a devastating impact on people who lost family and friends. Although UNDP responded with projects aimed specifically at recovery, there is evidence that there is still much to do to repair hydro stations, replace equipment and repair buildings. This is to be expected given it has only been slightly more than a year since the disaster.

Another challenge is the constantly transitioning government. As with most new governments, stability is an issue. Although there is no longer conflict, frequent changes of the party in power mean new governments with new ideas. The capacity building with government officials is often lost because of turnover. This is likely to continue to be a challenge as the federation evolves .

The status of women and other vulnerable populations provided significant opportunity for improvement, but also created challenges. In 2012, immediately prior to implementation this CPAP, the following conditions existed:

- Only 19.71% of households reported ownership of land, house or both in the name of a female member
- 77.8% of unpaid family labor carried out by women.
- Migration of men caused increased work that women had to do<sup>18</sup>

The current land policies work against women and other vulnerable groups participating fully in the economy of Nepal. The lack of land ownership by women results in their having no tangible assets and interferes with their ability to get loans.

Some donors noted that UNDP's monitoring approach is more formulaic – that is simply counting the numbers rather than taking a more transformative approach that incorporates quality as well. However, looking at the various progress reports, this does not appear to be the actual case. While the reports do include numbers, there is also substantial narrative. Other donors have indicated that they want to see more solid monitoring that provides trends over time. This is needed. There is very little data on trends. Changing the indicators over time makes it difficult to report on trends. As well, in some instances the data is simply not available. This makes it difficult to know where things are working well and where attention is needed. A comprehensive program monitoring and evaluation plan established early in the next phase of the country program, with more rigorous indicator development, would help to resolve this.

Some government staff report that the disparity between compensation levels for UNDP staff compared to government creates issues with capacity development. Most would prefer to work with UNDP because of the higher pay levels. This makes it challenging for the government to hire and retain competent experienced staff. One person referred to the government as the

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<sup>18</sup> 2012 CBS

training ground for UN staff. Addressing this is a challenge because UNDP salary levels are determined globally based on the job requirements. This will not change. However, effort should be made to assist the government in increasing its compensation levels.

### ***UNDP's Contribution to Effectiveness***

Without having precise figures regarding UNDP's, the government's and other donors' contribution to each of the project, it is not possible to determine level of contribution. This is further complicated because UNDP provides extensive supports other than money. There is little doubt that much of what has been accomplished through the CPAP Outcome 2 projects is the result of UNDP taking the lead and providing opportunities for others to follow. Hence UNDP's contribution is critical. Without such contribution, it is possible that many of the projects would not have occurred at all. The partnership approach taken by UNDP helped to leverage the funding needed for implementation.

## **2.3 EFFICIENCY**

It is difficult to determine the extent to which the program has been efficient because of lack of consistent units of analysis for determining efficiency. There is some evidence of efficiencies and some evidence of inefficiencies. UNDP's partnerships with other agencies contributes to efficiency and has helped to leverage resources from other UN agencies as well as other donors.

### ***Completion of Projects on Time and Within Budget***

The following projects depicted in Table 1 were scheduled to end during the period of 2013 – present.

**Table 1: End Date and Budget Utilization of Completed Projects**

<b>Project</b>	<b>Intended End Date</b>	<b>Budget Utilization</b>
<b>CILRP</b>	Changing depending on funding	No indication
<b>LRP</b>	31 December 2015	No indication
<b>RELRP</b>	3 June 2016	95%
<b>RERL 2011-2014</b>	July 2014	100%
<b>CSUWN</b>	June 2013	100%

Source: Annual Progress Reports

Based on the annual reports and input from key informants, it appears that the projects that have been completed were, in fact, completed on time. In no case did overspending of budgets occur. However, the low budget utilization in 2013 and 2014 seems to indicate that the work got off to a slow start. It is often difficult during the first year of any new program or project, but the second year should reflect a full expenditure of resources. The program seems to have come on track in 2015. During the next phase, it will be important to do sufficient advanced planning that full budget utilization is possible right from the start. It appears that this is occurring, given that planning has already started for the CDP 2017 - 2021

### ***Minimization of Duplication***

All of the projects are implemented through partners with donors, NGOs and/or national, regional and local governance bodies. This helps to mitigate duplication but does not prevent it.

Poverty alleviation and promotion of gender equality and social inclusion is a priority for all of the donors interviewed. Not all, such as USAid, work directly with UNDP, hence creating the potential for duplication. However, DFID, DFAT and Norad work collaboratively with UNDP, thus limiting the potential for duplication.

UNDP participates with a number of planning groups that include other donors. This provides the opportunity to collaborate and minimizes the potential of duplication. Such planning groups not only minimize duplication of effort, they are also forum for development of consistent approaches. One example is a table for planning gender equality and social inclusion projects. Based on key informant interviews, it appears that the Asian Development Bank (ADB) and UNDP came to the table with different approaches. ADB wanted a transformative approach and indicated that UNDP came with a more formulaic approach that focused on metrics. Through discussion those around the table reach agreement on a common approach.

### ***Factors Contributing to Efficiencies***

Although development of strong partnerships takes time and appears to be inefficient initially, such partnerships lead to greater efficiencies over time by setting out clear roles and responsibilities and helping to avoid duplication. UNDP works in partnership with other UN agencies and other donors. This contributes to minimizing duplication of efforts. A number of key stakeholders indicated that UNDP's partnerships with others could be strengthened through greater clarity of roles and responsibilities as well as improved communication and stronger mutual accountability mechanisms. UNDP staff report that efforts are being made to address this through regular meetings by senior officials from donor agencies and UNDP.

### ***Factors Detracting from Efficiencies***

The Government of Nepal, UNDP and many donor agencies are large institution with cumbersome rules and regulations that interfere with efficiency. Accountability and transparency is the rationale for many of the rules. However, it can slow down development and implementation of policies. For example, most organizations' procurement rules result in lengthy processes for hiring staff or engaging experts. This frequently results in delays in starting projects. It is unlikely that such practices will change because of concern regarding unfair practices. However, it is important that new staff are oriented to rules and regulations and supported by experienced staff in navigating the system so that they can do so efficiently.

## **2.4 IMPACT**

Although this evaluation did not focus on impact as there was very little hard data to determine impact, the field visits provided evidence of positive impacts that transformed some people's lives.

Positive impact is defined as improvements in people's lives, families and communities. This section focuses on some of the positive impacts that were noted during the field visits. Although it is not possible to generalize from these examples, it does indicate the potential of the program to make changes

## ***Socio-economic Changes in Vulnerable Populations***

As indicated previously the percentage of people living below Nepal's poverty line is decreasing although there are no figures later than 2013. The global hunger index rating for Nepal has been almost halved. Equally important are the impacts individuals have noted in their lives:

- Increased buying power through higher earnings – in some instances this has increased substantially with more opportunities to develop enterprises because of the availability of electricity
- Hunger periods cut from as much as six months of each year to no hunger periods
- Increased variety of food and availability of pumped water for irrigation and sanitation resulting in better diet and improved health
- Increased involvement in decision-making at the household and community level of women and vulnerable social group members
- Greater opportunity for children to attend school because their parents are earning more and the availability of electricity allows student to study at night, supporting better school performance

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*With the Alital Multipurpose Cooperative, the honey production has improved people's livelihood and raised their living standards. The per capita monthly income for the participating entrepreneurs has improved from usd\$56 to usd\$88, an increment of 63%. People have enrolled children at schools and some of them study at higher level. Women's position at society has been recognised and their voices are now well heard. Bee-keeping culture has been developed as part of the community, with some of providing training to others.. The Alital VDC Council has declared the area chemical fertilizer- and pesticide-free in order to produce organic honey.*

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*With the Rustic Potato Store, previously there had been hunger six months of the year. Now they have year-round food sufficiency. Families have increased income and most had savings in the cooperative prior to the earthquake. The income for each entrepreneur ranges from usd\$700 to usd\$1,000. The monthly savings in the cooperative ranges from usd \$50 - \$500 per person. The availability of MEDEP and RELRP assistance helped to build the cooperative initially and re-build it after the earthquake. The community has make use of the assistance to create local employment for a significant number of people.*

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### ***Factors Contributing to Impact***

The projects related to CPAP Outcome 2 were reported to have played a significant role in making changes for individuals, families and communities. Beneficiaries noted that both the financial contribution, the training and the ongoing supports helped them to develop their enterprises, which in turn make a real difference in their lives. The presence of the support contributed to the positive impacts.



### ***Factors Detracting from Impact***

On the other hand where there was lack of support, it noted as one of the most significant detractors, particularly following the earthquake when infrastructure repair has not occurred as quickly as needed.

As well the blockade by India shortly after the earthquake caused fuel shortages, which detracted from the ability of projects to have a positive impact.

In many instances this was not within the control of UNDP and this control will decrease as UNDP devolves more responsibility to the government.

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*Occasionally there are unanticipated impacts. Although the youth club in Mahotari was intended to support peace and development, it has also contributed to raising awareness against child marriage and promoted improved hygiene through increased toilet use.*

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## **2.5 SUSTAINABILITY OF RESULTS**

Many of the results achieved through the projects developed to implement CPAP are likely to be sustained. The instability of the government and the inevitable natural disasters work against sustainability.

Sustainability refers to the continuation of a program, project or initiative that has been developed through CPAP. It also can refer to the continuation of the effect of a program, project or initiative even though the it no longer exists.

Many of the results achieved through this program are sustainable. Following are some examples of sustainability of results:

- The policies that have been developed collaborative with the government and adopted will likely remain in place and be improved over time. There is some concern expressed by donors and UNDP staff that a change in government can mean a change in priorities, so those policies that have not been enshrined are not as likely to be sustained. Whenever a new government is elected, the sustainability of draft policies is in jeopardy.
- It is highly likely that the successful enterprises that have been developed will continue and as others see the successes and learn from each other, the number of enterprises is likely to grow. Some existing enterprises are growing and will continue to expand, thus contributing to their sustainability. However, changes in the economy or natural disasters can effect sustainability of enterprises.
- The knowledge gained by individuals will be retained and will likely be applied in different settings as people move along their career paths. Once people experience the value of learning, they are also more likely to seek learning opportunities.
- Based on the interviews with government officials, change is part of the way of doing business. They understand that there is much work to be done to achieve graduation from least developed country status. This openness to change is likely to be sustained until the government is more stable and as long as laws, regulations, and policies continue to be developed.



As indicated in the key informant interviews with government officials, evidenced-based policy is now the byword with the National Planning Council (NPC). There is a strong commitment to monitoring and evaluation embedded in the constitution as well as within NPC. This helps to assure sustainability of a commitment to evidence-based planning. There needs to be an equally strong commitment to improving the monitoring and evaluation mechanisms on a continuous basis. Evaluation is a relatively new profession and is constantly improving its practices, making it important for practitioners to be constantly upgrading their knowledge and skills.

The attitude changes and sense of empowerment that have been gained through the emphasis on gender equality and social inclusion are a step in the right direction, but may not be sufficiently profound and widespread that they will change role of women and other vulnerable populations in the economic and social fabric of Nepal. In order not to risk regression, it will be important to continue intensive work in this area.

The constant change in the government and unstable nature of Nepal's geography are two key factors that can undermine sustainability. The government is likely to become more stable as it matures. There does seem to be an appreciation that some level of compromise and stability is needed if the government is to be in a position to respond to the inevitable disasters that beset Nepal and be able to move from being a least developed country. Unfortunately natural disasters are highly likely to continue and will continue to undermine Nepal's progression. This cannot be changed, but must be taken into account when UNDP is planning, ensuring that realistic contingency planning occurs. For example, by looking at historical data, UNDP should be able to determine the number and type of facilities funded through its projects that are damaged due to a natural disaster. This is important given that climate change is likely to increase the incidence of flooding and landslides.

### III. CONCLUSIONS AND RECOMMENDATIONS

#### 3.1 CONCLUSIONS

Table 2 outlines the rating of each of the evaluation criteria, based on the findings and the evaluators' interpretation of those findings. The rating standard is attached in Annex J.

**Table 2: Rating of Criteria**

Criteria	Rating Standard	Comments
<b>Relevancy</b>	A. Highly relevant	Alleviating poverty and promoting gender equality is highly relevant in a country with a poverty rate of approximately 23% and minimal participation in the economy by vulnerable groups.
<b>Effectiveness</b>	B. Effective	Some of the indicators were achieved while others were not, The lack of reliable data makes it difficult to assess effectiveness.
<b>Efficiency</b>	B. Efficient	It appears that most projects were completed on time and within budget. The underspending in the second year raises questions about the ability to mobilize efforts efficiently. The participation of UNDP with planning groups contributes to reducing duplication of efforts. It should be noted that one more year remains for implementation of Outcome 2..

Criteria	Rating Standard	Comments
<b>Impact</b>	B. Impact	While it is still early to gauge impact, evidence from the field visits indicates positive impact on some of the individuals, families and communities. There was also evidence of negative impact related to two hydro projects: one where the station has not been repaired, the other where the community raised concerns regarding the dual of function of water for irrigation and hydro power, indicating that there are times when electricity is not available
<b>Sustainability</b>	B. Sustainable	Outcomes such as the enterprises are generally sustainable. Two key factors work against sustainability: the unstable geology of Nepal resulting in numerous natural disasters and the transitional nature of the government.
<b>Gender, Inclusion and Human Right</b>	B. Satisfactory	CPAP has contributed to awareness of gender equality and social inclusion and has provided increased opportunity for women, Dalits, Janajati and indigenous populations. Women are increasingly part of the economy but there appears to be limited participation in decision-making bodies. People with disabilities has not been addressed.
<b>Partnership</b>	B. Satisfactory	The strategy of engaging in partnerships was an essential component of CPAP because UNDP, on its own, did not have sufficient funding to implement the Outcome 2 projects. It provided the opportunity for joint planning and for other funders to contribute to already established projects. Partnering with the government is an essential element in capacity building. Partners indicated that improvements are needed with communication so they are more aware of what UNDP is doing and with monitoring and evaluation in order to improve reporting back to partners
<b>Overall conclusion</b>	B. Satisfactory	CPAP has made important contributions to alleviating poverty and moving towards gender inclusion. These have been some excellent efforts and some issues. The good relationship with the Government of Nepal provides a sound foundation for implementation of CPAP Outcome 2 initiatives. UNDP needs to take care that it encourages increasing independence of the government from UNDP It needs to continue to work on improving relationships with its partners. Alleviating poverty and improving gender equality and social inclusion is such a massive undertaking that much work still needs to occur.

The following provides conclusions related to the key objectives of this evaluation.

### **Extent to which outputs and outcome have been achieved**

As indicated by the progress monitoring, achievement of all intended outputs and outcomes is difficult because there is limited data to determine progress overtime. The data that does exist indicates that some targets have been reached relating to the number of enterprises developed and the inclusion of Dalits, Janajati and women. Although people with disabilities was included in the reporting disaggregation, there is no reporting on that in the monitoring reports. In the absence of a comprehensive monitoring and evaluation plan for Outcome 2, conclusions on this objective is difficult, particularly in light of the changes in indicators over time.

## **Causal linkages between outputs and outcomes**

Information from key stakeholders including Government of Nepal, donors and beneficiaries indicates that the work of UNDP County staff and the outputs produced contributed substantially to the outcomes that were achieved. All acknowledged UNDP's role as the initiating body through CPAP.

## **Factors contributing or hindering outcome achievement**

Contributing factors included:

- UNDP's good relationship with the Government of Nepal
- The development of concrete projects either in partnership with donors, thus leveraging funds from a variety of donors
- Inclusion of VDCs and DDCs as part of the process contributed to capacity building at the regional and local level as well as encouraging them to contribute financially and through supportive policies.
- The emphasis placed on gender equality and social inclusion meant that efforts were directed to those most in need of support.
- The flexibility in project development which allowed for relatively quick support to entrepreneurs affected by the earthquake. Effectiveness of partnership strategy

Two key factors detracted from outcome achievement:

- The massive earthquake in April 2015 and the devastating aftershock in May 2014 destroyed many of the enterprises and supports that had been developed. Substantial rebuilding has occurred but it was a major setback in the movement towards development. Less destructive natural disasters occur frequently in Nepal on a fairly regular basis so much be considered as a risk with all development planning.
- The transitional nature of the government. The federation is new and not yet fully formed. A number of key informants indicate that elections occur relatively frequently which has meant new parties and new people. In fact two elections have occurred recently: November 19, 2013 with the Nepalese Constituent Assembly election and January 22, 2015. Turnover of government staff is also reported by UNDP staff and donors to be fairly high. Capacity building is challenging when people and priorities change.

On three field visits suggested by UNDP staff, community members raised concerns about less than satisfactory results. These concerns were at odds with what UNDP staff reported. The situations are described below:

- The CILRP-supported small scale irrigation canal construction at Mirge VDC is reported by community members to be incomplete, while UNDP staff report that from the UNDP side it is complete. While UNDP reports the project as complete so far as their responsibilities are concerned, the dissatisfaction of community members with the project needs further investigation in order to understand what further is needed to ensure a satisfactory result.
- Community members associated with the Singate hydro facility indicated they would like to have it repaired so that it can contribute energy to the grid, thus providing income to the community. UNDP staff indicated the DEECCS official under the DDC felt that the

repair is not needed because the community will soon be connected to the grid, making the community dependent on the grid. UNDP staff further clarified that the project was supported by the Energy Sector Assistance Program (ESAP) under AEPC and that maintenance of the plant lies solely with DDC, Dolakha and the community.

Communication with the community could help to clarify the situation and leave community members less confused.

- The Anakhola micro hydro plant shares water that is also used for irrigation, an approach that UNDP reports has worked with more than 1000 community-based hydropower projects across Nepal. Many Anakhola community members reported this approach as problematic because it prevents the use of water for hydro at certain points during the day. While it was not possible during a short site visit to determine why this community is having a different experience than others, further communication between UNDP and this community may help to clarify the situation.

### **UNDP's comparative advantages**

UNDP's advantages in realizing the desired achievements include:

- Its history and knowledge in development. It has moved towards supporting country-level development through capacity-building.
- Its good relationship with the Government of Nepal, as previously mentioned
- Its ability to partner with other UN agencies, other donors, NGOs and private sector

### **Lessons Learned**

Some key lessons that emerge from this evaluation are:

- The importance of communication. Partners were often not aware of what UNDP was doing, particularly towards building capacity with the government and the approach to developing enterprises. There were instances of perceptions being contradicted by facts. For example, the notion that MEDEP develops entrepreneurs one individual at a time was not borne out by the evidence gleaned through the field visits. In fact entrepreneurs are provided training in groups, MEDEP staff facilitate groups of entrepreneurs in coming together to form cooperatives or small to medium sized enterprises. Even single-owned enterprises employed others. It may be wise to eliminate the term micro as it is misleading. The micro-hydro station in Dolakha District is another example of issues with communication. Members of the community who spoke with the evaluators were not aware of the plans to connect them to the grid. They reported being unable to get any action beyond a costing of the repair and were highly frustrated with situation.
- The importance of learning and development to ensure that UNDP and MEDEP staff have the capabilities required, taking into consideration the changing nature of the roles and responsibilities as projects are devolved to the government. As UNDP moves into the next phase of the Country Program, this becomes increasingly important as staff will likely need to have greater skill in capacity building so that they become adept in institutional rather than individual capacity building.

- Capacity development is not easy, particularly with a government that is in transition. It is often easier to fall back on ‘doing for’ rather than supporting from behind and empowering them to take ownership. This is evident in many of the policies produced with support from the program. Many reports that should be government reports are reports produced jointly by the government of Nepal, which can undermine the ownership of those reports by the government. UNDP needs to support rather than do with or do for the government. It is reasonable that the support be acknowledged inside the cover of the report, but UNDP needs to back away from joint ownership of reports.
- Not having a monitoring and evaluation system that has well developed indicators with consistent reporting on the indicators over time undermines UNDP’s ability to demonstrate what has been achieved through their programs. Some of the pieces are in place. There are guidelines for developing the system, but no comprehensive monitoring and evaluation for CPAP Outcome 2. While there is an excellent template for indicator development, it does not appear that the indicators for Outcome 2 were developed using this template. In order to support progress reporting, determining impact and ongoing program improvement, it is important that monitoring and evaluation be embedded from the beginning of the next phase. The Nepal Country Office M&E Guidelines provide good direction on how to do this. An overarching theory of change should be included in the plan.
- Partnering contributes substantially to achievement of results. Although it is more difficult to attribute results to UNDP, their initiating and facilitating role is a critical element. It is possible that some of the projects would not have occurred at all without CPAP Outcome 2. UNDP partners with other donors, the government and some NGOs.
- Context is crucial. As the Government of Nepal moves forward in implementing its federation, the context is likely to change dramatically. The intent is to have governance occur at the national, provincial and local levels. It will be important to be aware of the role of each level of government and the implications for economic development. A number of government key informants indicated that functions such as business registration and tax payments will occur at a local level, making it easier for businesses to register. This will need to be taken into account when planning the next phase of the country program.

## **Implications for the next cycle of CPD**

There are a number of implications for the next cycle of the Nepal Country Program:

- Continue to focus on poverty alleviation and improving gender equality and social inclusion. All vulnerable groups still require support. It will be important to include people with disabilities as well women and other groups.
- CPAP projects focused on areas where there was potential for development. This approach should continue with emphasis on areas such as tourism, agriculture (particularly organic products), forestry, crafts, and infrastructure development including hydro, roads, sanitation and water.. As enterprises grow, effort should be made to connect with the international markets in order to provide larger markets as well as contributing to the balance of trade in and out of Nepal.
- Strengthen the focus on capacity-building, shifting the paradigm to institutional capacity building rather than individual capacity building. This will mean helping the Government of

Nepal move more quickly towards doing things for themselves so that they make their own connections with donors and build confidence in their ability to manage their own affairs. UNDP may want to consider shifting to a consultancy model with the Government of Nepal, where they can provide a team of experts that can support improvements in governance, economic development, human rights, etc. In such a model, the government would be responsible to their donors for their own achievements. UNDP's role would be to marshal the needed expertise to assist them. Developing pilot projects that can be used for learning and demonstration is an approach that is already occurring. This could be refined so that the Government of Nepal is involved in the piloting, with the expectation that if the pilot is successful, rolling out of the project would be the full responsibility of the government.

- Take further steps to improve their communication with UNDP's partners so that partners are more aware of what UNDP is doing and how they are doing it. The inclusion of partners in the planning provides an opportunity for establishing clear roles and responsibilities
- Develop an overall theory of change for the next phase and ensure that project level theories are consistent with the program theory. One option is to have an overall theory of change for each major outcome and logic models for each of the projects associated with those outcomes
- Improve overall the monitoring and evaluation of the next phase by embedding it into the program from the beginning and regular reports with complete and accurate data are generated on a regular basis. This will require a comprehensive monitoring and evaluation plan associated with each major outcome that is developed as part of the planning for the next phase. The Guideline on Monitoring and Evaluation UNDP Nepal Country Office provides a good starting point for developing such a plan with its templates and guidance on processes. In order to look at trends over time, ensure that similar data is collected at regularly specified intervals. For example the gender scorecard was last administered in 2013. It would make sense to administer it again in 2017, just prior to implementation of the next phase and again four years later. This would give three points of data and allow for analysis of trends. FAMOS can then be used to monitor the indicators and generate regular reports.

## 3.2 RECOMMENDATIONS

The recommendations address key areas that can be considered in developing the next round of UNDAF and the CPD.

1. Poverty alleviation and gender equality and social inclusion continue to be important areas to address. UNDP should consider a broader definition of poverty alleviation that includes providing direct supports to individuals within the targeted populations, as it already does, and incentives to established enterprises to provide decent employment to individuals within the targeted populations.
2. UNDP should continue its role of supporting demonstration projects that work and then devolving those that work well to the Government of Nepal. This would be consistent with the intent of the government to graduate from being a least developed country through creating an enabling policy environment, investment in infrastructure, and skills development. This would include energy, economic development, and gender equality and social inclusion projects as well as project with a strong environmental focus

3. As it did with CPAP, the CPD should focus on economic development in those areas that show greatest potential such as agriculture, tourism, crafts, forestry, and infrastructure development.
4. The upcoming CPD needs to place even greater emphasis on building the capacity of the Government of Nepal and devolving responsibility for policy development and program implementation to them. This would be consistent with the National Implementation by Government of UNDP Supported Projects: Guidelines and Procedures. It will be important to think outside of the current parameters and move towards a complete paradigm shift in order to increase the building of capacity with the Government of Nepal. For example, UNDP has already begun the process of transferring MEDEP functions to the government's MEDPA. It is occurring more slowly than planned in part because of the government's capacity. The MEDEP staff have proven capability, but are reported to be reluctant to leave for a government job because of income disparity. UNDP could consider establishing a process for transferring MEDEP staff, all of whom are Nepalese, to MEDPA thus increasing the government's capacity to deliver the program substantially. Such transfer would need to take into account the income disparity, with UNDP supplementing the incomes for a period of time, perhaps two years. This would be need to contingent on an agreement with the government to cover the salaries fully at the end of the time period.
5. UNDP needs to shift the emphasis of its work with government from a 'doing with' approach to a supporting and empowering approach. This could be reflected through subtle changes such as having UNDP's support acknowledged rather than being presented as an equal partner. It is important that the government be given the opportunity to produce its own policies and implement its own programs and learn through the process. UNDP could play a strong mentoring role.
6. UNDP should continue its approach as facilitator, coordinator and demonstrator. It already establishes projects to which other UN agencies, donors and NGOs can contribute and/or collaborate. In order to gain increased credibility in this role, UNDP needs to address some of the issues raised by donors including communication, accountability and the capacity of UNDP staff to meet the changing expectations that the new roles will demand.
7. The discrepancies between what is reported by some UNDP staff and what was reported by or observed in some communities requires further investigation in order to understand the reasons that such discrepancies exist and to take corrective action.
8. UNDP needs to imbed monitoring and evaluation in CDP from the beginning. The information generated from such a system would support improved accountability and communication. The Guidelines for Monitoring and Evaluation can service as an excellent starting point. Specifically, the performance monitoring system should include:
  - Development of an overarching theory of change for upcoming CDP and each of its major outcomes
  - Development of measureable indicators, using a template in the M&E guidelines. Where possible these should build on indicators where data is already being collected

- Collection of baseline data as early in the project as possible
- Move quickly towards the implementation of FAMOS so that data collected and stored electronically, using a system that can easily generate reports
- Continued quarterly reporting of progress to senior management, providing evidence of the extent to which projects have met their targets, keeping in mind that targets need to go beyond the products produced or services provided and measure the difference those products and services are making

Where funding is being funneled through UNDP, the new system should provide an opportunity for customized reports to be provided to donors that fit their needs and timing.

9. As the role of UNDP shifts during the next phase of CPD, the competencies of UNDP staff are also likely to shift. This requires that greater emphasis be placed on learning and development. An effective learning and development system includes a performance assessment that focuses on current and future expectations. A professional development plan needs to be created jointly between staff person and manager to ensure that it reflects the competencies that need to be acquired or upgraded. It needs to include specific activities for which the staff person takes responsibility and that are supported by UNDP in terms of making time available as well as some financial support.



## **ANNEX A: EVALUATION TERMS OF REFERENCE**

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## **UNDP NEPAL TERMS OF REFERENCE**

### **Outcome Evaluation: UNDAF/CPAP Outcome 2**

#### **1. BACKGROUND AND CONTEXT**

Based on the United Nation Development Assistance Framework (UNDAF, 2013-2017), UNDP Country Program was formulated on the principle of human rights, gender equality, environmental sustainability, capacity development, and result based management. While outcomes and indicators are directly drawn from UNDAF, UNDP's country Program is anchored around three interlinked areas; advancing equality through equity, protecting development gains and creating an enabling environment for enhanced international cooperation UNDP contributes to 9 out of 10 UNDAF outcomes.

UNDAF Outcome 2 – “Vulnerable groups have improved access to economic opportunities and adequate social protection” primarily focuses on economic empowerment and employment creation for vulnerable groups for poverty reduction and reduced inequality by creating enabling policy and institutional environment and capacity building of government and community institutions and expanding livelihood assets of vulnerable groups. UNDP Country Program Action Plan (CPAP) and M&E framework for UNDAF Outcome 2 is in *annex-1*.

Prolonged political transition, expected to end in early phase of UNDAF, continues even after the promulgation of constitution in October 2015. Hence Nepal could not focus much on economic agenda that can support growth promotion and employment opportunities for the poor and vulnerable. While UNDP remains focused to achieve the results defined under outcome 2, it had to make some adjustments in its strategy and approaches and has revised some targets and indicators.

#### **National Context**

Nepal has gone through unprecedented changes over the past one decade. Following the signing of the Comprehensive Peace Agreement (CPA) that ended a decade long armed conflict in the country, Nepal, in 2006, entered into a complicated political transition. The promulgation of a new constitution of Nepal in 2015 implies fundamental changes in the country's governance system. Nepal is moving from being a constitutional monarchy to a republic and from a unitary system to a federal structure. Nepal's new constitution has several fundamental rights such as right to food, right to education, right to employment that are directly linked to human development and poverty. The federal structure will change substantially the way development activities are carried out in the country. The provincial government will play a major role for development activities and service delivery that directly contribute to poverty reduction and economic empowerment of people.

On the economic side, Nepal has been performing poorly for the last several years. The average economic growth of the past one decade has remained below 4%. There has, however, been a satisfactory progress in poverty reduction. According to the Nepal Living Standard Surveys, % of people below national poverty line, which was 42% in 1996/97, went down to 31% in 2004 and further reduced to 25% in 2010/11. The poverty rate was estimated at 23.8% before the start of the thirteenth plan in mid-2013. The draft approach paper for the fourteenth plan has estimated that the poverty rate in the past three years has further reduced to 21.6% - two percent point reduction. Despite the challenges, Nepal aims to graduate from the status of Least Developed Countries (LDCs) by 2022 and upgrade to middle income status by 2030.

Inequality continues to remain a challenge for Nepal. Gini-coefficient that measures income inequality remained at 0.33. Despite good progress in national poverty reduction, disparity by location and social groups is still very high. According to Nepal Living Standard Survey Report III, poverty is still concentrated in rural areas (27%) against 15% in urban areas. The poverty in Far-west (45%) is over twice higher than in the eastern region (21%). Hill Dalits (43%) have as high as four times higher poverty rate than that of hill Brahmin (10%). As these data come from NLSS only, no further updated data is available.

Economic growth is fundamental to employment creation. Due to low economic growth, Nepal has not been able to create sufficient employment opportunities. The employment growth has remained at 2.9%. Out of the total population, 30% are under-employed. This is primarily because of the low growth of the agriculture sector where most of the poor are concentrated and as a result, roughly 450,000 youths migrate abroad in search of employment opportunities every year.

Access to energy plays an important role to advance people's economic opportunities. In Nepal, renewable energy is the best possible solution for providing energy access to vulnerable groups and people living in remote areas. In the past three years, additional 289,523 households (HHs) were connected to solar energy and additional 589,000 households (HHs) with improved cooking stoves. Households benefitting from renewable energy has increased to 15% from 13%.

In 2015, or third year of CPAP implementation, devastating earthquake of April 25 and May 12 caused approximately. 8500 human casualties and damage of over 500000 houses was incurred, followed by fuel crisis and shortage of goods and materials as a result of the border blockade in the south. Nepal suffered huge loss both socially and economically. According to the Post Disaster Needs Assessment, the earthquake will end up pushing an additional 2.5 to 3.5 percent Nepali to poverty in FY 2015/16 which translate into at least 700,000 additional poor. The economic growth fell to 0.77% in the last fiscal year. It is estimated that approx. USD 7 billion is required for the recovery.

Despite the political instability and armed struggle coupled with low economic growth, Nepal's MDG achievement has been remarkable. It is primarily due to government commitment and proactive role in creating an enabling environment for mainstreaming MDGs in its development planning and programming from the early stage. Regular monitoring of MDGs contributed to inform government and stay focused for the achievement of MDGs. As MDGs have come to an end after 2015, the United Nations with the endorsement of world leaders brought Sustainable Development Goals, a new global development agenda by 2030. SDGs are the agenda of people,

planet and prosperity. Unlike MDGs, SDGs give more emphasis on economic agenda. Accordingly, the economic agenda is expected to take centre in the coming days globally, including Nepal.

### **UNDP's support and engagement**

Under the outcome 2, UNDP's support is structured into three broad areas: 1) creating an enabling environment for evidence based policy making through generation of information and knowledge products to inform pro-poor policies, 2) support for enterprise development and employment creation for the poor and vulnerable, 3) enhancing livelihoods asset through energy access and environmental services. Institutional capacity development cuts across all areas.

Under pro-poor policy support, UNDP supported the formulation of national development plans, assessment of national policies, strengthening national M&E system and support for data generation and statistical system of Nepal through its partnership with National Planning Commission and Central Bureau of Statistics. While UNDP intended to support NPC for the preparation of National Inclusive Growth Strategy as a tool to inform national plans and Programs, we had to replace it with the preparation of LDC graduation strategy which is the government's key priority.

Under support for enterprise development and employment creation, UNDP has applied a two-pronged approach – 1) capacity building of the Ministry of Industry and DDCs, business development service providers to create micro-entrepreneurs in an efficient and sustainable way, and 2) direct support for creation of entrepreneurs from poor and vulnerable groups.

Under the third component: enhance access to energy and environment services, UNDP's support is directed to the promotion of natural resource based enterprises, wetland management, climate risk management and promotion of renewable energy services in rural areas. This is to link energy services with the expansion of energy based enterprises and economic opportunities for rural development. In addition, this component also aims to strengthen the institutional capacity of the Alternative Energy Promotion Centre (AEPD) as one of the key strategies to ensure access to energy and energy services in remote parts of Nepal.

## **2. EVALUATION PURPOSE AND OBJECTIVES**

### **2.1. Purpose of evaluation**

The main purpose of the outcome evaluation is to assess Program results, review UNDP's strategies and approaches in relation to the achievement of outcome 2 and also to provide forward looking recommendations for UNDP's Program focus and strategies for poverty reduction and inclusive growth to inform upcoming UNDAF and Country Program Document (CPD).

### **2.2. Evaluation objectives**

Main objective of this evaluation is to assess UNDP's contribution towards the achievement of outcome 2. Specific objectives of the outcome 2 evaluation are to evaluate:

- a) the extent to which planned outcome and the related outputs have been, are being achieved, or likely to be achieved;
- b) the causal linkage by which outputs contribute to the achievement of specified outcome;
- c) concrete evidence of the UNDP contribution to the outcome including the use of case studies as a tool to explain results;
- d) factors that facilitate and/or hinder the progress in achieving the outcome, both in terms of external and internal environment to the portfolio interventions, including: weaknesses in design, management, human resource skills, and resources;
- e) UNDP's partnership strategy for the achievement of outcome 2;
- f) strategic values and comparative advantages of UNDP in contributing to the outcome and
- g) lessons learned from the implementation of the interventions.

### 3. EVALUATION SCOPE

The scope of this evaluation is to evaluate the collective results of UNDP's contributions towards improved access to economic opportunities and employment creation for poor and vulnerable groups. In addition to the projects directly under outcome 2, Livelihood Recovery for Peace (LRP) that is under outcome 9 will also be assessed to document UNDP's contribution and lessons for area-based integrated poverty reduction/livelihood support Program for ultra-poor and excluded groups.

Key projects to be evaluated:

1) **Micro Enterprise Development Program (MEDEP, 2013-2018)**, which started as a pilot initiative in 1998 has come a long way with financial support from Australian Aid, DFID, New Zealand Aid, and CIDA. Aimed at promoting off-farm employment and catering to the needs of socially excluded groups, MEDEP has created 70,000 micro-entrepreneurs. It gives high priority to gender and social inclusion (GESI). 68% of beneficiaries are women, 23% Dalit, 36% indigenous nationalities, 19% Madhesi, and 55% youth aged between 16 and 40. MEDEP entrepreneurs have produced goods and services worth Rs 9.5 billion with a production cost of Rs 2.6 billion and earned a whopping profit of Rs 6.9 billion. After successful implementation for the past 18 years, MEDEP is now on the fourth phase (MEDEP IV, 2013-2018) focusing on helping the Government of Nepal (GoN) institutionalize the MEDEP model into its Micro-Enterprise Development for Poverty Alleviation (MEDPA). It also supports capacity development to government and stakeholders for sustainable delivery of micro-enterprise development services.

2) **Strengthening National Planning and Monitoring Capacity (SNPMC, 2013-2017)** provides support to the National Planning Commission (NPC) and the Central Bureau of Statistics (CBS) to enhance evidence-based planning and policy making. It intends to generate high quality data and statistics, strengthen the national M&E system, and develop institutional capacity. SNPMC gives high priority to mainstream environmental and climate change issues into planning and policy formulation. The total budget is USD 4.9m funded by UNDP, UK aid, and UNEP. SNPMC supported to align line ministries to National M&E system, good number of government officials are trained on M&E, evaluation national capacity

is enhanced, supported the production of result framework of 13<sup>th</sup> development plan, National Human Development Report 2014, MDG Progress Report 2013, SDGs National Report 2015, Annual Household Survey Reports 2013/14 and 2014/205 and Climate Budget Code. By the end of the project, it is expected that National Strategy for the Development of Statistics (NSDS) is prepared and implemented, Annual Household Survey is introduced and institutionalized, and NPC's capacity is strengthened.

2) **Support to Knowledge and Lifelong Learning Skills (SKILLS, 2015-2017)** Program was developed in April 2015 by the Government of Nepal, Ministry of Education (MoE), and UNDP with the objectives to promote policy coherence and design Monitoring and Evaluation (M&E) system design for quality assurance and knowledge management. It has involved public, private sector, organizations, and donors in the reform of TVET policy 2012, and conducted studies to bridge gaps in TVET provisions in relation to employment, income and livelihood improvement potentials. The Program is planned for 3 years between April 2015 and December 2017.

3) **Livelihoods Recovery for Peace (LRP, 2009-2015)** was an integrated community-based development initiative that aims to strengthen the capacities of local institutions and poor households and communities to respond to livelihood recovery needs and contribute to peace building. LRP was implemented in three of Nepal's Southern districts where poverty, conflict and natural disasters have hindered development. Lack of livelihood recovery opportunities and abject poverty seriously threaten peace and social harmony between people of multiple ethnicities. Women, youth, conflict-affected people, and poor and socially excluded communities were in the target groups for the project. The project period was from 2009 to 2015. The project was funded by UNDP and Norwegian Government with the budget amounting to US\$ 9.68 million. The implementing partners for this project were the District Development Committees, Women and Children's Office, Non-Governmental Organization and Youth Networks.

4) **Rapid Enterprise and Livelihoods Recovery Project (RELRP, 2015-2016)** is designed to provide quick enterprise recovery support to micro-entrepreneurs severely affected by earthquake in seven MEDEP districts: Nuwakot, Rasuwa, Sindhupalchowk, Kavre, Dolakha, Ramechhap and Sindhuli. Funded by the Australian government, RELRP also promotes social cohesion and local economic recovery by supporting selected earthquake survivors to establish new micro-enterprises. Its activities include enhancing technical skills, settling up Common Facility Centers, marketing and business counseling, psycho-social counseling, and entrepreneurship skills training. Through the Program, 12,059 affected MEDEP/MEDPA entrepreneurs were revived and at least 1,500 new micro entrepreneurs were created.

5) **Community Infrastructure and Livelihood Recovery Project (CILRP, 2015-2016)**, supported by the Government of Mauritius, aims to rehabilitate communities and reconstruct infrastructures to promote local enterprise recovery. Community infrastructures cover those that are productive to the people who have been worst affected by the disaster and

who are vulnerable to future disasters. These include community building, rural access, and support to agriculture, rural energy and basic service, such as community lodge, trail, irrigation, water mill, and waste management.

6) **Renewable Energy for Rural Livelihood (RERL, Transition phase, 2011-2014)** was initiated upon the successful completion of Rural Energy Development Program (REDP, 1996-2011) and funded by the Government of Nepal (GoN), UNDP, and the World Bank (WB). The objective of RERL was to contribute to economic, environmental and social benefits of the rural people by removing barriers that have hindered the wider promotion and use of renewable energy resources particularly in rural areas of Nepal. It provided technical and managerial support to AEPC to fulfil its commitments under partnership agreements signed with the WB in regards to implementation of MHVEP.

7) **Renewable Energy for Rural Livelihood (RERL, 2014-2019)** was developed as an integral part of Alternative Energy Promotion Centre (AEPC)'s National Rural and Renewable Energy Program (NRREP) which represents the collective baseline activities on renewable energy. The main objective of RERL is to support AEPC to remove barriers for scaling up promotion of lesser disseminated larger renewable energy systems such as mini hydro, large micro hydro and large solar PV systems. RERL intends to provide incremental support to NRREP by providing technical assistance to develop sustainable implementation modalities. The core strategies of RERL include demonstration projects and private sector involvement for financing and attainment of financial sustainability through promotion of productive energy use.

8) **Conservation and Sustainable Use of Wetlands in Nepal (CSUWN, 2008-2013)** was a joint undertaking of the Ministry of Forests and Soil Conservation (MoFSC), Government of Nepal, Global Environment Facility (GEF) and UNDP Nepal. It was designed to address the root causes of wetland degradation and loss of wetland habitats by integrating wetland management and conservation issues into national policies and plans and to strengthen national capacity by linking national actions with activities in its project sites namely Koshi Tappu Wildlife Reserve and Ghodaghodi Lake Area. CSUWN has accumulated some key experiential learnings on wetland biodiversity conservation values, its policy and planning frameworks, building institutional capacity and awareness raising and collaborative management of wetland resources for the conservation and sustainable livelihoods during its five years implementation. For effective and pragmatic implementation, it adopted a community based wetland management and conservation approach and paid equal attention to conservation and development issues by involving women, poor, indigenous and wetland dependent communities. CSUWN has envisioned three major outcomes, viz. (i) wetland biodiversity conservation values integrated into national policy and planning frameworks; (ii) strengthened national institutional, technical and economic capacity and awareness for wetland biodiversity conservation and sustainable use; and (iii) enhanced collaborative management of wetland resources for conservation and sustainable livelihoods.

## 4. EVALUATION CRITERIA AND RATING

### 4.1.Evaluation Criteria

Variable	Evaluation Questions
	The evaluation will assess UNDP Programs and projects based on the following evaluation questions mentioned under different criteria:
Relevance	<p>It assesses how UNDP Programs/project interventions are relevant with UNDAF outcome 2, CPAP, UNDP mandates, and national priorities, including:</p> <ol style="list-style-type: none"><li>1. To what extent have UNDP objectives, Programs and interventions addressed national priorities of poverty alleviation, achieving MDG targets, LDC graduation, etc. to which CPAP was aligned?</li><li>2. How appropriately are UNDP interventions (MEDEP, SNPMC, SKILLS, RELRP, CILRP, RERL, and LRP projects) designed in line with UNDP's mandate and principles of gender equality, social inclusion, and human development?</li><li>3. To what extent is UNDP's engagement in the area of poverty and policy reform a reflection of strategic considerations given UNDP's comparative advantages and role in Nepal's development context</li><li>4. Whether the UNDP current approaches, strategy, resources, intervention models and conceptual framework are relevant to achieve the planned outputs and outcomes?</li><li>5. How UNDP has been able to adapt its Programs to the changing context of Nepal and to address priority needs of the country? Whether the UNDP program/project designs are appropriate in terms of geography, population coverage, and meeting the needs of women and marginalized groups in Nepal's context?</li></ol>



<b>Effectiveness</b>	<p>It is a measure of how UNDP has contributed to address the developmental challenges initiated and achieved by the government or other UNDP counterparts. Following set of questions would be used to find out the effectiveness:</p> <ol style="list-style-type: none"> <li>1. To what extent have UNDP Programs and projects (MEDEP, SNPMC, SKILLS, RELRP, CILRP, RERL, and LRP) achieved/not achieved or are on the right track in achieving planned outputs and outcomes?</li> <li>2. How have corresponding outputs delivered by UNDP affected the outcomes, and in what ways have they been effective?</li> <li>3. What is the effectiveness in utilization of technical assistance provided by UNDP and its Programs/projects during implementation?</li> <li>4. What has been the contribution of partners and other organizations to the outcome, and how effective have UNDP partnerships been in contributing to achieving the outcome?</li> <li>5. What are the contributing and hindering factors for effective implementation of UNDP Programs and projects?</li> <li>6. What were the positive or negative, intended or unintended, changes brought about by UNDP's work?</li> <li>7. To what extent were partnership modalities conducive to the delivery of outputs?</li> <li>8. To what extent outcomes achieved benefitted women and men equally?</li> <li>9. How did UNDP promote gender equality, human rights and human development in the delivery of outputs?</li> <li>10. How have the UNDP interventions targeted beneficiary groups and geographical areas to respond to women, marginalized populations and other target groups?</li> <li>11. How women, the poor, socially and geographically marginalized people including Madheshi, Janajati and people living with disabilities were mainstreamed in UNDP program/project interventions?</li> <li>12. To what extent has UNDP's approach to GESI mainstreaming been effective?</li> </ol>
<b>Efficiency</b>	<p>This is a measure on how UNDP organized itself in delivering quality outputs in a cost effective way. Following questions are suggested to assess efficiency of UNDP related outcomes:</p> <ol style="list-style-type: none"> <li>1. Whether there have been any efforts from UNDP to minimize duplication among UNDP's own interventions and interventions delivered by other organizations or entities in contributing to the outcome?</li> <li>2. What is the Benefit Cost Ratio (BCR), Financial Internal Rate of Return (FIRR) and economic internal rate of return in community level intervention projects like Micro Enterprise Development Project (MEDEP) and Livelihood Recovery for Peace Project? And how the per unit cost is in selected</li> </ol>

	<p>interventions?(E.g. development of a micro-entrepreneur, micro-entrepreneur skill building training, etc. compared with cost incurred in other agencies?)</p> <ol style="list-style-type: none"> <li>Whether UNDP Programs/projects are implemented/completed in stipulated time? If there were any variations, what were the reasons? Whether the reasons were documented well? If yes were they valid? If not what were the reasons?</li> <li>Whether the UNDP social Programs/projects (MEDEP, SNPMC, SKILLS, RELRP, CILRP, RERL, and LRP projects) adopted cost effective approach during implementation. If yes, how could they be valid?</li> <li>How was the resource allocation a priority and practice within the UNDP Programs and projects?</li> <li>To what extent were partnership modalities conducive to the delivery of outputs?</li> <li>How is the monitoring system? Does it generate data and provide inputs to learn and carry on the implementation accordingly?</li> </ol>
<b>Impact</b>	<p>It is a measure on how the UNDP interventions have made changes in the livelihood of people and changes in policy towards the poor and marginalized people. The outcome evaluation would not be able to assess directly on the impact but it will assess some aspects of impacts of the Programs/projects through the following questions:</p> <ol style="list-style-type: none"> <li>How many new jobs have been created by UNDP Programs/projects (MEDEP, SKILLS, RELRP, CILRP, LRP and RERL)? Did women, the poor, and marginalized people get into work through those interventions?</li> <li>How many people directly came out of poverty due to UNDP Program/project interventions? How many of them were women or from disadvantaged groups?</li> <li>How did UNDP interventions contribute to increase food security at household level among the target population? How did they contribute to reduce youth migration? How the interventions contributed on import substitution and LDC graduation of Nepal?</li> <li>How these Programs have met the development expectation of local people?</li> <li>Were there any policy changes in favour of the poor and marginalized people created as an effect of UNDP partnership?</li> </ol>
<b>Sustainability</b>	<p>This is a measure on how results generated from the UNDP Programs/projects are sustainable. This can be measured the following questions:</p> <ol style="list-style-type: none"> <li>How strong the level of ownership over results is derived from UNDP Programs/project intervention by the relevant government counterparts and other stakeholders e.g. NPC, CBS, MOI, MOE?</li> <li>What is the level of commitment from the Government and other stakeholders to ensure sustainability of the results achieved and to support the continuation of benefits?</li> </ol>

	<p><b>3.</b> How are the results achieved through UNDP’s support institutionalised into national and local institutions including government institutions?</p> <p><b>4.</b> Are there policies and regulatory frameworks in place that support the continuity of benefits/results?</p> <p><b>5.</b> What are the challenges to sustain the achieved results?</p> <p><b>6.</b> Are there sustainability strategies developed and implemented to ensure sustainability of results, systems, and structures?</p>
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## 4.2.Evaluation Rating

Overall evaluative conclusions and recommendations will be rated as follows:

SN	Criteria	Rating Standard
A	Relevancy	A. Highly relevant B. Relevant C. Not relevant
B	Effectiveness	A. Highly effective B. Effective C. Not Effective
C	Efficiency	A. Highly efficient B. Efficient C. Not Efficient
D	Impact	A. High impacted B. Impacted C. Not impacted (Should consider both positive and negative)
E	Sustainability	A. Highly sustainable B. Sustainable C. Not Sustainable
F	Gender, Inclusion and Human Right	a. Highly satisfactory B. Satisfactory C. Unsatisfactory
G	Partnership	A. Highly satisfactory B. Satisfactory C. Unsatisfactory
	Overall conclusion	A. Highly satisfactory B. Satisfactory C. Unsatisfactory

## 5. METHODOLOGY

The outcome evaluation team has to develop evaluation methodologies including approach, tools and techniques for data collection and information analysis, as well as evaluation matrix in the proposal as per the format attached in *Annex-2*. The evaluation team is expected to apply a mixed method approach to collect both quantitative and qualitative data, primary and secondary data to validate and to triangulate data. The data collection methods used are expected to be participatory and inclusive of disadvantaged and marginalized populations. The evaluation will follow the guidelines below:

Outcome evaluations include four standard categories of analysis:

- An assessment of progress towards the outcome,
- An assessment of factors affecting the outcome,
- An assessment of key UNDP contributions to outcomes, and
- An assessment of the partnership strategy used.

The data collection methods should include, but not limited to,

- Desk reviews of relevant documents (UNDP Strategic Plan 2013-2017, UNDAF Nepal, CPAP, Sustainable Development Goals 2016-2030 National Report, project documents, progress reports, relevant evaluation reports and studies, etc.);
- Review key government policy documents e.g. 13<sup>th</sup> plan, SDGs national report, MDG terminal report, 13<sup>th</sup> plan review report etc;
- Key informant interviews at the national and sub-national level;
- Focused group discussions at the national, sub-national and community level;
- Direct observations during field visits to selected sites;
- Administration of surveys/questionnaires

## **Evaluation Process**

The evaluation will unfold in three phases, each of them including several steps.

### **a) Design phase**

- Document and desk review as mentioned above,
- Stakeholder mapping (a mapping of stakeholders relevant to the projects contributing to poverty reduction and livelihood promotion. The mapping exercise will include government and civil society stakeholders and indicate the relationships between different sets of stakeholders,
- Analysis of the UNDAF, CPAP and Poverty and Inclusion related Projects' Result Resource Matrixes, the Evaluation Matrix),
- Finalization of the list of evaluation questions,
- Development of data collection and analysis strategy as well as concrete work plan for the field phase,

At the end of this phase, the review team will produce an inception report, displaying the results of the above mentioned steps and tasks.

### **b) Field phase**

After the design phase, the evaluation team will undertake in-country field visits to collect and analyze the data required in order to answer the final evaluation questions and consolidate during the design phase. The evaluation methodology should be representative to cover different types of poverty interventions done under UNDP projects and Programs. The evaluation team should make a visit to at least four sites in four different districts covering all projects (Please see *Annex-3* for the reference on project field presence). At the end of the field phase, the evaluation team will provide the UNDP and stakeholders a debriefing presentation on the preliminary results of the review, with a view to validate preliminary findings and test tentative conclusions and/or recommendations.

### **c) Synthesis phase**

During this phase, the evaluation team will continue the analytical work initiated during the field phase and prepare a first draft of the outcome report, taking into account comments made by the UNDP and stakeholders at the debriefing meeting. The first draft of the report will be submitted to the Reference Group, Implementing Partners and stakeholders through UNDP for comments in writing. Based on the comments from the Reference Group, Implementing Partners and stakeholders, the second draft of the report will be prepared. The second draft will

be presented at the In-country validation meeting, which should be attended by the key Program stakeholders, including Implementing Partners, and UNDP staff. The final report will be drafted shortly after the meeting, taking into account comments made by the participants.

#### **Key Stakeholders to be consulted**

- National Planning Commission (NPC)
- Central Bureau of Statistics (CBS)
- Ministry of Industry (MoI)/(District Cottage and Small Industry), Cottage and Small Industry Development Board)
- Micro enterprise Development –Service providers (MEDSP)
- NEDC, National Micro Entrepreneurs Federation Nepal( NMEFEN) , District Micro Entrepreneurs Group Association (DMEGA)
- Ministry of Federal Affairs and Local Development (MOFALD)/ District Development Committees (DDCs)
- Ministry of Population and Environment (MOPE)/ Alternative Energy Promotion Center (AEPC)
- Ministry of Cooperative and Poverty Alleviation (MOCPA)
- Ministry of Education (MoE), Council of Technical Education and Vocational Training (CTEVT)
- DFAT, DFID, KOICA, SDC, DDCs, NGOs, youth clubs and networks, cooperative division

## **6. EVALUATION PRODUCTS**

The evaluation team is expected to produce the following deliverables:

- **Evaluation Inception Report** detailing the evaluation team understanding of what is being evaluated and why, an evaluation matrix outlining which data collection methodologies will be used to address each of the evaluation questions, a proposed schedule of tasks. A presentation of the inception report will be made to and discussed with UNDP including and key stakeholders. Please *Annex-4a* for the requirements of what to be included in the Inception Report.
- **Draft Evaluation Report** to be shared with UNDP and relevant stakeholders for feedback and quality assurance.
- **Evaluation debriefing** meeting with UNDP and key stakeholders where main findings will be presented.
- **Final Evaluation Report** (Content format is attached in the *Annex-4b*)
- **Sharing presentation** of the final Evaluation Report - a concise summary of the evaluation findings in plain language that can be widely circulated. This can be in a form of a PowerPoint presentation
- **Submission of the Final Evaluation Report**, electronic as well as hard copies.

## **7. EVALUATION TEAM COMPOSITION AND COMPETENCY REQUIREMENTS**

The evaluation will be carried out through a firm to be selected through competitive selection process. While the firm will assume overall responsibility to ensure the quality of evaluation products and process to be followed as per the TORs: it is envisioned that it will have a gender balanced team of experts.

The consultancy period for the firm will be between June and the end of August 2016.

#### **7.1.Evaluation Team Leader cum Policy Expert (one International position, 30 working days)**

##### **Roles and responsibilities:**

- Assume overall responsibility to produce inception, draft and final outcome evaluation reports;
- Be responsible for the designing of evaluation, coordination of the Evaluation Team and timely submission of all deliverables, assuring quality;
- Lead the team for desk review analyses, discussions and meetings, assign clear roles/responsibilities/deliverable for each of the team members, prepare presentation and present the findings of the report to different stakeholders;
- Assess UNDP's contribution in creating enabling policy environment for pro poor and inclusive growth policies/plans/Programs for poverty and inclusion;
- Provide specific recommendations and way forward for UNDP's policy level engagement for pro poor policy and inclusive growth.

##### **Qualification/Experience**

- Ph. D in economics and other related field with sound technical knowledge on poverty, employment and inclusive growth;
- At least 10 years of working experience in one of the following fields –pro poor policies, inclusive growth, employment creation and poverty reduction;
- At least seven years of experience evaluating poverty Programs with experience as a team leader for minimum two evaluation;
- Expertise, familiarity, knowledge on gender and social inclusion,
- Excellent command of written and spoken English.

#### **7.2.Employment and Livelihood Development Expert (1 national position, 40 working days)**

##### **Roles and responsibilities:**

- Take stock of employment/enterprise and livelihood situation of the country,
- Assess UNDP's contribution towards the achievement of outcome 2 from employment and livelihood perspective,
- Provide specific recommendations to inform UNDP's future Programs to support employment creation and livelihood promotion Programs.

##### **Qualification and Experience:**

- Master's Degree or higher from a recognized University/Institution in social development, economics, development studies and related fields,

- Sound knowledge of Nepal's employment and livelihoods policies and Programs, including issues and challenges,
- At least seven years of experience in the area of employment, microenterprise, livelihoods and poverty reduction,
- Expertise, familiarity, knowledge on gender and social inclusion,
- Experience of evaluating poverty/employment Programs.

### **7.3. Gender Equality and Social Inclusion Expert (1 position, 25 working days)**

#### **Roles and responsibilities:**

- Stock taking of Nepal's GESI policies and Programs,
- Assess UNDP's contribution to promote GESI under its poverty Programs,
- Provide specific recommendations to promote and mainstream GESI in its poverty and livelihood Programs.

#### **Qualification and Experience:**

- Master's Degree or higher from recognized University/Institution in institutional development, economics, public administration, gender and development or related fields,
- Solid understanding of national context and issues related to GESI,
- At least seven years of experience in the area of planning, programming, researches and evaluation related to GESI works,
- Expertise, familiarity, knowledge on gender and social inclusion,
- Good understanding of poverty and employment Programs.

### **7.4. Energy and Environment Expert (1 position, 20 working days)**

#### **Roles and responsibilities:**

- Stock taking of interlinkages and contribution of the energy and environment sector for livelihood improvement and poverty reduction,
- Assess UNDP's contribution to sustainable livelihood through promotion of renewable energy access to rural households and use of natural resources,
- Provide specific recommendations to inform UNDP's future programming for sustainable livelihoods.

#### **Qualification and Experience:**

- Master's Degree or higher from recognized University/Institution in energy, environment, disaster management or related fields,
- At least seven years of working experience in one of the following fields- renewable energy, environment and disaster management, micro hydro and natural resource management,
- Sound knowledge of Nepal's natural resource management and renewable energy and its linkages with livelihood,
- Expertise, familiarity, knowledge on gender and social inclusion.

## **8. EVALUATION ETHICS**

Evaluation in the UN will be conducted in accordance with the principles outlined in both Norms and Standards for Evaluation in the UN System by the United Nations Evaluation Group (UNEG) and by the UNEG ‘Ethical Guidelines for Evaluation’. These documents will be attached to the contract. Evaluators are required to read the Norms and Standards and the guidelines and ensure a strict adherence to them, including establishing protocols to safeguard confidentiality of information obtained during the evaluation.

## 9. IMPLEMENTATION ARRANGEMENTS

This evaluation is commissioned by UNDP Nepal. An evaluation reference group will be formed to provide critical and objective inputs throughout the evaluation process to strengthen the quality of the evaluation to facilitate the outcome evaluation process, a UNDP evaluation manager will be assigned to oversee the overall evaluation process and provide the evaluation team with any logistics and administrative support needed. Evaluation Management Group representing Implementing Partners will be formed to support to the Evaluation Manager on preparation of the TOR, selection of the evaluation team, inputs on inception report, draft report, and the final report.

## 10. EVALUATION WORK PLAN

The duration of the evaluation will be two and half months (Max.) from June to August 2016. During this period, the consultant team will conduct all necessary processes and evaluation tasks to complete the assignment such as desk review, field visit, travel to the fields, consultations with stakeholders, desk review, report writing and debriefing of the findings and finalization of the report. The following indicative time line is suggested for the evaluation process:

Main Deliverables	Timeline	Deadline
Commencement of the Evaluation ( <i>Signing of the Contract</i> )	1 <sup>st</sup> June 2016	1 <sup>st</sup> week of July 2016
Briefing of Evaluators by UNDP ( <i>projects, key implementing partners and donor expectations and working arrangements, sharing of documents, contact details</i> )	3 <sup>rd</sup> day after contract signing	1 <sup>st</sup> week of July 2016
Desk Review : Review of documents and materials	7 days after the contract signing	2 <sup>nd</sup> week of July 2016
Submission and presentation of Draft Inception Report	10 <sup>th</sup> day after the contract signing	3 <sup>rd</sup> week of July 2016
Debriefing on the draft Inception Report	Next day of the submission of draft inception report.	3 <sup>rd</sup> week of July 2016
Submission of the final Inception Report	2 days after receiving feedback from Evaluation Management Team	3 <sup>rd</sup> week of July 2016
Field work: (Stakeholder Consultation, data collection from fields)	10 days after finalization of the inception report	1 <sup>st</sup> week of August 2016



Submission of the first draft of the evaluation report and presentation	10 days after the data collection mission ends	2 <sup>nd</sup> week of August 2016
Submission and presentation of the second draft of the evaluation report	5 days after receiving feedback from UNDP	Mid-August 2016
Submission of the final report and evaluation brief	10 days after receiving feedback from UNDP	Last week of August 2016

*Notes: The time line will be verified and amended by the consultant team based on the findings of the inception report.*

## Annex 1: UNDP CPAP M&E framework for UNDAF Outcome 2

Outcomes and Outputs	Indicator(s)	Baseline (s)	Target (2017)	Source(s)/Means of Verification; (Timing)
<b>UNDAF/CDP Outcome 2: Vulnerable groups have improved access to economic opportunities and adequate social protection</b>	Gini coefficient (UNDAF 1 # 2.1)	0.35 (2011)	% reduction equal to the inverse of GDP growth rate	NLSS
	% of employed people living below USD 1 (PPP) per day (UNDAF 1 #2.2)	22% (2010)	17%(2015)	MDG Progress Report Indicator Under Target 1B)
<b>UNDAF Output 2.1 GoN and relevant stakeholders have increased capacity to develop, review and implement inclusive labor and economic policies and legislation that bolster productive employment and income opportunities</b>	LDC graduation strategy developed	No strategy	Strategy developed	NPC records
<b>UNDP Country Program Output 2.1.1</b> GoN has increased capacity to develop inclusive growth policies, national plans budget and institutional capacity to increase vulnerable groups' access to employment and economic opportunities	Result framework of 13th plan prepared	No result framework of periodic plan	NA	NPC records
<b>UNDP Output 2.1.2</b> NPC and CBS have improved capacity for gender and social inclusion responsive data collection and M&E system that promote inclusive growth and evidence based policy making, planning, and programming	NPC has a streamlined and GESI responsive national M&E system in place	NPC is currently updating its M& E Framework and the framework is expected to be finalized by end of December	revised national M&E framework in line with the SDG targets and indicators	NPC records
	Periodic plan annual progress report	0	Prepare annual progress report of periodic plan	NPC records
	CBS conducts annual household survey on consumption and labor	No	(First survey in 2013)	CBS records
	Knowledge products and analytical reports using data from HH surveys to inform inclusive growth	No	At least 6 knowledge products including two NHDR two MDG report, one NSDS and master sampling framework	CBS records/UNDP reports
<b>UNDAF Output 2.2</b> GoN has improved capacity to design, execute and manage economic development Programs and strategies	GoN's microenterprise development program is multi-donor/multi-partner developed at the national level (UNDAF 1 #2.2.3)	No such Program exists	Program in place	Mol reports

<b>UNDP Country Program Output 2.2.1</b> 35,000 micro-entrepreneurs created and 40,000 existing ones scaled up for poverty reduction, employment generation and sustainability	# of new job holders (disaggregated by sex, age and social group)	58000 (as of Dec 2012)	Additional 35,000	DCSI, CSIDB and MEDEP Annual Progress report
<b>UNDP output 2.2.2</b> GoN has increased capacity to design, implement and monitor a multi-partner supported micro-enterprise development Program	Ministry of Industry has a functional MIS system in place to track the results of MEDPA	No such system in place in MoI	MIS system in place	MoI
<b>UNDAF Output 2.4</b> Vulnerable groups have increased access to sustainable productive assets and environmental services	# of households benefitted from forest-based livelihood opportunities (UNDAF 1 #2.4.4)	TBD ( new project yet to formulate)	30,000	UNDP evaluation reports
	# of households in remote areas connected to energy services (UNDAF 1 #2.5.3)	59,172 households	25,000 additional HHs	UNDP reports
<b>UNDP Output 2.4.1</b> AEPC's capacity enhanced for scaling up energy services in the rural areas	Comprehensive Renewable Energy Policy/Act formulated		Comprehensive Renewable Energy Policy/Act approved and a sustainable programmatic approach for scaling up RE services implemented by AEPC	AEPC Report
<b>UNDP Output 2.4.2</b> Capacities of MoFSC's and local communities enhanced for effective management of natural resources, watershed and biodiversity. Proposed addition component in output statement	Performance based incentive mechanism/guidelines developed for user groups working on forest & wetland management	no tool exists to measure performance of user group work	MoFSC applies the performance based incentive across the sector tool	Guidelines published by MoFSC report

## Annex 2: Evaluation Planning Matrix

Evaluation criteria	Main evaluation questions (derived from the scope of work)	Sub-questions to be developed by evaluators	Basis for judgement	Data needed	Source of data	Data collection method (i.e. sampling)	Data analysis method	Responsible persons and required time
Relevance								
Efficiency								
Effectiveness								
Impact								
Sustainability								

## Annex 3: Projects Field Presence

Projects	No. of covering districts	Covering districts
RERL	57	Achham, Arghakhanchi, Baglung, Baitadi, Bajhang, Bajura, Bara, Bhojpur, Dailekh, Darchula, Dhading, Dhankuta, Dhanusha, Dolakha, Doti, Gorkha, Gulmi, Humla, Ilam, Jajarkot, Jhapa, Jumla, Kalikot, Kapilvastu, Kaski, Kavrepalanchok, Khotang, Lalitpur, Lamjung, Makwanpur, Manang, Morang, Mugu, Myagdi, Nuwakot, Okhaldhunga, Panchthar, Parbat, Parsa, Pyuthan, Ramechhap, Rasuwa, Rolpa, Rukum, Salyan, Sankhuwasabha, Saptari, Sarlahi, Sindhuli, Sindhupalchok, Siraha, Solukhumbu, Surkhet, Tanahun, Taplejung, Terhathum, Udayapur, Udayapur
RELRP	7	Dolakha, Kavre, Nuwakot, Ramechhap, Rasuwa, Sindhuli, Sindhupalchok
MEDEP	38	Baglung, Baitadi, Banke, Bardiya, Dadeldhura, Dailekh, Dang, Darchula, Dhanusha, Dolakha, Jhapa, Jumla, Kailali, Kalikot, Kapilvastu, Kavrepalanchok, Mohattari, Morang, Myagdi, Nawalparasi, Nuwakot, Parbat, Pyuthan, Ramechhap, Rasuwa, Rautahat, Rolpa, Rukum, Salyan, Saptari, Sarlahi, Sindhuli, Sindhupalchok, Siraha, Sunsari, Surkhet, Terhathum, Udayapur
LRP	3	Mohattari, Rautahat, Sarlahi,
CILRP	5	Sindhupalchok, Dolakha, Kavre, Nuwakot, Rasuwa
CSUWN	2	Kailali, Sunsari

#### Annex 4a: Table of contents for Inception Report

1. Introduction\*<sup>19</sup>
  - Objectives of the Outcome Evaluation
  - Background and context of the Program
  - Scope of the evaluation
2. Methodology
  - Evaluation Criteria and questions\*
  - Conceptual framework
  - Data Collection methods\*
  - Analytical approaches
  - Risk and potential shortcomings\*
3. Program of Work\*
  - Phase of work
  - Team composition and responsibilities
  - Management and logistic support
  - Calendar of work

#### Annexes

- a. Terms of reference of the evaluation\*
- b. Evaluation matrix\*
- c. Stakeholder map\*

<sup>19</sup>As a minimum, it is essential to include the elements with an asterisk in the inception port.

- d. Tentative outline of the main report\*
- e. Interview checklists/protocols\*
- f. Outcome model
- g. Detailed responsibilities of evaluation team members
- h. Reference documents
- i. Project list
- j. Project mapping
- k. Detailed work plan

## **Annex 4b: Contents of Final Evaluation Report**

The final report is expected to cover findings; judgments made following the evaluation criteria and questions based on a good analysis of qualitative and quantitative evidence, as applicable; lessons learned; and forward-looking, realistic, and actionable recommendations. The report will include the following contents<sup>1</sup>:

### **Table of Contents for Final Outcome Report**

#### **Title page**

#### **Table of Contents**

#### **Acknowledgements**

- Identify those who contributed to the evaluation

#### **List of abbreviations and acronyms**

#### **Executive summary**

- Summarize essential information on the subject being evaluated, the purpose of the evaluation and methods applied, the major findings and conclusions, and recommendations in priority order

#### **Introduction**

- Summarize the purpose of the outcome evaluation, the key issues addressed and the methodology employed to conduct the evaluation
- Describe the aims and strategies of the Program/ project/intervention
- Describe how the information contained in the report.

#### **Evaluation Scope and Objectives**

- Evaluation Scope
- Objectives
- Evaluation Criteria
- Questions

#### **Evaluation Methods and Data Analysis Tools**

- Data Sources
- Sample and sampling frame
- Data collection procedures
- Major limitation of the methodology
- Procedure of data analysis

- Data gaps.

### **Findings and conclusions**

- State findings clearly based on the evidence derived from the information collected. Provide critical assessment of performance (including factors affecting performance), and the results achieved;
- List facilitating and constraining factors for UNDP;
- In the conclusions, include a discussion of the reasons for successes and failures, especially the constraining and enabling factors;
- Include specific lessons learnt on promoting gender equality and inclusion;
- Explain suggested changes to Outcome/CPAP and annex to the report the details of these suggested changes in the Outcome/CPAP.

### **Lessons learned**

- Based on the evaluation findings and drawing from the evaluator(s)' overall experience in other contexts, provide lessons learned that may be applicable in other situations as well. Include both positive and negative lessons.

### **Recommendations and way forward**

- Base recommendations on the conclusions and lessons learned, and discuss their anticipated implications;
- List proposals for action to be taken (short- and long-term) by the person(s), unit or organization responsible for Follow-up in priority order;
- Provide specific recommends on steps to be taken for the remaining time and future direction for upcoming UNDAF;
- Provide suggested time lines and cost estimates (where relevant) for implementation.

### ***Annexes***

- TOR;
- List of individuals or groups interviewed or consulted;
- List of supporting document reviewed;
- Result Framework;
- Short biographies of the evaluators and team composition;
- Code of conduct signed by evaluators;
- Evaluation criteria;

## **ANNEX B: EVALUATION CRITERIA AND QUESTIONS**

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## Evaluation Criteria and Questions

**Relevance** -How UNDP Programs/project interventions are relevant with CPAP, UNDP mandates, and national priorities.

1. To what extent is the Country Program Outcome 2 relevant in the current context of Nepal, taking into consideration the UN MDG/SDG context?

**Effectiveness** - How UNDP has contributed to address the developmental challenges initiated and achieved by the government or other UNDP counterparts.

2. To what extent have the Country Program projects (MEDEP, SNPMC, SKILLS, RELRP, CILRP, RERL, and LRP) and initiatives contributed to ensuring that vulnerable groups have improved access to economic opportunities and adequate social protection?
3. To what extent has the Country Program Outcome 2 contributed to policy changes at the national and district levels in Nepal?
4. What were the positive or negative, intended or unintended changes that occurred?
5. To what extent did UNDP policies, advocacy for pro-poor and inclusive national policies promote gender equality, social inclusion and human development?
6. What factors contributed to achieving the desired goals and objectives, looking at the various contributions of all partners?
7. What factors detracted from achieving the desired goals and objectives?

**Efficiency** - How UNDP organized itself in delivering quality outputs in a cost effective way.

8. To what extent have the Country Program projects and initiatives related to Outcome 2 been completed on time and within budget, using the most appropriate human resources?
9. How successful have UNDP's efforts been to minimize duplication among UNDP's own projects and interventions delivered by other organizations or entities?
10. What factors contributed to efficiencies?
11. What factors detracted?

**Impact** - How the UNDP interventions have made changes in the livelihood of people and changes in policy towards the poor and marginalized people.

12. What socio-economic changes have the Country Program projects and initiatives related to Outcome 2 had on vulnerable populations?



13. What factors contributed to these positive changes?

14. What factors detracted?

**Sustainability** - How results generated from the UNDP Programs/projects are sustainable.

15. To what extent are the positive results achieved sustainable, looking at government and individual ownership of the projects?

16. What lessons have been learned that will help UNDP to contribute to efficiency, effectiveness and sustainability through the next round of the Country Program?

## **ANNEX C: PROJECT DESCRIPTIONS**

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## MICRO-ENTERPRISE DEVELOPMENT PROGRAM (MEDEP)

### Context of Project

MEDEP is considered a flagship project, having been established in 1998. The relevant CPAP outputs are:

- Output 2.2 GoN has increased capacity to design, execute and manage economic development programs and strategies.
  - Output 2.2.1: 30,000 micro-entrepreneurs created and 40,000 existing ones scaled up for poverty reduction
  - Output 2.2.2: Government has increased capacity to design, implement and monitor a multi-partner supported micro-enterprise development program

### Duration

Phase 1	1998 -2003
Phase 2	2004 – March 2008
Phase 3	March 2008 – July 2013
Phase 4	August 2013 – July 2018

### Budget for Phase 4

UNDP	\$ 2,278,849
AusAid	\$31,652,701

UNDP administers the money contributed by Australian Aid.

### Description of Project

Funding partners:	Australian Aid University of Australia
Implementing partners:	Ministry of Industry is the implementing agency, but also includes Ministry of Federal Affairs and Local Development, Ministry of Forest and Soil Conservation, Ministry of Agriculture Development, District Development Committee (DDC), Cottage and Small Industries Development Board (CSIDB), National Federation of Micro Entrepreneurs Nepal (NMEFEN), District Cottage and Small Industries Office (DCSIO), District Chamber of Commerce and Industry (DCCI), Industrial Enterprise Development Institute (IEDI), District Federations of Indigenous Nationalities, Dalits Organizations, relevant line agencies such as District Forest Office (DFO), District Agriculture Development Office (DADO), District Livestock Service Office (DLSO), Women Development Office, Business Development Service Providing Organisation (BDSPO)

During the first three phases of the project, UNDP was in implementation, directly developing enterprises, providing training and ongoing supports. The emphasis changed during Phase IV,

with UNDP providing support to the GoN to implement their Micro-enterprise Development for Poverty Alleviation (MEDPA), based on the MEDEP model. The objectives of Phase IV are:

- To support the Government to take over the delivery of the micro-enterprise development activities through the MEDPA program;
- To build the capacity of the GoN and private sector including the NGO service providers to sustainably deliver the program; and
- To strengthen the capacity of micro-entrepreneurs associations to sustainably provide members with a number of business development services such as access to markets, access to finance, improved technologies and advocacy

## Relevance

### *For UNDP*

Relates directly to CPAP Outcome 2. It relates to Millennium Development Goals (MDG): 1. Eradicate extreme poverty and hunger; 3. Promote gender equality and empower women. It relates to Sustainable Development Goals (SDG) 1. End poverty in all its forms everywhere; 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture; 5. Promote gender equality and empower women and girls; 7. Ensure access to affordable, reliable, sustainable and modern energy for all; and 8. Promote inclusive and sustainable economic growth, employment and decent work for all. Achieving these goals helps to support attainment of many of the other SDGs.

### *For Government of Nepal*

Both the 13<sup>th</sup> and 14<sup>th</sup> plan have made poverty alleviation a priority. The GofN has developed its own program (MEDPA) and sees development of micro-entrepreneurs as one of the building blocks for eradicating poverty.

## Efficiency

Difficult to determine without a more in-depth economic analysis that looks at the cost per entrepreneur reached throughout the life of the project. It is particularly challenging to measure efficiency during this phase when many of the resources are going to government capacity building.

## Effectiveness

Following are some of the achievements of MEDEP in 2014 and 2015. Note that this is not a complete list.

Intended Output/Outcome	Achievements 2014	Achievements 2015
A sustainable delivery system for MED in Nepal with at least 73,000 new micro-entrepreneurs created, 60,000 of which have resilient enterprises.		
A sustainable delivery system for MED in Nepal entirely owned and run by	The Micro Enterprise Unit was formed in the Ministry of Industry in 2010.	GoN has increased the budget for MEDPA by 20% Eight districts have met graduation requirements that

Intended Output/Outcome	Achievements 2014			Achievements 2015		
government, but making use of public and private expertise by contracting service delivery to competent service providers	<p>MEDPA Operational Guideline approved</p> <p>MEDEP provided technical support to MoI to provide orientation to the Operational Guidelines – 437 participants (44 women, 393 men)</p> <p>Joint planning for MEDPA was conducted</p> <p>A quick assessment of DDC capacities was completed in 53 districts</p> <p>Provided technical assistance to 23 DDCs and 16 VDCs in preparing enterprise development plans</p> <p>MEDEP supported the redesign of the MEDPA website</p>			<p>qualifies them to receive direct funds from donors</p> <p>MEDPA has been expanded to an additional nine districts</p> <p>The operational guidelines have been revised</p> <p>MEDEP focused on capacity building with GoN and private sector service delivery agencies</p>		
ME's access to a number of business development services such as access to markets, access to finance, improved technologies and advocacy sustainably provided by MEAs.	<p>MEDPA procured services from micro-enterprise development service providers for the first time.</p> <p>Results-based contracting occurred in 49 districts</p>			<p>Economic Development Facilitators – two institutes provide training</p> <p>MEDEP assisted 157 EDF students (102 women, 5 Dalit, 71 indigenous people, 25 Madhesi and 157 youth complete job training</p>		
Promoting use of evidence for pro-ME policy making	<p>Conducted study on Allo Products Diversification</p> <p>Compiled and published two volumes of micro-enterprise research</p>			<p>Preparation, testing and approval of the Result-based Monitoring and Evaluation Handbook</p> <p>Training of 134 planning officers of DDCs in 55 districts in monitoring and evaluation</p>		
MEDEP is to deliver 30,000 entrepreneurs and MEDPA is to deliver 43,000 micro-entrepreneurs.		Achieved	Target		Achieved	Target
	MEDEP	4,747	4100	MEDEP	5,423	5,320
	Women	75%	70%	Women	79%	70%
	Dalit	22%	30%	Dalit	27%	30%
	Indigenous	42%	40%	Indigenous	41%	40%
	Madhesi	21%	30%	Madhesi	27%	30%
	Youth*	56%	60%	Youth*	74%	60%
	MEDPA	6,685	7,300	MEDPA	6,949	6,139
	Women	82%	70%	Women	75%	70%
	Dalit	29%	30%	Dalit	25%	30%
	Indigenous	43%	40%	Indigenous	27%	40%

Intended Output/Outcome	Achievements 2014			Achievements 2015		
	Madhesi Youth*	NA NA	30% 60%	Madhesi Youth*	11% 80%	30% 60%
MEDEP to create xx additional jobs and MEDPA to create yy additional jobs	MEDEP	4,952	2,457	MEDEP/PA	2,395	2,000
	Women	75%	70%	Women	58%	70%
	Dalit	30%	30%	Dalit	27%	30%
	Indigenous	38%	48%	Indigenous	40%	40%
	Madhesi	32%	31%	Madhesi	41%	30%
	Youth*	63%	60%	Youth*	67%	60%
	MEDPA	6,685	7,300	MEDPA	Information not available as separate figure from MEDEP	
	Women	82%	70%	Women		
	Dalit	29%	30%	Dalit		
	Indigenous	43%	40%	Indigenous		
	Madhesi	NA	30%	Madhesi		
	Youth*	NA	60%	Youth*		

\*Age 16 – 40

While most stakeholders agree that MEDEP has been a highly successful program, there are two concerns regarding implementation of this phase:

- That there needs to be emphasis on development of small to medium-sized enterprises
- The transition of MEDEP to MEDPA is not happening as quickly as expected

Given that this is the emphasis during this phase with the process completed by July 2018, the upcoming Country Program Document will likely not include MEDEP as a project. For now, the transfer needs to be accelerated if it to be completed within two years. It is evident from the annual report that MEDEP continues to set its own targets separate from MEDPA. It will be important that greater emphasis be placed on MEDPA achieving its goals. It will be more difficult to show support increments, but this will be an important step is the GoN is have full responsibility for micro-entrepreneur development.

## Impact

MEDEP has had a huge impact. In addition to the many micro-entrepreneurs created through the program, MEDEP has set out a model which is being adopted by the Government of Nepal.

Communities with MEDEP-supported enterprises report:

- Substantial increase in incomes
- Increase in gender equality
- Empowerment of women and greater participation in family and community decisions
- Opportunities for children to attend schools thus creating improved opportunities for the next generation

## Sustainability

The Government of Nepal has taken ownership of this model and allocated budgets to implement it. While the transition of MEDEP to MEDPA is not complete, the project is moving towards sustainability through implementation by the Government of Nepal

## **Gender Equality and Social Inclusion**

All MEDEP and MEDPA reporting includes disaggregation by gender and social groups. The evidence indicates that substantial progress has been made toward gender equality and social inclusion.

# STRENGTHENING NATIONAL PLANNING AND MONITORING CAPACITY (SNPMC)

## Context of Project

SNPMC is being developed and implemented in partnership with the National Planning Commission (NPC) and Central Bureau of Statistics (CBS) and is funded by DFID.

## Duration

July 2013 – June 2017

## Budget

Usd\$4,900,000 (reduced from the original budget of usd\$9,070,000

Funding as of December 2015:

UNDP: usd\$1,000,758

United Kingdom Department for International Development (DFID): usd\$200,350

UNDP-UNEP Poverty Environment Initiative (PEI): usd\$70,248

Total US\$ 1,271,356

## Description of Project

The primary goal of the project is to support increased capacity with the GoN and relevant stakeholders *to develop, review and implement inclusive labour and economic policies and legislation that bolster productive employment and income opportunities*<sup>20</sup>. The intent is for NPC and CBS to have improved capacity to:

- generate gender and social inclusion data
- create a monitoring and evaluation system that supports evidence-based policy making, planning and programming
- develop inclusive growth policies, national plans and budgets

## Relevance

This project is highly relevant for the GoN because:

- it links to the inclusion of monitoring and evaluation as part of the constitution, CPAP, CPD and UNDP's goals
- it supports the capacity of the GoN and others to do evidence-based planning
- the NPC needs to build its capacity to implement monitoring and evaluation

## Efficiency

There is little information on efficiency. To determine efficiency it is necessary to determine the cost of carrying out the activities and make comparisons with delivery of similar services. It does appear that while there are other agencies that work with NPC, it is focused on specific field or through the provision of funds to carry out a particular project. UNDP has focused on providing technical supports and funding for creating broad changes such as improving the monitoring and evaluation capacity and collection of data.

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<sup>20</sup> UNDP Country Program Project Document



## Effectiveness

Intended Output/Outcome	Achieved Output/Outcome	Carried out by
Formulation of a National Strategy for the Development of Statistics	National Strategy for the Development of Statistics (NSDS), 2016 Priority is to manage statistics related to SDGs	NPC with assistance from UNDP
Develop a national sampling framework	Developing a Master Sampling Framework for Nepal, 2016 Prepared poverty profile based on Living Standard Measurement Survey from the World Bank in 2000, 2005, 2010. Nepal Living Standard conducted every five years. Next round is 2017.	NPC with UNDP support NPC with World Bank
Develop and implement an annual household survey	Three household surveys completed and report published as follows: Annual Household Survey 2012/13, 2014 Annual Household Survey 2013/14, 2015 Annual Household Survey 2014/15, 2015  Determined that it would not be held annually	NPC with assistance from UNDP, ILO and UNICEF
Strengthen the national and sub-national units of CBS	204 CBS staff including 185 male and 19 female working at central office and sub-national units of CBS were trained on annual household survey, data processing, analysis, and report writing.	CBS with assistance from UNDP
Disseminate national M&E guidelines	National M&E guidelines were prepared in Nepalese and English in July 2013 Posted on the government website	NPC with assistance from UNDP
Align sectoral/ministries M&E framework with the new national monitoring and evaluation guidelines	Prepared results framework for the 13 <sup>th</sup> Plan Most ministries still collect their own data using a number of different systems	NCP with assistance from UNDP
Strengthen M&E sections of ministries	404 government M&E officials including 345 male and 59 female working in line ministries and regional directorates of the government were trained on monitoring and evaluation. Some line ministries replicated same training modules to strengthen their M&E sections and departments	NPC with assistance from UNDP
Institutionalize the Project Performance Information System (PPIS)	A server is established at Government Information Dissemination Centre (GIDC) Upgraded PPIS Software and it is installed at NPC server A total of 138 government M&E officials including 112 male and 26 female working in	NPC with assistance from UNDP

Intended Output/Outcome	Achieved Output/Outcome	Carried out by
	NPC and line ministries were trained on operating and handling the PPIS software Line ministries begin online reporting the priority 1 projects and programs to NPC	
Conduct participatory and third party monitoring	Developed and implemented a management accountability framework to monitor access to sanitation in line with the Master Sanitation Framework	NPC with assistance from UNDP
Support the tracking of expenditures and access to and use of systems such the Public Expenditure Tracking Survey (PETS)	This is reported to be underway – it has not been completed	
Conduct evaluations of policies, programs and projects	<p>Five third party independent evaluations of national programmes and projects completed and report published as follows:</p> <ol style="list-style-type: none"> <li>1. The Integrated Women and Reproductive Health Program, 2014</li> <li>2. Madhaya Marshangdi Hydropower Project, 2014</li> <li>3. Women Development Program of Nepal, 2015</li> <li>4. Babai Irrigation Project, 2015</li> <li>5. Micro-enterprise Development Program (MEDEP), 2015</li> </ol> <p>Similarly, 8 policy reviews were completed and a policy review compendium published. This compendium includes following policy review brief:</p> <ol style="list-style-type: none"> <li>1. Technical efficiency of manufacturing sector in Nepal</li> <li>2. Seismic policy review</li> <li>3. Impact of load shedding in manufacturing sector in Nepal</li> <li>4. Gap between policy and practice in gender mainstreaming in Nepal</li> <li>5. Gap between policy and practice in disability in Nepal</li> <li>6. Gap between health policy and practices in Nepal</li> <li>7. Gap between free education policy and practices in Nepal</li> </ol>	NPC with assistance from UNDP

Intended Output/Outcome	Achieved Output/Outcome	Carried out by
	8. Gap between Agricultural Policy 2004 and its implementation	
Prepare national Human Resource Development Reports	Nepal Human Development Report: Beyond Geography: Unlocking Human Potential, 2014 Formed committee to work on LDC graduation technical concept paper	NPC with assistance from UNDP
Prepare and disseminate MDG reports	Published MDG report in 2013 Draft MDG terminal assessment report prepared, 2016	NPC with assistance from UNDP
Conduct analysis and studies of key sectors	MDGs Acceleration Framework: Improving Access to Sanitation, 2013	NPC with assistance from UNDP
Prepare an inclusive and sustainable development framework	13 <sup>th</sup> and 14 <sup>th</sup> periodic Plans of Nepal An Approach to the Graduation from the Least Developed Country by 2022, 2014 Sustainable Development Goals 2016 – 2030 National (Preliminary) Report, 2015 65 government officials including 59 male and 6 female working in policy sections/departments in the NPC and line ministries were trained on macro-economic modeling and negotiation skills	NPC NPC with assistance from UNDP
Support integration of a green economy approach into policy and planning	Climate Change: Budget Code Criteria and Method	NPC with assistance from UNDP
Support creation of an enabling environment for inclusive private sector development	Does not appear to have been done	
Support development and implementation of a plan of action to influence the international development agenda	Does not appear to have been done	
Build capacity of relevant government institutions	Three evaluation networks meetings held and two proceedings were published as follows: 1. Enhancing Evaluation Capacity in Nepal – Proceedings of Three Meetings held in Kathmandu September, 2013 Institutionalization of Evaluation in Nepal: Proceedings of the Third Evaluation Networking Meeting, 2015	NPC with assistance from UNDP

Intended Output/Outcome	Achieved Output/Outcome	Carried out by
Promote policy dialogue on inclusive and sustainable development	13 <sup>th</sup> and 14 <sup>th</sup> Parodic Plans of Nepal An Approach to the Graduation from the Least Developed Country by 2022, 2014 Sustainable Development Goals 2016 – 2030 National (Preliminary) Report, 2015	NPC NPC with assistance from UNDP

Sources: UNDP Program Document, SNPMC 2014 Annual Report, Interviews with NPC and CBS staff. Input from UNDP staff

## Impact

Staff at the NPC report that UNDP support has been instrumental in building its evaluation capacity through training and assisting with evaluations. The NPC is concerned about conducting quality evaluations that are used by decision-makers. Therefore, all evaluation reports supported by UNDP are produced in Nepalese language

## Sustainability

SNPMC is being implemented in an environment that where improvement of monitoring and evaluation is considered a priority by the local evaluation network, government officials and some parliamentarians. It is not new to the Nepalese government, having been in place since 2004. The efforts are likely to be sustained and built upon. The GoN has moved to requiring that evaluation reports be provided in Nepalese so that they can be used by decision-makers.

## Gender Equality and Social Inclusions

Gender responsive budget allocation has been made. Out of total annual budget for the fiscal year 2016/2017, 29.8 percent budget is directly gender responsive, 54.4 percent indirectly gender responsive and 15.9 percent is gender neutral. However, in terms of expenditure so far there has been no expenditure data in this area.

## **SUPPORT TO KNOWLEDGE AND LIFELONG LEARNING SKILLS (SKILLS)**

### **Context of Project**

Technical Vocational Education and Training (TVET) has not been effectively institutionalized. This project is intended to support the Government of Nepal to achieve coherence of training by reviewing and harmonizing training and reforming the national Technical Education and Vocational Training Policy 2012 as well as designing a monitoring and evaluation system for TVET. This is to be done through a policy dialogue process among multiple national stakeholders and institutionalized by strengthening the capacity of the TVET providers.

### **Duration**

April 2015 – December 2017

### **Budget**

US\$5,000,000

UNDP Contribution US \$500,000 with US \$175,000 budgeted for 2015, leaving \$4.5 million unfunded.

### **Description of Project**

The primary objectives of the project are:

- To promote policy coherence by involving public sector, private sector and donors in the reform of TVET Policy 2012
- To design a monitoring and evaluation system for the quality assurance and knowledge management of the TVET programs.

This will be done through a policy dialogue process that is hoped will be institutionalized as a way of obtaining input from across sectors.

### **Relevance**

#### ***To UNDP***

It is to contribute to achievement of CPAP Output 2.1: GoN and relevant stakeholders have increased capacity to develop, review and implement inclusive labour and economic policies and legislation that bolster productive and Output 2.2: GoN has increased capacity to design, execute and manage economic development programs and strategies.

#### ***To the Government of Nepal***

The GoN adopted the TVET policy in 2012. At this point it has not been implemented. The rationale for SKILLS indicates that this lack of implementation is due to lack of ownership. Neither the Ministry of Education nor the Council for Technical Education & Vocational Training are able to anticipate job market demands and plan course accordingly. The primary objectives of the program are: 1) to review the Technical Education and Vocational Training Policy 2012; 2) to identify contradictions, duplication, inconsistencies and impractical

provisions involving multiple national stakeholders; and 3) institutionalize monitoring and evaluation mechanisms .

## Efficiency

The project is already half-way through its duration and is just beginning the dialogue process. The earthquakes occurring in April and May 2015 delayed the project. The funding utilization rate was 95.85% in 2015 and it appears that much of that went into planning. UNDP staff report that by September 2016, the project prepared ground work and desk reviewed TVET policy for conducting upcoming TVET policy dialogue events. A draft mechanism for private sector productive engagement and labor market assessment was developed, and they are in the process of developing National Web Based TEVT MIS and Impact Evaluation Mechanism.

## Effectiveness

Intended Output/Outcome	Achieved Output/Outcome
National and sub-national systems and institutions enabled to achieve structural transformation of productive capacities that are sustainable and employment and livelihoods intensive	<ul style="list-style-type: none"> <li>• Desk reviewed TVET policy 2012</li> <li>• Prepared ground work for conducting upcoming TVET policy dialogue events</li> <li>• Developed draft “Guidelines for establishing institutionalized policy dialogue process in TVET.</li> </ul>
GoN and relevant stakeholders have increased capacity to develop, review and implement inclusive labour and economic policies and legislation that bolster productive employment and income opportunities	<ul style="list-style-type: none"> <li>• Developed mechanism for facilitating Private Sectors Productive Engagement in TVET</li> <li>• Process of developing National Web based TEVT MIS</li> </ul>
GoN has increased capacity design, execute and manage economic development programs and strategies	<ul style="list-style-type: none"> <li>• Initiated Institutionalization of Knowledge Management and Knowledge Networking</li> <li>• Developed Mechanism on Signaling of Labour Market Demand for Technical Human Resources</li> <li>• In process of development of Methodology /Instrument on Impact Evaluation of TEVT Programme</li> </ul>

## Impact

The project has not yet had an impact

## Gender Equality and Social Inclusion

This initiative is intended to incorporate GESI into the revised TVET policy. It is lacking in the current policy.

## **LIVELIHOOD RECOVERY FOR PEACE (LRP)**

### **COMMUNITY INFRASTRUCTURE AND LIVELIHOOD RECOVERY FOR PEACE (CILRP)**

#### **Context of Project**

Nepal emerged from a decade long civil conflict which inflicted extensive social and economic hardship on the nation. Although the impact of the Maoist armed conflict on Tarai districts was less than on many other Hill districts, the security situation in the Tarai region remained fragile while various armed groups continued to proliferate. Also, the widely spread and deep seated grievance of Madhesis who have been and continue to be treated as second class citizens or non-citizens remained. Although the Tarai district contributes significantly to Nepal's economy, the Madhesis are underrepresented in state institutions. High levels of poverty have continued to exist in the region.

CILRP is an extension of LRP, following the earthquake, covering those areas most affected by the earthquake: Sindhupalchowk, Dolakha, Kavre, Rasuwa and Nuwakot.

#### **Duration**

LRP: August 2009 – 31 December 2015

CILRP: Extended the end date to 30 June 2017, based on the availability of funding.

#### **Budget**

UNDP Regular	\$5.46 million
BCPR, UNDP HQ	\$4.677 million
Mauritius	\$1 million
Norway	\$0.124 million

#### **Description of Project**

The overall objective of this integrated community-based project was to contribute to restoring the foundations for sustainable development by strengthening the capacities of communities and local institutions to achieve sustained livelihood recovery and peace building. The focus was on promoting peace at the local level, improving household/community livelihood, contributing to local economic recovery, enhancing social cohesion and strengthening institutional capacities of GoN and nongovernmental organizations to plan, coordinate, and deliver livelihood initiatives. Because of the negative impacts of disasters and conflicts in Nepal, this project pursued its goal through a disaster risk and conflict prevention lens, whereby conflict and hazard mapping are at the core of the livelihood assessments, strategy development, and implementation processes. The project targeted mainly women, youth, conflict-affected, poor, and other socially excluded and disadvantaged communities and households. It complemented other GoN and UNDP projects on micro-enterprise development, rural energy services, disaster risk management, and local governance, and will in fact build partnerships with these projects for effective implementation. Key strategies included:

- Promoting social cohesion for through district based NGOs
- Supporting local economic recovery to improve income and employment opportunities

- Developing the capacity of government and non-government organizations
- Developing the community through an integrated approach to programming
- Implementing in three adjoining Tarai districts in a way that assures coverage (Mahottari, Sarlahi and Rautahat)
- Promoting gender equality and social inclusion
- Linking with ongoing and emerging projects
- Supporting sustainability

## Relevance

### *To UNDP*

The CPAP focused on supporting the peace process and improving employment and income opportunities for people living in poverty, women, youth and other marginalized groups. Increased employment and income levels were seen as a means to help promote peace. It is indirectly linked to CPAP Outcome 2, as livelihood is one of the key strategies to promote peace and cohesions

### *To Government of Nepal*

The Government of Nepal had placed an emphasis on peace building and economic recovery. For a number of years a key focus has been on alleviating poverty.

## Efficiency

It is difficult to determine efficiency without first of all determining the appropriate units of analysis such as number of people reached, number of households reached, number of self-employed entrepreneurs. It is likely that a unit of analysis would need to be developed that would take into account all of those factors.

## Effectiveness

The draft LRP Annual Progress Report 2015 focuses on the goals set following the earthquake and does not report on the original outcomes/outputs and indicators. The indicators are not linked to the outputs

Intended Output/Outcome	Indicator	Achieved Output/Outcome
Outcome 1: Targeted populations participate in social and economic empowerment initiatives and integration programmes to diminish future conflict risks		
Community groups mobilized for collective action on peace, social cohesion and livelihood recovery	# of community group members registered in cooperative	Cumulative target 2013 – 2017: 917 Achieved by end of 2014: 74 Goal for 2015: 84 Achieved in 2015: 84
	#households with access to community infrastructures	Cumulative target 2013 – 2017: 4000 Achieved by end of 2014: 3996 Goal for 2015: 3 Achieved in 2015: 1
	# of self-employed entrepreneurs	No cumulative target 2013 – 2017 Achieved by end of 2014: 4624 Retained 2015: 4624



Intended Output/Outcome	Indicator	Achieved Output/Outcome
90% of 917 community groups linked to LGCDP structures for improved access to services and VDC resources	90% of 917 community groups linked to LGCDP structures for improved access to services and VDC resources	Cumulative target 2013 – 2017: 90% Achieved by end of 2014: 80% Retained 89% in 2015
District level youth networks have 3-year strategy plan to better mobilise youths.	# of youth clubs linked to networks	Cumulative target 2013 – 2017: 80% Achieved by end of 2014: 80% Retained 89% in 2015
	# of youth resource centres established	Cumulative target 2013 – 2017: 3 Achieved by end of 2014: 3 Retained 3 in 2015
<b>Outcome 2: Livelihoods of vulnerable earthquake affected peoples stabilized and restored.</b>		
Critical agricultural inputs provided to farmer households for livelihood recovery.	# of households reached with agricultural/ livelihood inputs	Cumulative target 2013 – 2017: 27022 Achieved by end of 2014: 27,202 Goal for 2015: 2,000 Achieved in 2015: 2,000
Community capacity enhanced from local government, CSO/NGOs/CBOs working on livelihoods/economic recovery.	# of capacity enhancement programmes organized, joint field visits made and trainings/interactions organized for VDC secretaries.	Cumulative target 2013 – 2017: 271 Achieved by end of 2014: 271 Goal for 2015: 271 Achieved in 2015: 200

Note: There are two different tables providing different information

## Impact

The field visit to one community indicates that the youth club contributed to raising awareness against child marriage. They have helped in the distribution of cleanliness card and promoted toilet usage from 13% to 83%, thus reducing open defecation. With the support from LRP, youth were able to participate in the 14 step planning processes and approved youth strategy by the DDC council. As a result, DDC council allocated NRs. 10 lakh for youth development. The Network has developed a youth information centre by mobilising interns just passed high school. It has even constructed rural trail at Halkhori VDC and played key role in conflict resolution encouraging armed groups to give up arms and join peace process. It also launched peace dialogue through GIZ and UNDP peace project. The project period was for a very limited time period so that many intended results could not be achieved.

## Sustainability

The field visits indicated that youth groups did not continue their activities once the funding was gone. However some of the impacts of the work of the youth groups may be sustainable such as awareness against child marriage and the use of toilets. The youth clubs are no longer continuing the programs.

## Gender Equality and Social Inclusion

The April 2015 progress report indicates: LRP capacitated a total of 27,202 ultra-poor and poor marginalized households organised in 917 groups. A total of 96% of all beneficiaries are women, 62% disadvantaged Dalits and 22% youths.

## **RAPID ENTERPRISE AND LIVELIHOODS RECOVERY PROJECT (RELRP)**

### **Context of Project**

This project was developed following the 2015 earthquakes, focusing on 7 districts most affected by the earthquakes

### **Duration**

4 June 2015 – 3 June 2016

### **Budget**

JICO	us\$32,199
Intel fund	us\$330,000
Australia	us\$6,001,479

### **Description of Project**

Implementing partners: Micro Entrepreneur Groups, Micro Entrepreneur Group Association, District Micro Entrepreneur Group Associations, Micro Enterprise Development Service Providers. The intended outputs of RELRP are:

- Provide immediate support to earthquake affected MEDEP/MEDPA micro-entrepreneurs to revive their enterprises and stabilize their livelihoods
- Promote social cohesion and local economy recovery by supporting 1,500 selected earthquake survivors to start up new micro-enterprises

Services provided included:

1. Psychosocial Counselling (PSC)
2. Entrepreneurship Training and Skills Training
3. Appropriate Technologies and Equipment Transfer
4. Access to Financial Services
5. Support to Common Facility Centers/ Productive Infrastructures
6. Marketing and Business Counseling

### **Relevance**

Highly relevant in the wake of the 2015 earthquakes, with 8,857 people killed, 22,579 injured and 604,930 homes destroyed. An estimated 886,456 families were affected, with many people losing their jobs and livelihood.

### ***For UNDP***

Relates directly to CPAP Outcome 2. And Sustainable Development Goals (SDG) 1. End poverty in all its forms everywhere; 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture; 5. Promote gender equality and empower women and girls; 8. Promote inclusive and sustainable economic growth, employment and decent work for all.

### ***For Government of Nepal***

Both the 13<sup>th</sup> and 14<sup>th</sup> plan have made poverty alleviation a priority, a primary goal of this project.

## Efficiency

This project appears to be fairly efficient. It was able to reach 4,476 individuals through an expenditure of us\$3,107,245 in 2015, making the average cost per person reached approximately us\$695. In addition some of the money was used to begin repairs. Without having 2016 data, it is not possible to provide a more definitive assessment of efficiency.

## Effectiveness

Intended Output/Outcome	Achieved Output/Outcome
Provide immediate support to 12,059 MEDEP/MEDPA created micro-entrepreneurs	4,011 achieved in 2015 9907 in progress 61.4% women 53.3% hill Janjati 14% hill Dalit
Support 1,500 earthquake survivors to start up new micro-enterprises	465 achieved in 2015 55% women 45.8% Janjati 22% Dalit
Support repairs to 71 CFCs	0 as of 2015. However, two of the field visit sites included CFCs that had been repaired and were fully operational
Support rebuilding 52 CFCs	
Increase the number of CFCs by 22	No information

## Impact

Some impacts observed in the field visits include the rebuilding of CFCs allowing micro-enterprises to begin functioning once again.

## Sustainability

This is a one-year program. It has supported enterprises re-opening and in some instances up-scaling. Most of these enterprises will continue to operate.

## Gender Equality and Social Inclusions

REL RP beneficiaries are people living below the poverty line, socially excluded and marginalized groups. The project early recovery support has provided greater business opportunities both at community and district levels, contributing to broader local economic development and resilient livelihoods.

For the creation of new MEs, RELRP is following MEDEP's GESI policy and targets, i.e., 70% women, 40% Janjati and 30% Dalits. RELRP has already provided GESI guidelines and have developed a GESI training manual for MEDSPs use to help them increase GESI targets while creating new MEs.

## CONSERVATION AND SUSTAINABLE USE OF WETLANDS IN NEPAL (CSUWN)

### Context of Project

Nepal has extensive wetlands that are being lost and degraded due to poor integration of a wetland biodiversity culture into the economic and policy frameworks, inadequate technical information for those dependent on the wetlands for livelihood and high local dependence on the wetlands.

### Duration

March 2008 – June 2013

### Budget

UNDP	us\$532,124
GEF	us\$1,964,895

Total 95% expenditure rate

### Description of Project

Implementation partners: Government of Nepal, Global Environment Facility and UNDP

The primary goal is to support the maintenance and enhancement of wetland biodiversity and environmental goods and services for improved local livelihoods in Nepal. The immediate objective is to strengthen the national and local capacity in ecosystem management and sustainable use of wetland biodiversity. Two demonstration sites were selected: the Koshi Tappu Wildlife Reserve and the Ghodaghodi Lake Complex. The intended outcomes of this project are:

1. Wetland biodiversity conservation values are integrated into the national policy and planning framework
2. Strengthened national institutional, technical and economic capacity and awareness for wetland biodiversity conservation and sustainable use
3. Enhanced collaborative management of wetlands resources for conservation and sustainable livelihoods

### Relevance

#### *To UNDP*

This project addresses the responsible use of wetlands as a means of livelihood in order to alleviate poverty.

#### *To Government of Nepal*

Consistent with the government's priority of poverty alleviation.

## Efficiency

The project reached a total of 3703 beneficiaries through training, 463 households were provided with livelihood assistance and 2094 households from 57 buffer zone user groups have benefitted from the program. Without a breakdown of how the budget was allocated to various activities it is difficult to know the cost per unit of service delivered. However, the project appears to have made fairly efficient use of the resources.

## Effectiveness

Intended Output/Outcome	Achieved Output/Outcome
463 households to receive assistance in strengthening livelihood opportunities	463 households have received assistance 1300 households have benefitted from alternative energy programs Hotel management and nature guide training provided to 15 local youth
Incomes of the households to increase by 15%	Incomes have increased by 34%
Wetland biodiversity conservation values are integrated into the national policy and planning framework	National Wetland Committee formed National Wetland Policy (2012)
Strengthened national institutional, technical and economic capacity and awareness for wetland biodiversity conservation and sustainable use	Conservation Education, Participation and Awareness Strategy and Dissemination Framework (2011 – 2015) prepared More than 15 technical knowledge papers have been prepared Baseline Survey and Livelihood Need Assessment conducted Livelihood Improvement Plan prepared and implemented at both sites 4,500 individuals participated in various institutional and capacity development training Wetlands Watch Group formed CSUWN has been able to partner and leverage funds for joint programming from DDC, VDC, Koshi Early Recovery Programme, Nepal Tourism Board, Agro Enterprise Promotion Centre, BCN, local NGOs/CBOs
Enhanced collaborative management of wetlands resources for conservation and sustainable livelihoods	Formation of a number of stakeholder groups Mapping and restoration of seven critical wetland sites Biological monitoring occurring Increased numbers in some threatened species Livelihood improvement programs established Twenty-nine School Wetlands Clubs and two teachers networks established

Intended Output/Outcome	Achieved Output/Outcome
	Two community-based anti-poaching networks established Bird watching tower and trails established

### **Impact**

The project has improved the livelihoods of 463 household and provided access to clean energy for 1,300 households. Because the project has been completed a field visit was not arranged so no information is available regarding the changes in people's lives.

### **Sustainability**

The project was designed to change the way of doing things in the wetlands. The benefits gained are likely to contribute to its sustainability. However, follow-up is needed to determine actual sustainability.

### **Gender Equality and Social Inclusions**

Reports 50% of Buffer Zone User Groups are women.

## **RENEWABLE ENERGY FOR RURAL LIVELIHOODS (RERL)**

### **Context of Project**

Nepal's mountains provide the ingredients for renewable energy: substantial water mass available at a high altitude in both rainy and non-rainy seasons and steep terrain make Nepal 'the biggest natural battery system of the world'. Despite this, much of Nepal is without a reliable energy source.

According to the National Census of 2011, about 30% of the households did not have access to electricity and 90% of households depend on traditional sources of energy such as fuelwood, agricultural residues and animal dung for cooking.

### **Duration**

#### **RERL 2011 – 2014**

April 2011 – July 2014

#### **RERL 2014 - 2019**

July 2014 – July 2019

### **Budget**

#### **RERL 2011 – 2014**

UNDP            us\$1,351,150

#### **RERL 2014 - 2019**

UNDP            us\$2,000,000

GEF             us\$3,000,000

GoN             us\$30,312,500

Private sector us\$19,601,710

Local govt.    us\$4,647,890

Total resources required us\$59,807,030

### **Description of Project**

#### **RERL 2011 – 2014**

The specific objectives of RERL are to a) develop strategy for safe exit ensuring the internalization and institutionalization of best practices into AEPC; (b) support AEPC for harmonized implementation of various renewable energy initiatives under a broader programmatic framework aligned with Project Identification Form (PIF) submitted to Global Environmental Facility (GEF) Secretariat; (c) support AEPC to continue implementation of the WB supported MHVEP and on-going micro hydro schemes under this programme; (d) analyse and recommend key areas for UNDP supports to GON for accelerated growth of Rural Energy (RE) sector from the short, medium and long term perspectives; and (e) provide special emphasis and draw linkages between financial, market mechanisms and rural livelihoods in the promotion of RE sector. The programme will continue providing technical and managerial support to AEPC

to fulfil its commitments under partnership agreements signed with the WB regards to implementation of MHVEP.

## **RERL 2014 - 2019**

RERL project focuses on community-scale power generating off-grid renewable energy technologies to promote income generating opportunities and a low-carbon development path in rural areas. Its core strategy consists of four interrelated concepts: (1) promotion of larger-scale, less-disseminated systems, (2) achievement of private sector financing of up-front costs, (3) achievement of financial sustainability (cash flow for repairs and maintenance), and (4) establishment of productive use enterprises to raise system revenues and generate livelihood benefits.

## **Relevance**

Dependable, renewable energy supports livelihood development – without it most enterprises are unable to operate with sufficient efficiency to support a reasonable livelihood. UNDP staff indicate that: *Rural electrification through renewable energy systems is highly relevant for the Nepali context, where grid extension is extremely costly and takes a lot more time than generating electricity locally. Furthermore, as there is severe limitation in the availability of power in the grid, just extending the line to a village does not guarantee reliable and quality services. Therefore, Micro hydro is a highly relevant enterprise for rural communities.*

While there is no doubt that micro hydro is relevant in remote communities, in some instances micro hydro projects have been established adjacent to the grid, raising the question as to whether the program needs to consider slightly upscaled projects that would allow for production of energy beyond the immediate use of the communities, allowing hydro to also become an enterprise..

## **Efficiency**

This seems to be the only program of its kind. UNDP is working with AEPC to support harmonized implementation and to support a safe exit strategy for UNDP.

Some inefficiencies were observed in two of the energy sites during field visits. In one instance the sharing of water for energy production with use for agriculture means that energy is not always available when needed for homes and businesses. This raises the question as to whether such sharing is the most efficient approach. In another instance, a hydro facility damaged during the earthquake has not yet been repaired. Although UNDP staff report that it is scheduled for repair the community report that their requests for assistance have not led to any positive response. They seem to unaware that any repairs have been scheduled. This has resulted in community members spending significant energy on concern over the lack of electricity.

## **Effectiveness**

### **RERL 2011 – 2014**

Intended Output/Outcome	Achieved Output/Outcome
13,500 households connected to energy services with 1.65 MW	2011: 9,415 out of a target of 13,500 households have access to electricity



Intended Output/Outcome	Achieved Output/Outcome
power output in 26 RERL districts and 5 additional AEPC/WB districts in 2011  15,000 additional households in 2012	2012: 16,470 of a target of 15,000 new households have access to electricity 50 micro hydro plants producing 1,570 kW
Prepare framework/guideline and implementation guidelines for PPP models including possible revenue sharing schemes for higher capacity more than 100 kW	Capacity assessment completed Guidelines for Operation of District Energy and Environment Unit developed Integrated monitoring system developed Technical Review Committee established to approve micro hydro projects Regional hubs established in Biratnagar and Nepalganj Study to determine feasibility of cooperatives as micro-finance institutions
Training to develop capacity in private sector on installation, manufacturing of plants higher than 100 kw	Interaction program for private sector companies Orientation of conflict sensitivity
150 energy based enterprises established in 20 districts	2012: 102 energy based enterprises established

#### RERL 2014 – 2019

Intended Output/Outcome	Achieved Output/Outcome
Establish conducive legal, institutional and policy environment  Support AEPC/NRREP to prepare a draft document on Renewable Energy Policy, update/revise GoN's renewable energy Subsidy Policy and Delivery Mechanisms  Prepare documents for grid connection of RE systems and technical specifications for interconnection of micro hydro and the national electricity grid  Initiate preparation of guidelines to encourage private investment in mini hydropower projects through PPP model.  Initiate activities related to preparation of District Electrification Master Plan (DEMP) of Gorkha district that will go beyond the existing energy plans prepared by the districts	RE Subsidy Policy approved by GoN, RE Subsidy Delivery Mechanism submitted to AEPC Board.  Technical Specification for Interconnection of micro hydro and the national electricity grid approved by NEA Board  PPP Modality for Mini Hydropower Projects prepared  District Electrification Master Plan (DEMP) of Gorkha district prepared

Intended Output/Outcome	Achieved Output/Outcome
<p>Organize two orientation programmes for CSIDB for RE based MSME promotion</p> <p>Helped to organize training/orientation to prospective partner banks on investment in renewable energy projects and requirements of AEPC</p> <p>Approve and enforce policy that enables PPP model for mini hydro and large scale solar PV development, including fiscal incentives and sustainability for possible changes in Nepal government structure</p> <p>Develop methodology and database and made available for incorporating mini hydro and large scale solar PV systems into district RE plans</p> <p>Complete training and awareness programme for relevant government agencies and stakeholders on mini hydro and large scale solar PV systems development and productive end use</p>	<p>Orientation programmes for CSIDB for RE based MSME promotion completed</p> <p>Training/orientation to prospective partner banks on investment in renewable energy projects and requirements of AEPC completed</p> <p>New RE Subsidy Policy includes support for SPV (PPP Model)</p> <p>Methodology prepared.</p> <p>Training on Mini Hydro provided to AEPC and NRREP staff.</p> <p>Training for Large Scale Solar PV to DDC and Private Sectors</p> <p>Training for Utility Scale Solar PV to DoED</p>
<p>Demonstrate technically and financially larger renewable energy systems</p> <p>Demonstrate PPP models facilitating cooperation between private sector, public sector, and local organizations through establishment of Special Purpose Vehicles (SPV) in three selected mini-hydro projects (1 MW)</p> <p>Demonstrate financially sustainable and reliable mini-grid connecting ten (10) micro-hydro systems (300 kW)</p> <p>Commission large scale solar PV demonstration projects totaling 500 kW</p>	<p>USD 400,000.00 provided to Central Renewable Energy Fund (CREF) to establish financial tools such as Soft Credit, Credit Guarantee, Vendor Financing, Credit Insurance and Project Insurance.</p> <p>RERL is supporting AEPC to install Taplejung Mini Grid funded by the World Bank</p> <p>500 kW solar PV system installed at the premises of Commission for Investigation of Abuse of</p>

Intended Output/Outcome	Achieved Output/Outcome
<p>Operationalize 2 MW of off-grid large micro-hydro (over 60 kW) power projects demonstrating cost-advantage, feasibility, productive end-uses, and best practice through technical assistance</p> <p>Commission mini hydro demonstration projects totaling 1 MW through PPP model</p>	<p>Authority (CIAA). RERL provided technical assistance for development of technical specification, bid document and evaluation of bids.</p> <p>18 kW Dubung, Tanhun</p> <p>25 kW Wind/Solar Hybrid, Bhorleni, Makwanpur 100x 300 Watts Solar PV systems installed in 100 public buildings such as DDC office, VDC office, Hospitals/Health posts/Birthing Centers, Schools and Temporary Learning Centers (TLCs)</p> <p>36 Household sized solar PV lift irrigation systems installed.</p> <p>Assessment of 42 Solar PV Water Pumping projects damaged by Earthquake completed</p> <p>July- Dec 2014- 17 MHP, 617 kW, 6131 Households</p> <p>Jan – Dec 2015- 12 MHP, 381 kW, 3588 Households (included of NRREP 8 MHP, 204 kW, 1812 Households)</p> <p>Assessment of 140 MHP projects damaged by Earthquake completed. Financial and Technical Assistance provided to rehabilitate 52 MHPs</p> <p>Detailed Feasibility Study of 9 Mini Hydro power projects with the total installed capacity of 2.7 MW completed</p> <p>SPV formation ongoing:</p> <ul style="list-style-type: none"> <li>- Giri Khola</li> <li>- Simruty Khola</li> <li>- Tara Khola</li> <li>- Junbeshi Khola</li> <li>- Bom Khola</li> </ul>

Intended Output/Outcome	Achieved Output/Outcome
Commission mini grid demonstration projects totaling 300 kW	<ul style="list-style-type: none"> <li>- Manjo Khola</li> <li>- Phawa Khola</li> <li>- Taplejung Mini Grid with 8 MHPs of 901 kW of under construction</li> <li>- Gulmi Mini Grid with 2 MHP of 116 kW and 70 kW commissioned</li> </ul>
<p>Establish financing for manufacturers and developers</p> <p>Establish a wholesale financing instrument to incentivize Banking and Financial Institutions (BFIs) for financing domestic manufacturers to meet growing orders and be cost competitive</p> <p>Improved Plant Load Factor</p>	<p>USD 400,000.00 provided to Central Renewable Energy Fund (CREF) to establish financial tools such as Soft Credit, Credit Guarantee, Vendor Financing, Credit Insurance and Project Insurance.</p> <p>Productive Energy Uses</p> <ul style="list-style-type: none"> <li>- More than 1,100 end-uses established by NRREP</li> <li>- RERL supported adaptation of 3 Technologies to local context.</li> <li>- 90 women entrepreneurs trained on Business Management.</li> <li>- Over 100 potential entrepreneurs who were provided different skill-based trainings.</li> <li>- 1 MHP supported to function as an enterprise.</li> </ul>
<p>Develop the needed technical capacities and skills</p> <p>Established database of technical challenges and opportunities for the design, manufacture (for micro-hydro (60+ kW) and mini hydro), installation and after-sales service in micro-hydro (60+</p>	<p>RERL supported the World Bank to carry out capacity gap analysis in the entire renewable energy sector.</p>

Intended Output/Outcome	Achieved Output/Outcome
<p>kW), mini-hydro and large scale solar PV systems</p> <p>Fully trained skilled and technically capable people available for project identification, feasibility studies and detailed design of mini-hydro and large scale solar PV systems</p>	<p>- Training on Design, Implementation and Management of Large Scale Solar PV System provided to 10 private sector engineers</p> <p>- Prepared and published guidelines for Detailed Feasibility Study of Mini Hydropower Projects (&gt;100 kW).</p> <ul style="list-style-type: none"> <li>• 20 Private Sector Engineers trained on DFS Guidelines.</li> </ul> <p>- RERL provided training in collaboration with Practical Action, NRREP on MHP operation to trainers</p>
<p>25,000 additional households connected to energy services</p>	<p>2014: 21,000 new households have access to electricity</p> <p>2015: 3,581 new households have access to electricity</p> <p>24,581/25,000 – on track for the target</p>

## Impact

The field visits indicated the importance of energy for the development and upscaling of enterprises. Where energy was available, there were examples of thriving enterprises. On the other hand where the energy was not sufficient livelihood development as limited. UNDP reports that they have observed additional impacts such as:

- In the regions where REDP implemented renewable energy based projects, the community experienced increased level of awareness towards environment, education, clean drinking water, and sanitation and women empowerment. The people from “backward” communities proved that they had the capacity to plan and implement renewable energy projects.
- REDP/RERL community mobilization has given women a platform to engage in development activities and voice their concerns. Women in particular have benefitted from the availability of electricity allowing them to carry out many of their chores in less time and with less effort..

The field visits indicated the importance of energy for the development and up-scaling of enterprises. Where energy was available, there were examples of thriving enterprises. On the other hand, where the energy was not sufficient livelihood development was limited.

## **Sustainability**

This project has the potential to become totally self-sustaining. The government sees it as a priority having committed the majority of the funding. Private sector is also now contributing. It presents a significant investment opportunity for them.

UNDP staff expressed concern that communities still require continuous support to maintain the projects, suggesting the need for support to communities for proper management, tariff determination, load management, end-use promotion and capacity enhancement of operators.

## **Gender Equality and Social Inclusions**

The annual report indicated that women and marginalized/vulnerable groups own 33% of the functional electricity based enterprises established. UNDP reports that 50% of participants are women, 30% are Janajati and 11% are Dalit.

UNDP staff indicated that vulnerable groups such as women and children are protected through improved lighting. Women have improved income-generating opportunities. This was promoted through the development of separate Community Organization for men and women. Staff also report that electricity is provided to everyone in a community so that groups such as Janajatis and Dalits benefit along with everyone else.

## ANNEX D: TEAM BACKGROUND AND DETAILED RESPONSIBILITIES

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Pramod Raj Pokharel   Milan Adhikary   Martha McGuire   Anoj Chhetri

### **Martha McGuire, Team Leader**

Martha brings 27 years of evaluation experience and has been the team leader for close to 100 evaluation projects ranging in size from \$10,000 to \$750,000. She has worked with multi-disciplinary teams. She has extensive international experience. She was on the Board of the International Organization for Evaluation and the management group of EvalPartners leading up to EvalYear in 2015. She has worked with a number of UN agencies: the United Nations Evaluation Group, United Nations Education, Scientific and Cultural Organization, the International Atomic Energy Association and UN-Habitat. She is a member of the Community of Evaluators, attending the conferences in Kathmandu in 2015 and 2013. Although evaluation is her primary area of expertise, she brings some experience in gender equality, employment and livelihood development, and green energy.

#### Key responsibilities included:

- Primary contact with UNDP and responsible for regular progress reports and communication
- Providing professional evaluation guidance to the team including ethics, quality control, data collection methods, and analysis and interpretation of the data
- Lead in developing the overall evaluation plan through the inception report
- Coordinating data collection
- Conducting desk review, key informant interviews, and in-depth study of SNPMC, SKILLS and policy directions.
- Lead in analyzing and interpreting data
- Lead in producing the final evaluation report

### **Anoj Chhetri, Ph.D, Employment and Livelihood Expert.**

Anoj will bring over 20 years most relevant experience in livelihood, food security and agriculture through project planning, capacity building, Program evaluation, development and project cycle management. He has a Ph.D. in Agricultural Management has studied in the United States, United Kingdom and Nepal. In addition to his expertise in employment and livelihood development particularly in rural areas, he has an in-depth knowledge of GESI.

#### Key responsibilities included:

- Attend key meetings with UNDP and other key stakeholders
- Conduct all aspects of the evaluation in an ethical manner

- Provide professional guidance to the team on employment and livelihood
- Assist with the development of the inception report
- Collect data consistent with and using the tools set out in the inception report
- Assist with the analysis and interpretation of the data
- Prepare the project-level reports for MEDEP, LRP, CILRP and RELRP
- Assist with preparation of the final report

**Milan Adhikary, Ph.D, Gender Equality and Social Inclusion Expert.**

Milan has a Ph.D. in Agricultural Economics and a masters degree in Agricultural Systems and is an expert in gender equity and inclusion. She also brings experience in program evaluation. She two decades of experiences in research and Program planning, implementation, particularly in the agriculture, natural resource management, gender and social inclusion, women empowerment and gender equality, children and education sectors. Through her work with grassroots level community as a Gender Specialist and a Gender and Capacity Building men and women forest Specialist for improving the livelihood of rural poor through socio-economic empowerment of users group. She brings an in-depth understanding of the national context and issues related to GESI.

Key responsibilities included:

- Attend key meetings with UNDP and other key stakeholders
- Conduct all aspects of the evaluation in an ethical manner
- Provide professional guidance to the team on gender equality and social inclusion
- Assist with the development of the inception report
- Collect data consistent with and using the tools set out in the inception report
- Assist with the analysis and interpretation of the data, bringing a gender equality and social inclusion perspective
- Assist with preparation of the project-level reports, preparing the sections on gender equality and social inclusion
- Assist with preparation of the final report

**Pramod Raj Pokharel, M.Sc., Energy and Environment Expert**

Pramod brings 17 years as an energy and environment expert in Nepal. He has a master of science degree in Global Change Management from Eberswalde University for Sustainable Development in Germany. His areas of expertise include hydropower, renewable energy, on and off-grid energy systems, supply and demand management, and sustainable development in the context of climate change. He brings experience at the policy and practical level.

Key responsibilities included:

- Attend key meetings with UNDP and other key stakeholders
- Conduct all aspects of the evaluation in an ethical manner
- Provide professional guidance to the team on energy and environment
- Assist with the development of the inception report
- Collect data consistent with and using the tools set out in the inception report
- Assist with the analysis and interpretation of the data
- Prepare the project-level reports for RERL and CSUWN
- Assist with preparation of the final report



## ANNEX E: RESOURCE DOCUMENTS

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13th Plan Result Framework, 2014

14<sup>th</sup> Plan Result Framework 2015

2nd Evaluation Network Meeting Proceedings, 2015

Annual Household Survey (AHS) I Report, 2014

Annual Household Survey (AHS) II Report, 2015

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Documentary on Evaluation Systems and Practices in Nepal, 2015

Draft MDG Terminal Assessment Report, 2016

Evaluation of Babai Irrigation Project, Ministry of Irrigation, 2015, Published in 2016

Evaluation of Integrated Women and Reproductive Health Program, Ministry of Health, 2014

Evaluation of Madhya Marshangdi Hydro-power Project, Ministry of Energy, 2014

Evaluation of Micro-enterprise Development Program (MEDEP/MEDPA), Ministry of Industry, 2015, Published in 2016

Evaluation of Women Development Program, Ministry of Women Children and Social Welfare, 2015, Published in 2016

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LDC Graduation Strategy, 2014

Livelihood Recovery for Peace (LRP) Annual Progress Report 2015

Livelihood Recovery for Peace (LRP) Project Annual Progress Report 2013

Livelihood Recovery for Peace (LRP) Project Annual Progress Report 2014

Livelihood Recovery for Peace (LRP) UNDP Project Document  
 Master Sampling Framework (MSF) Nepal, 2016  
 MDG Acceleration Framework, 2013  
 MDG Progress Report, 2013  
 Micro Enterprise Development Program (MEDEP) (April 2015) Annual Progress Report 2015  
 Micro Enterprise Development Program (MEDEP) Annual Progress Report 2014  
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 National Strategy for Development of Statistics (NSDS), 2016  
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 Nepal Human Development Report, 2014  
 Policy Compendium (Compendium of 8 policy review), 2016  
 Rapid Enterprise and Livelihoods Recovery Project (RELRP) Annual Progress Report 2015  
 Renewable Energy for Rural Livelihoods (RERL) Annual Progress Report 2012  
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 Support to Knowledge and Lifelong Learning Skills (SKILLS) Annual Progress Report 2015  
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 Women's Empowerment (Gender Scorecard)  
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 United Nations Development Program (September 2015) Guideline on Monitoring and  
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United Nations Development Program (December 2011) Outcome Evaluation A companion guide to the handbook on planning monitoring and evaluating for development results for programme units and evaluators

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UN Women, 2012. Joint Programme on: Accelerating Progress towards the Economic Empowerment of Rural Women, National Consultative Workshop - Workshop Report.

## ANNEX F: LIST OF KEY INFORMANTS

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Aryal, Suman Raj	Director General, Central Bureau of Statistics
Awasthi, Dr. Lava Deo	Focal Point for SKILLS, Ministry of Education
Baral, Chitragat	Under Secretary, NPC
Bhoosai, Yam Lal	Joint Secretary, Ministry of Industry
Bhusai, Padam	Livelihoods Program Manager, Australian Embassy
Das, Dr. Annapurna Nand	Chure-Tarai Madhesh Conservation Development Board
Dhakal, Dr. Teertha Raj	Joint Secretary and Chief, M&E Division, NPC
Dhital, Ram Prasad	Executive Director, Alternative Energy Promotion Centre
Gautam, Satish	National Program Manager, Alternative Energy Promotion Centre
Gewali, Govinda	Senior Project Officer, Asian Development Bank
Hada, Navin	Aid Project Development Officer, USAid Nepal
Hamre, Edle	Deputy Head of Mission, Royal Norwegian Embassy
Hanni, Pia	SDC
Ilomaki, Jukka	Development Counsellor, Embassy of Finland
Joshi, Dr. Chudamani	Special Advisor, Embassy of Finland
Katiwada, Yam Kumari	Ministry of Industry and National Program Director of MEDPA
Keshari, Mukunda	Focal Point for SKILLS, Ministry of Education
Khatiwada, Dr. Yubaraj	NPC
Maskey, Muhan	Policy and Institutional Strengthening Expert, AEPC
Malnak, Peter	Nepal Mission Director, USAID
Mim, Hamal	Program Officer, European Union
Murray, Andy	Statistics Advisor and Results Lead, UKAid, DFID
Neupane, Famji Prasad,	National Program Director of MEDEP
Poudel, Dr. Narayan Raj	Program Director, NPC and NPD SNPMC Project
Pradhan, Suresh	Ministry of Cooperatives and Poverty Alleviation
Shakya, Sujeev	BEED
Subedi, Dr. Bhawani	National Program Manager, SKILLS
Tamrakar, Nirajan	Team Leader, Livelihood for Recovery Project
Upadhyay, Ramesh Chandra	Executive Director, Cottage and Small Industries Dev. Board

## **ANNEX G: CASE STUDIES**

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## POTATO RUSTIC STORE COMMON FACILITY CENTRE

Jethal-6, Sildhunga, Sindhupalchowk

This centre was established with support from MEDEP and re-established after the earthquake through RELRP. The cooperative consisted of 70 micro-



entrepreneurs in 2008 and has now expanded to approximately 260 entrepreneurs. The micro-entrepreneurs bring their produce to the Common Facility Centre where it is sold locally as well as supplied to Kathamandu, Barhbise, Khadichaour, Balephi, and Chautara. Products include potatoes, cabbage, cauliflower, chili, broom stick, radish, green peas, carrots, garlic, tomatoes, green coriander.



Seed potatoes are stored for future planting. During the time when the centre is not needed to store seed potatoes, it is used to grow mushrooms.

### Resources Received

#### Financing

Pre-Earthquake 2008		Post-Earthquake	
Starting capital	NRs 700,000	RELRP	NRs 1,094,830
Community	NRs 100,000	MEDEP	NRs 248,000
VDC	NRs 150,000	DADO	NRs 800,000
DADO	NRs 300,000	VDC	NRs 100,000
MEDEP	NRs 210,000		

#### Support Provided by UNDP

Pre-Earthquake 2008	Post-Earthquake
<ul style="list-style-type: none"> <li>• Entrepreneurship development training</li> <li>• Market promotion and development training in Chautara</li> <li>• Marketing training</li> <li>• Mushroom training</li> <li>• Group management training</li> <li>• Cooperative management training</li> </ul>	<ul style="list-style-type: none"> <li>• Psycho-social counselling</li> <li>• Cooperative awareness</li> <li>• Technology support with potato grading</li> <li>• CFC reconstruction</li> <li>• Regular business counselling</li> </ul>

### Relevance

The support provided was consistent with the needs of the local community. It allowed them to use the skills they had as farmers and expand their markets in order to alleviate poverty.

## Effectiveness

The original financing was used to construct the Common Facility Centre with storage capacity for 4000 kg of potatoes. The capacity of the new facility is 10 tonnes. As well, it was constructed to be earthquake resistant.



The cooperative employs one full-time staff person and 6 part-time staff as well as providing a central market for the members' farm products.

Vegetables are collected from Lisankhu, Thulopakar, Pedku, Tauthali, Thulodhading,, Jethal, and Attarpur VDCs.

The income for each entrepreneur ranges from usd\$700 to usd\$1,000. The monthly savings in the cooperative ranges from usd \$50 - \$500 per persons.

The micro-entrepreneurs attending the focus group indicated that the technical support from MEDEP and RELRP was very helpful. In particular, the psycho-social counselling was helpful. The women reported that many of the men started drinking and the counselling provided an opportunity for wives to speak with their husbands about the effect it was having on the family.

## Efficiency

This group has made efficient use of the resources provided to them. The RELRP funds were used to upgrade the facility at little extra cost. They have sought funds from a number of sources. The centre is not yet back to running at full capacity as many of the members are still re-building their homes and farm buildings.



## Impact

Previously there had been hunger six months of the year. Now they have year-round food sufficiency. Families have increased income and most had savings in the cooperative prior to the earthquake. The availability of MEDEP and RELRP assistance helped to build the cooperative initially and re-build it after the earthquake. The community has made use of the assistance to create local employment for a significant number of people.

## Sustainability

The group has complete ownership of the cooperative. Prior to the earthquake it was a productive and growing cooperative. The members have a strong commitment to the cooperative as it supports their primary means of livelihood.



## Gender Equity and Inclusion



Women members: 140

Men members: 120

Most of the key decision-making positions such as president, vice-president and treasurer are held by women. Two men and five women make up the cooperative committee.

There is gender equality with agriculture wages and access to information and training facilities, but the VDC and DDC is still predominately men.

The psycho-social counselling required the attendance of both husband and wife, resulting in improving harmony within the family.

## DHAKA WEAVING ENTERPRISE

### Chathali – 3 Bimeshwar Municipality, Dolakha

The Dhaka Weaving Enterprise was started by women from the Thami community, who moved to the area following first a flood, then an earthquake in their original community. As a result



they are landless and unable to pursue agriculture. Initially the women did household chores for others, receiving wages that kept them in poverty. The men were in a similar situation, carrying out heavier work. The weaving enterprise has provided them with a path out of poverty.

They have visited a similar enterprise in Nepal in an effort to improve their productivity and quality of their product. They learned that using finer thread reduces the amount of thread breakage so they can produce the shawls more quickly and better. Their

future plans include: 1) getting automatic cloth rollers for their looms so they do not have to remove the shawl each time; 2) purchasing a better quality thread once their current stock runs out; and 3) getting a machine that makes the thread even finer so they can produce shawls that are light. Their current shawls weigh approximately 6 kgs compared to 600 grams with finer thread. They will be able to sell the finer shawls at a higher price.



During the earthquake in 2015, they once again lost their homes and the looms for weaving. They have since rebuilt the

## Resources Provided

### *Financing*

Pre-Earthquake 2013		Post-Earthquake
DDC	NRs40,000	MEDEP, DDC, CSIDB, DMEGA provided NRs1,20,000 to replace looms and repair building
MEDEP	NRs4,50,000	

### *Support Provided by UNDP*

Pre-Earthquake 2013	Post-Earthquake
<ul style="list-style-type: none"> <li>Market survey</li> <li>Participant selection</li> </ul>	<ul style="list-style-type: none"> <li>Psycho-social counselling</li> <li>Technical training</li> </ul>

Pre-Earthquake 2013	Post-Earthquake
<ul style="list-style-type: none"> <li>• Social mobilization</li> <li>• Training: Start and Improve Your Business</li> <li>• Business plan preparation</li> <li>• Linkage to micro-finance institute</li> <li>• Market linkage through participation in exhibitions and trade fairs</li> <li>• Cooperative registration and management training</li> </ul>	<ul style="list-style-type: none"> <li>• Cooperative awareness program</li> <li>• Technologies support</li> <li>• Common facility centre reconstruction</li> <li>• Regular business counselling</li> </ul>

## Relevance

This enterprise is highly relevant to the eight women and approximately 50 households that benefit from it. It provides livelihood for marginalized women who would otherwise be working for below poverty line wages. The assistance provided following the earthquake was particularly useful in one again re-building their lives.

## Efficiency

This enterprise has made excellent use of the supports provided to them by creating a profitable enterprise. While they have sought funding from more than one source, the UNDP field staff have been the primary source of business development support.



## Effectiveness

The women provided a list of outcomes that were important to them:

- Being able to operate their own enterprise
- Improved business knowledge
- Becoming self-employed and independent
- Increased confidence and leadership skills
- Improved livelihood
- Increased social status and more involvement in social activities
- Managing their own expenses and children's school fees
- Saving through their own cooperative
- Increased income from NRs 3,196.73 (average) to NRs 11,376.71 (average) annually

## Impact

The women of Dhaka Weaving now know how to run their business. They were able to present a solid business case for the improvements they want to make to the enterprise. Currently a half-shawl takes approximately one day to produce. It can sell for NRs 600. The cost of the material is NRs 200. The labour cost is NRs 300, leaving a profit of NRs 100. With improved

technology they could raise the price of their shawls to NRs 650 or greater and produce it more quickly thus reducing the labour costs. This would make up for the increased cost of materials, leaving them with an increased profit of NRs 150.

The profits are used primarily to pay for water and sending the children to school so that they are better prepared to pursue their own livelihoods.

### **Sustainability**

The women are hard-working and persevering. They are proud of their enterprise and the difference it makes for their families. They have plans for the future: developing new designs based on market demand; providing an improved quality product; increasing employment through enlarging the enterprise, operating a cooperative and strengthening their market network through subcontracting. The enterprise is back to full

### **Gender Equality and Social Inclusion**

This enterprise is all women from a particularly marginalized group (Thami indigenous people). It is led by women. One woman is the vice-chair of the District Micro-entrepreneurs Group Association (DMEGA).





## MICRO HYDRO STATION

Singate, Dolakha District

The 52 kW Gumu Khola micro-hydro station is no longer operating, having been damaged in a landslide caused by the 2015 earthquake. The facility started its operation on June 28, 2011 and had four years of successful operation until it was damaged. Before the damage, it provided services to over 300 households and other industrial activities (5-grain mills, 1- saw mill, 1- Grill workshop, 1- dairy industry and few commercial shops). The operation of the facility was profitable as the community loan from NRs 1.8 mil was reduced to NRs 0.8 mil in 4 years. The earthquake completely damaged the intake, canal and powerhouse, but the turbine and generator are still in good condition - about NRs 7 mil is

estimated for the repair. The members of this micro-enterprise indicate that they have made several rounds of requests to the concerned authorities including written application to AEPC. Representatives of AEPC came to visit and provided estimates on the repair costs, but no approvals for funding have yet been provided.

Following the earthquake AEPC provided the district with 10,000 10 Wp solar home system that are sufficient to provide limited lighting and charging of mobile telephones. While these were useful as an emergency measure, they are not sufficient to provide electricity to the community for other uses. This has resulted in a lack of water (pumps no longer work) and the inability to power the enterprises in the community such as the mills. The members of the enterprise fear that AEPC sees the provision of the micro-solar devices as a long-term solution. They would like to see UNDP play an advocacy role with AEPC to get funding to repair the hydro station.

UNDP staff indicate the following: *The plant was severely damaged by landslides triggered by earthquakes of 2015. The epicentre of the earthquake of May 12, 2015 was located near the border between Sindupalchowk and Dolakha districts and caused widespread damages. According to Earthquake Assessment Report of UNOCHA, 87 per cent of total houses in Dolakha district was either totally destroyed or severely damaged. Additionally, infrastructures including energy plants and end-uses facilities were also severely damaged. RERL immediately carried out assessment of damages and submitted a report to AEPC for rehabilitation. The earthquake completely damaged the intake, canal and powerhouse, but the turbine and generator are still in good condition. The total estimated cost of rehabilitating this plant is NRs. 7 million. However, as the national grid has almost reached the village, the District Development Committee (DDC) plans to extend the line to the village and connect to existing distribution line rather than rehabilitated the plant as the cost for grid*



*extension is much lower than rehabilitating of the plant. The DDC plans to salvage electro-mechanical equipment such as turbine and generator and give it to other potential sites.* Community members are not aware of all of this and do not understand why their facility is not being repaired. There is a strong perception amongst the community people that the government inefficiency is the main reason for delay in either rehabilitation of micro hydro power plant.

**Technical parameters:** 52 kW capacity, 250 ltr/sec discharge, 34.85 m head, 55 m penstock length and more than 7 km LV distribution line

## **Resources Provided**

Community in addition to NRs 6.5 mil subsidy (52 kW @ NRs 125,000) created a matching fund. It collected NRs 1 mil from VDC, NRs 0.2 mil from DDC, NRs 0.1 mil from MP fund, NRs 0.4 mil loan from Community Forest, NRs 0.5 mil loan from local cooperative bank and NRs 0.9 mil loan from other sources. Apart from these, community also collected NRs 40,000 each from 300 households plus 40 days labour contribution from each household.

## **Relevance**

This enterprise is highly relevant to the community. The disrepair has caused great concern and tension within the community. The lack of electricity affects all local enterprises, creating potential for increased poverty.

## **Efficiency**

At this point the enterprise is an example of money wasted. The original investment will become useless if the repairs are not made. Prior to the earthquake the hydro station was a successful enterprise, supporting other community enterprises and making sufficient revenue to repay the loan. While there are different perspectives on why this inefficiency is occurring, the members of the enterprise feel it is government inefficiency. The UNDP staff report that, rather than rehabilitating the facility, that the community will soon be connected to the grid and parts of the facility will be retrieved and used in other plants. This evidently has not been well-communicated to the community. Given that the facility is located so close to the grid, it raises the question of why not repair and upscale so it can become an enterprise for the community.

## **Effectiveness**

Although the facility provided electricity to the community when it was operating, it is no longer effective, but likely could become so based on its performance prior to the earthquake.

UNDP staff report: *when the plant was operating, it made enough profit to make a saving of NRs 250,000 annually which was used to repay the loan. In 4 years period, the community successfully paid off NRs 1 million of the total loan of NRs 1.8 million. The DDC is planning to support the community for bulk purchase of electricity from NEA and distribute as they were doing with micro hydro power plant previously. If the community is able to distribute electricity as before they will be able to pay off the remaining loan in the next 4 years and will start making profit then after.*

*The community is not satisfied because they have been without sufficient electricity for more than year and a half though AEPC immediately provided solar home systems to all 300 households. They fear that they may not get adequate electricity because they have been given solar home systems. Especially, the entrepreneurs operating grain mills, saw mill, welding shop and the dairy are frustrated because the small solar home system cannot run their enterprises. Mr. Shyam Kishor Yadav (District Energy Officer) who strongly empathises with the entrepreneurs believes that the entrepreneurs will not only have sufficient energy to run their enterprises, but also to expand their services once the village is connected to the grid. Further, water pumping system operated by the micro hydro became non-functional as a result of which the villagers have to walk to collect water from the nearby spring. As soon as the grid is extended to the village, the pump is expected to be operational and provide water without any interruption.*

## Impact

At this point the enterprise is having a negative impact on the community. It has caused tensions as the lack of electricity affects all members of the community. The concern is less about the number of people employed and more about the impact that limited hydro has on community members and their businesses



## Sustainable

This enterprise has the potential to be sustainable, but at this point is not, without further assistance for repairs. It will require approximately NRs 7 mil to repair. Because the hydro station is near the NEA grid, this need for repair provides the opportunity to create a larger station, creating more revenue. UNDP has a substantially different

perspective than the community members. UNDP staff and the community appear to have a different perception of what is needed and the potential connecting to the grid if rehabilitation of the plant occurs.

## Gender Equality and Social Inclusion

This enterprise shows no evidence of gender equality or social inclusion during the evaluators' field visit. The five members attending the focus group were all men. Women were not highly visible in the community and no women took part in formal or informal discussions with the evaluators. Although UNDP staff report that the user committee was comprised of men and women. At this point, the committee seems to be comprised of only men. The men did note that with the lack of reliable and sufficient energy women now must spend more time on chores such as cooking and hauling water. They noted that without sufficient energy the water pumps no longer worked so the women have returned to hauling water from great distances. UNDP reports: *The micro hydro power plant has provided significant economic opportunity and environmental benefits to the local community. Especially, women and children, who are vulnerable to social abuse, are offered protection from lighting and tapped drinking water eliminating long and unsafe travel to fetch water. The User's Committee, comprising of women*

*and men, is responsible for operation and maintenance of the micro hydro power plant. Women are provided with an opportunity in decision making process for the operation of the plant. Hence, the project has made it possible for women to play leadership role and become independent. The local distribution system connecting the micro hydro power plant is supplying electricity to the entire village. The plant has significantly contributed towards providing access to electricity to economically deprived and marginalized families, such as Janajatis and Dalits, living in the village. Hence, the project has strongly realized gender equality and social inclusion by providing energy access to all.*



## ALITAL MULTIPURPOSE COOPERATIVE LTD

Ward No. 7, Jeltuda of Alital, Dadeldhura

Alital is an area of organic honey production. Originally supported through the International Centre for Integrated Mountain Development (ICIMOD), MEDEP was provided in 2004 on skills development through the Alital Multipurpose Cooperative Ltd. On an average, about 80 micro-entrepreneurs are keeping 10-40 hives at individual level. The Ministry of Small Enterprises and Cottage Industry has supported sun flower production, but rainfall affected growth of the flower this year. MEDEP has the cooperative to gain organic certification from the Organic Certification Nepal.



### Resources Received

#### Financing

MEDEP Supports	Other supports
MEDEP funded entrepreneurship training, skills training, technology support, marketing support, organic honey certification, cooperative registration, logistic support, business counselling	Self : NRs 100,000 Group Saving: NRs 25-100 DDC/ MEDF: NRs 50,000

### Relevance

Alital is a honey production pocket area located amid a lush green forest. Connected by road and power supply, people have adopted organic farming practices. They have already developed skills on honey production. The Ministry of Agriculture has supported in production of bee hives using local resources. In this light, the support seems quite relevant to people of Alital and adjoining VDCs.

### Effectiveness

The MEDEP support was mainly focussed on capacity building of cooperative and facilitation support. It has supported the purchasing of processing equipment such as honey separator, cap sealer, weighing balance, date coding.

The annual honey production is about 6000 kg per entrepreneur. and the price for one Kg honey ranges from usd\$4.5 to usd\$5. The honey is sold out to nearby market centres: Budar, Dhangadhi and even to Kathmandu. The average annual income for each entrepreneur is about usd\$339 and net profit usd\$220.



## Efficiency

This cooperative has made efficient use of the local resources through a cropping system. The local production of bee hives has increased the economic productivity in the area.

## Impact

The honey production has improved people's livelihood and raised their living standards. The per capita monthly income for the participating entrepreneurs has improved from usd\$56 to usd\$88, an increment of 63%. People have enrolled children at schools and some of them study at higher level. Women's position at society has been recognised and their voices are now well heard. Bee-keeping culture has been developed as part of the community, with some of providing training to others.. The Alital VDC Council has declared the area chemical fertilizer- and pesticide-free in order to produce organic honey.

## Sustainability



The cooperative has complete ownership of the business. The growing demand for organic honey from local markets and utilisation of local resources for bee hives and technology suggest that the industry will sustain on their own, linking with local and regional value chains. MEDPA has demonstrated strong commitment to support this industry. Locally, about 2000 bee hives (using local wood-uttis, mango) are produced and supplied to various districts in the region.

## Gender Equity and Inclusion

Women members:	41
Men members:	29
Dalit:	16
Janjati:	1
Brahmin, Chettri, Thakuri, Sanyasi	53

The VDC in the area includes Chhetri, Dalits and Janajati.

## CHANDRAMA BEDBANSJ SAJHA SUBIDHA KENDRA (CBSSK) CANE CRAFTS

### Kailali

Cane is a non-timber forest product which includes many of various tall, perennial grasses with flexible, woody stalks, and more specifically from the genus *Arundinaria*. It is produced in nearby Bardiya district in wetland and waterlogged areas. Since there is no competition with Indian market, demand is very high for the cane crafts in both domestic and nearby Indian markets. CBSSK has a Community Facility Centre (CFC) constructed through the joint financial support of MEDEP, Community and VDC. The CFC is used to provide training and storing cane crafts.



### Resources Received for CBSSK

MEDEP Supports	Other supports
NRs. 120,000 NRs. 200,000 for upgrading	Self : NRs 60,000 VDC: NRs 80,000 Self : NRs 73,323 10 dhur Land contributed by Shaliman Koli

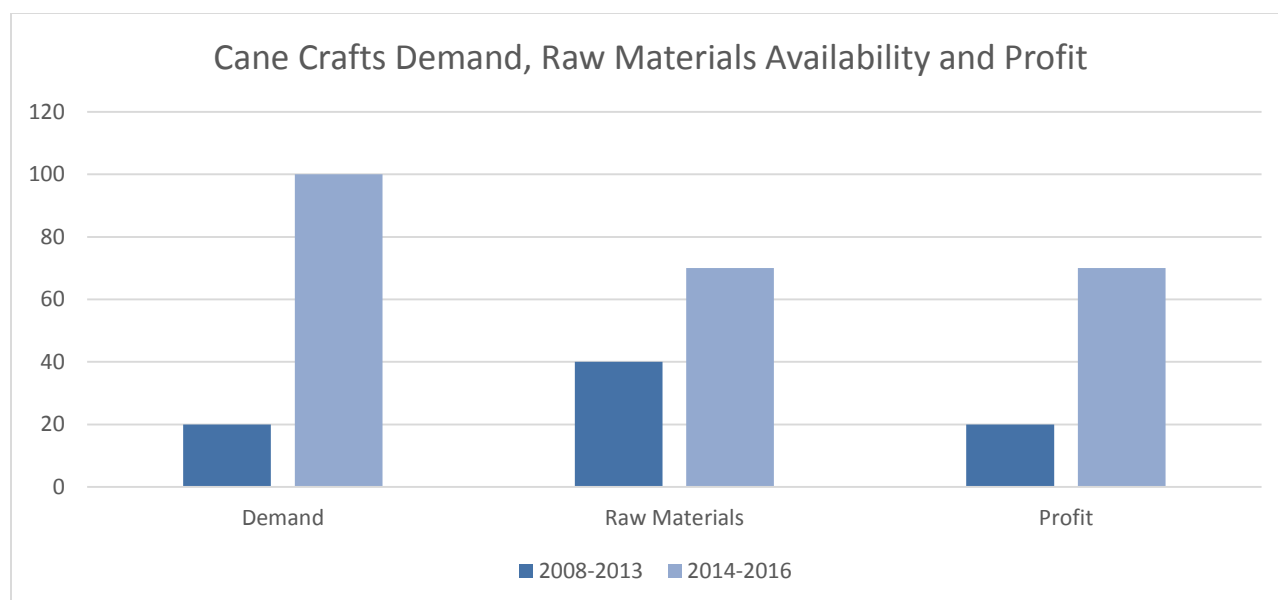
### Relevance

The utilisation of non-timber-forest product for employment generation and engagement of youth is a national priority. Because of the availability of cane in adjoining Bardiya district is without any immediate threat to environment as it is naturally grown and the district forest office has shown interests to grow plants, this enterprise provides an option for employment creation. As well, this community has experienced extensive youth migration makes this enterprise highly relevant for the community.

### Effectiveness

The crafts producers gain a 50% net profit from the product sales. There is a high demand for cane products due to the trend of giving crafts as gift at social functions. The enterprise has provided employment for all family members as men and children are also engaged in the business. There is clear indication of improved livelihood, education and health condition once women started income generation.

The following graph shows the results of the participatory community statistics gathered during the site visit. One quintal of cane costs NRs8500/ including transport. On an average eight quintal of cane is used by an entrepreneur per year. The price of items ranges from NRs. 600 to 1500 for various items. On an average 50% profit on each item with an average NRs. 600 income per days against NRs. 400 by labor work. Before five years, it was just about NRs. 150 daily income. The Bed Bansh Subidha Kendra has created jobs for 17 people.



## Efficiency

MEDEP had provided an introduction to micro-enterprises in Bardiya and training to assist starting the micro-enterprise. A skillful producer can generate a stand or shelves in a day with net income of NRs. 500. This is manual work so efficiency lies on skills of producers and intensive labour. Previously, the profit was less due to lack of skills on finishing items.

Producers have pointed out that skills gap in designing crafts is a major inefficiency issue when looking at the future.

## Impact

With the improved level of income, women are able to support children's education; men have stopped going to foreign jobs. There is harmony in family with decreased rate of alcohol consumption by men. Some producers are able to train others as demonstrated by Small and Cottage Industry training program inviting a producer to train people. One woman earned NRs. 9000 by working as a trainer.

## Sustainability

Raw materials are available in adjoining Bardiya district where cane grows naturally in wetland and waterlogged areas, but administration and Bardiya National Park created hurdles in the supply chain. The product diversification and skills in designing crafts appear as limitation and increasing rate of cane harvest pose threat to environment protection.

## Gender Equity and Inclusion

Of the total 9 members in the executive committee of Bed Bansh Subidha Kentra, 5 are women and 4 men with a female as president. Although MEDEP targeted Tharu women living in poverty

the New Shrijana Group members are predominately of the Sarita Chaidhari and Laxmi Chaudhari because some of other members dropped out

## YOUTH MOBILISATION FOR PEACE AND DEVELOPMENT

Jaleshwor, Mahottari

Youth clubs are key element in the peace building drive in Mahotari. Registered as youth group in 2008, youth clubs worked at 5 VDC of Jaleshwor through the support of Search for Common Ground. The clubs have been supported through the Livelihood Recovery for Peace project since 2012, bring together 43 youth clubs. Eighteen of those clubs are in the process of coming together as the Youth Network for Peace and Development. The network has engaged unemployed youth in a peace-building process.

### Resources Received

MEDEP Support for Individual and District Clubs	MEDEP Support for Youth Network for Peace and Development
NRs. 125,000 for single club NRs. 50,000 for upgrading club NRs. 249,000 district network	NRs. 249,000 NRs. 100,000 NRs. 500,000

### Relevance

In the aftermath of Tarai movement and subsequent uprisings, many people were displaced, particularly from the hills community. The vulnerable groups suffered a great deal and frustrated and unemployed youths were inclined to join armed groups. Organizing and engaging youths in productive work discouraged joining the armed forces by providing income generation for the youth. The funding through LRP helped to bring youth together for peace and development.

### Effectiveness

Youth played a key role in supporting poor students from poor families. They ran tutorial class in poor community. Youths took on good governance initiatives such as organizing public audit, placing public hoarding board and promoting transparency. The formation of the youth groups 4-5 men from migrating to third countries. Youths facilitated in resolving community road conflict in Halkhori. It has mobilised volunteers and interns in raising awareness of people on sanitation and ensuring good governance by educating on right to information. The small amount of grant was not sufficient to run some of the projects such as a street drama.

### Efficiency

Youth Network for Peace and Development (YNPD) has mobilised volunteers and interns in raising awareness of people on sanitation and ensuring good governance by educating on right to information. The concept of volunteerism inculcated high school students who joined hands with YNPD and supported development activities and peace processes.

## **Impact**

The youth club contributed to raising awareness against child marriage. They have helped in the distribution of cleanliness card and promoted toilet usage from 13% to 83%, thus reducing open defecation. With the support from LRP, youth were able to participate in the 14 step planning processes and approved youth strategy by the DDC council. As a result, DDC council allocated NRs. 10 lakh for youth development. The Network has developed a youth information centre by mobilising interns just passed high school. It has even constructed rural trail at Halkhori VDC and played key role in conflict resolution encouraging armed groups to give up arms and join peace process. It also launched peace dialogue through GIZ and UNDP peace project. The project period was for a very limited time period so that many intended results could not be achieved.

## **Sustainability**

While the youth groups are no longer being run following cessation of LRP funding, some of the impacts of the work of the youth groups may be sustainable such as awareness against child marriage and the use of toilets. Since there was no exit strategy youth clubs are no longer continuing the programs.

## **Gender Equity and Inclusion**

Only two women appeared in the meeting out of 15 participants. Some of the participants are from traditionally marginalised groups.



## KHARBANG CHIURI HERBAL SOAP ENTERPRISE

Kharbang VDC, Banglung

Baglung is one of the highest remittance receiving districts in Nepal. Traditionally, youth tend to migrate overseas and work as security guard or in armed forces. The gravel road connection with the district headquarter and access to energy, education, health has shifted the job paradigm in Kharbang VDC. An example is Chiuri Herbal Soap production. The Chiuri tree is a medium sized tree native to Nepal also named "butter tree". The main product of the tree is "ghee" or butter, extracted from the seeds and named "Chiuri ghee" or "Phulwara butter".

Registered at Cottage and Small Industries Development Board (CSIDB) and affiliated with DMEGA, this enterprise was set up in 2008 with the support from MEDEP among others. It connected to a micro-hydro project funded through RERL.

### Resources Received

MEDEP supports	Others Support
3 days training in Pyuthan district, 1 chiuri extraction machine, 1 stamping die Repair and maintenance cost Participated in trade fair  MEDEP invested NRs. 300,000	Self-investment NRs. 300,000 Dalit Empowerment Centre and Livelihood Forestry Program funded by DFID.

### Relevance

This provides an example of the importance of energy as a foundation to successful business development. Connected with road and access to energy from micro-hydro project, Kharbang has an increased capacity for entrepreneurship development. The previous rate of migration left the district only with older people, children and women. The interventions on micro-entrepreneurship has motivated youths to stay at home and create self-employment.

### Effectiveness

This enterprise is being run through family involvement. However, some members have already left the business due to heavy loss at the beginning of the project. These losses were incurred because members did not have adequate skills in soap production and marketing. Unfortunately, many of the demotivated members later opted for third countries jobs. Now the net profit per soap bar is NRs. 11 and about 250 pieces produced on daily basis. The sale of Ciuri Ghee and other by products are the sources of income. While the annual income is NRs. 350,000 to 400,000, the company has not yet recovered the initial loss. The enterprise has employs four members coming one family.





## **Efficiency**

This CFC utilized by soap factory and attached with Micro-hydro is an excellent example of collaboration among UNDP projects and other projects. The nearby market centres are Baglung, Pokhara, Kathmandu. Additionally, soaps are sold out at trade fairs and Saughat Outlet. The quality and brand of other soaps have posed challenge to the marketing and sale of Chiuri soap. There are bilateral agreement with multipurpose cooperative for the promotion of soap. Responding to the market demands, soaps are manufactured at large, medium and small size.

## **Impact**

Despite continued discouragement from local traders, a few members pushed this enterprises amid hardship through continued supports from UNDP projects. The soaps are available in many outlets and the enterprise is gradually recovering the initial loss. The project has left positive impression due to the fact that initial loss can be overcome through perseverance, commitment and positive thinking.

## **Sustainability**

Since the project has passed through hardship, it has realised its potential as yet now and determined to move forward linking with district and national networks such as DMEGA and National Micro-entrepreneurs Federation of Nepal (NMEFEN). Raw materials are not easily available at local level, so supply and value chains are a bit weak, as 90% raw material is imported from India. Some equipment such as iron crusher needs to be changed immediately to enhance quality aspects. Sustainability could be enhanced by locating local raw material and increasing employment beyond a single family.

## **Gender Equity and Social Inclusion**

A total of nine members are in the enterprise comprising of 5 women, 2 Dalit, 4 Janajati.

## RITU SAUGHAT GRIHA

Lakeside, Pokhara

The Pokhara district has been developed as a destination tourist spot in Nepal. A Janajati couple originally from Parbat district went through difficult trajectory in their lives before ending up at Lakeside. Their initial enterprise was an orange juice enterprise, serving door to door, carrying the juice in a backpack. Through MEDEP, they had the opportunity to upscale the enterprise with new products and increased sales. Now the sales outlet serves customers with items such as laptop bags, women's handbags, men's and women's wallets, allo bag pack, allo side bag, coin purse, guitar covers, yoga bags, passport bags, among the many items.



### Resources Received

MEDEP supports	Others Support
Various kinds of trainings to start business. 7 days orange juice production training, 15 days Allo bag design training, exposure visit to Japan, participated in several trade fairs	Self-investment NRs. 50,000 Loan NRs. 30,00,000
MEDEP invested NRs. 150,000	

### Relevance

Youth migration is an increasing trend in Kaski, Parbat and Baglung district. This trend is high among the Janajati community. To retain youth at villages and engage them in self-employment is a real challenge due to low scale of economy, poor supply and value chains and almost zero backward and forward linkages. This enterprise has ensured that a young couple will remain in Nepal.

### Effectiveness

This enterprise currently employs 12 full-time staff (including 9 women) and more than 20,000 people are indirectly attached through forward linkages of marketing and backward linkages of product production. On an average, people are earning about NRs. 500 on daily basis.

### Efficiency

Supported by the MEDEP training the enterprise owners have the ability to explore new product design and potential markets. They have maintained stock of products equivalent to one million rupees. The enterprise is well connected across many districts, towns and countries so marketing is not a major challenge. Although this business is no longer a micro-enterprise, it is yet to be registered into the Government system. The process is currently underway. They do not maintain record in the computer although CCTV camera was seen in the sales outlet.

## Impact

This is a success story. This business has brought has brought income and increased prominence to the couple who own the outlet. They have built a house in Pokhara equivalent to NRs. 10 millions. Banks and cooperatives are ready to provide them with loan if needed. The couple are familiar with markets and marketing strategies. They are planning to take lead roles in the local chamber of commerce and DMEGA. About 50-60 people have replicated the sales outlet model adopted in Lakeside. Additionally, employment provided by the outlet had prevented 5-7 persons from going abroad by providing employment at home



## Sustainability

This has become a strong, sustainable enterprise. Raw materials are mainly supplied from Sindhupalchok, Sankhuwasabha, Parbat, Myagdi, Baglung and Pyuthan districts. The national major markets are Kathmandu, Pokhara, Chitwan, Pyuthan and Parbat whereas the international markets are Australia, America, Japan, Canada and European countries. The couple are interested to develop their factory as training centre targeting poor, women, Dalit and janajati in close partnership with the Government, NGOs and donors.

## Gender Equity and Inclusion

Indirectly about 20,000 people benefitted of the enterprise of whom 90% are women, 20% Dalit and 70% Janajati

## **SUNHARA AGRICULTURE COOPERATIVE LTD, COMMON FACILITY CENTRE**

Pabera VDC, 2 Kailali

In the past, farmers of Pabera VDC cultivated cereals and sugarcane individually on a small piece of land which could not produce enough food for 12 months. With no option, they had to do labor wages for their survival during agriculture season and in slack season. Particularly men migrated to India for labor work. The farmers were unaware of cultivation of cash crops and that integrated farming system could bring change this. In 2014, MEDEP has implemented its programme in the VDC and formed an agriculture based micro-entrepreneurs group of 28 members. It now has 53 members.



### **Support Received**

MEDEP supported a seven-day training package of micro-entrepreneurship development to 28 chaudhary community of Pabera VDC, of Choti Paliya. Seed and irrigation support, business planning and technical consultancy services were provided to the selected micro-entrepreneurs through the agriculture development office with the financial support of MEDEP. In addition to this, banana chips and pickle making training were also received by farmers in their training package.

### **Relevance**

The land of Pabera VDC is very fertile with the potential for banana farming on large hectares of land along river banks. The programme targeted indigenous poor "tharu" community, who could hardly produce food to prevent hunger for a couple of months out of the year. Cultivation (peanuts, sweet potato and vegetables) along the river bank combined with crop diversification by integrating chilli and turmeric within banana crop, has allowed them to generate income throughout the year in order to alleviate poverty.

### **Effectiveness**

The focus group discussion with the agriculture cooperative group reflected that the farmers invest about NRs. 27,000 in 6 kattha of land, which gives them return of NRs.175,000. So there is net profit of about 30-40% from the small piece of land. In total, the cooperative has production cost of NRs. 820,314 while the income from selling the product was NRs. 25,09825 with net profit of NRs. 16,96511 in two season crops so far they got.

### **Efficiency**

Efficient use of the resources, river banks and small land holdings through integrated farming (banana with chilli and turmeric). MEDEP has not invested for Common Facility Center and the community has utilized their own common traditional building.

## Impact

Before formation of cooperative, the micro-entrepreneurs group used to collect NRs. 10 per month. Now they collect NRs. 100 after formation of cooperative. The cooperative has NRs 37,740 in savings and NRs 75, 250 in total capital. The Community center has been used as Common Facility Centre for monthly meeting of micro-entrepreneurs and cooperatives.

With the support, farmers now have sufficient food throughout the year. The women members of the group reported that the MEDEP support was helpful to them as men become busy in farming activities and no longer spent their time in playing cards and no longer remain drunk. They also reported changes in the behaviour of their husband, who give help in cutting vegetables for cooking. The women are happy that their husbands do not have to go to India for work. The generated income has been used for saving in cooperative as well as for their children education.

<b>Before Micro-entrepreneurship business</b>	<b>After Micro-entrepreneurship</b>
Men and women involved in wage labor to support family	Involved in group and started agriculture micro-entrepreneurship
Migration to India in slack season	No longer migration
Traditional method of farming-not enough for throughout the year	Crop diversification and efficient use of land through integrated banana and vegetable farming, food sufficiency
River banks were cultivated by Indian farmers	3-7 kattha of river banks are provided per family to cultivate
Women are busy in household chores and male in playing cards and alcoholic	Women are involved microenterprise business and men are involved in banana and vegetable farming
No support from spouse and low status in the community	Husband are supportive and social status has been up lifted

## Sustainability

The infrastructure (road) within the village and potential area of banana have resulted in a 'banana pocket area' where traders come to collect bananas. The micro-entrepreneurs have a good coordination with DDC/VDC, with women actively participating in the meetings. Substantial profit from the business has created interest to expand the banana coverage through leasing of land. This will allow the creation of employment for landless farmers and youth. All parts of banana can be utilized. The value chain on it through processing of the product (chips and pickle) and parts of the plants are good raw materials for paper industry. The suckers could be directly sold as banana saplings.

## Gender Equity and Inclusion

Women members: 34

Men members: 19.

Ethnicity: Tharu

## **DHAKA WEAVING COMMON FACILITY CENTER (CFC),**

Patichour, Parbat

Previously internally migrated poor women of Patichaur, Parbat, were surviving by daily wage labor. Despite wage discrimination between men and women wage labor, there was no other alternative for them except to accept the work. In 2007, the women of Patichaur got opportunity to meet Enterprise Development Facilitator (EDF), of MEDEP, who was in the process of formation of group for enterprise development. After understanding the details about the program, the women of Patichour decided to form a group. The group, comprised of 10 women, received initial entrepreneurship development training through MEDEP. The group selected Dhaka weaving as their enterprise and MEDEP provided them a seven-day training package on "Start and Improve your Business (SIYB)" along with three months skill training on Dhaka weaving. Apart from the training, MEDEP also supported the establishment of a Common Facility Center (CFC). To run the enterprise, other line agencies of the district as well as the community contributed to the CFC and the necessary materials for weaving such as Taan, Kangi, Koka and Thread. The group made a schedule of running enterprise from 10 am to 5 pm at CFC.



### **Support Received**

The total cost of the CFC NRs. 925,000, was managed by various sources which are as follows:

MEDEP	DDC	CSIDB	CFUG	Group	Total NRs.
300,000	1,50,000	75,000	100,000	300,000	925,000

### **Relevance**

Vulnerable groups such as migrated poor women, janjatis and indigenous population are targeted for providing economic opportunity through Dhaka weaving. The enterprise is relevant for women as they could work from their home as well. Capacity building through skill training and exposure visit along with opportunity to participate in trade fair and exhibition helped women group to understand the entrepreneurship in better way.

### **Effectiveness**

Due to lack of adequate skill at the initial stage it was hard for the women to weave even a few inches in a day. Initially they closed down the CFC and returned to their wage labor. After two years, the group again revived the enterprise in 2009 through the support of MEDEP with 1.5 months of refresher training and visit to a similar enterprise.



In 2014, with the additional support of NRs 150,000 for the CFC from MEDEP, the group was re-formed with 21 members under the auspices of the Madikhola Multipurpose cooperative.

Women entrepreneurs were able to produce varieties of Dhaka products such as half shawl, full shawl, muffler, tie, hanky, and suits. The enterprise is running as individual basis rather than group, as part time or use of leisure time. The focus group discussion reflected that a woman can produce 1 half shawl which sale price is NRs. 600 (working from morning to evening @8 hours). The cost of production for such half shawl is Rs. 400, considering NRs. 300 as labor cost and NRs 100 for materials. The net profit they get from a half shawl is NRs. 200 per day. The average production , sales and profit from the micro-entrepreneur group per month is given below:



S.No.	Items	Production/month in Numbers	Production cost in NRs.	Sale price in NRs.	Profit NRs. per unit	Total Profit
1.	Full Shawl	50	32,500	55,000	450	22,500
2.	Half Shawl	120	36,000	72,000	300	3,600
3.	Muffler	50	7,500	17,500	200	1000
4.	Khada	150	10,500	18,000	50	7,500
5.	Handkerchief	100	5,000	10,000	50	5000
6.	Kurta	5	3,000	5,000	400	2000
7.	Shirt	5	3,000	5,000	400	2000
	Total	480	97,500	1,82,500	1850	85,000

## Efficiency

The enterprise has become far more efficient as the result of training through MEDEP. While not the most efficient of enterprises as everything is manually produced, the Dhaka weaving is a craft.

## Impact

Before MEDEP	After MEDEP
Involved in household work and wage labor to support family	Formed group but started individual business
Not able to send children to school for quality education	Sending children to boarding school
Unproductive use of leisure time	Productive use of leisure time
Excluded from development activities	Developed leadership skills and empowered women socio-economically

## **Sustainability**

In spite of continuous support and time to time reviving the group, there is still question on sustainability of the group due to the following reasons:

- Piece meal basis work, no stock of the products;
- No coordination in group, working as individual level business instead of group;
- No immediate payment for the product sold as a result shortage of capital to run business. Lack of coordination or linkage with financial institute or cooperative for capital to run business regularly is one of the major hurdle for giving continuity of the business;
- No production of raw materials at local level, need to bring raw materials either from Kathmandu or Biratnagar. As a result during crisis like earthquake and blockade, there was problem in production;
- No value chain linkages
- Dhaka has no big market at domestic level due to occasional use of the product not as regular as other materials use for dresses
- Insufficient knowledge on repair and maintenance due to insufficient level of training
- Unable to link up with market.
- No ownership on land occupied by CFC.

The group does plan the following for the future:

- Promoting of Dhaka through using as dresses at school and colleges
- Developing backward and forward linkages

Further assistance from MEDEP is needed to support:

- Regular group meetings and coordination with DMEGA for conflict resolution strategies and CFC land ownership
- Group strengthening and working as entrepreneurs for meeting the demand of the market and need of proper market linkage
- Ways to facilitate for low interest credit to access capital for micro-enterprises

## **Gender Equity and Inclusion**

Women members: 21

Dalit-4; Indigenous nationalities-15, others-2.



## **KULUHABAGIYA, COMMON FACILITY CENTER**

Ishlamtol, Ishlampur, Mahottari

Ishlamtol of Ishlampur VDC of Mahottari is exclusively a Muslim community, a vulnerable excluded and economically deprived (VEED) group. Low literacy, and social awareness coupled with extreme poverty are characteristic features of most of the marginalized community of Terai region. The group has large families with no or limited land holdings and no other sustainable source of livelihood. A common facility centre was developed to bring together the community and provide an environment in which their businesses could be expanded. Two Muslim women's groups were formed 1) Malangwa Shanti Samuha and 2) Nuri Shanti Samuha in 2014. Social mobilization for awareness raising and capacity building took into account literacy levels and cultural context of Muslim society.



### **Support Received**

<b>LRP</b>	<b>Community</b>
For CFC NRs. 479,000	For CFC NRs. 100,000 and in kind labor support for construction
Grant for each member of the group for micro-enterprise business-NRs. 9,000	
Support of social mobilizers for awareness raising and training	

### **Relevance**

As poverty alleviation is overarching theme of the national and global agenda, Livelihood Recovery Project (LRP) of UNDP focussed on building livelihood assets for this group. The mobilization efforts took into account the literacy levels and cultural context for these Muslim women.

### **Effectiveness**

The group registered as a cooperative with share of NRs. 4,800 per member. The cooperative provided a loan to the group with 17% going to group members for developing their individual enterprises. With the effective mobilization of social mobilizer, the women are regularly conducting group meetings in CFC. They have been saving regularly as well. The center is also used for storing of grains and for conducting other community events. Focus group participants reported that out of 35 women, 29 expanded their business, but 1 remained on same scale while 5

reported in loss owing to diseases in their goats. Some have continued business with their own funds. Overall, a majority of the beneficiaries are satisfied with the programme as they could generate income and support their family.

## **Efficiency**

The size of fund is very small i.e. NRs. 9, 000 but appears to have been used well to improve enterprises. The women report that it is too small to support efficiencies in the enterprises. However door to door marketing (latkiyana) is challenging and not particularly efficient.

## **Impact**

On the basis of discussion with the women group, it was observed that there was no hesitation among Muslim women to talk openly and discuss on family planning. Besides this, discussion indicated that:

- Muslim women are practicing family planning. But still men do not go for family planning due to fear of loss of vigor
- They visit health post and hospital for child delivery and other gynaecological problem
- They have access to VDC level but still not to DDC level due to lack of linkage
- They now avoid child marriage
- Muslim women no longer cover their face
- They do birth and marriage registration
- Now they are able to sign
- Able to raise voice for their rights

## **Sustainability**

Cooperative seems sustainable with proper linkages with the VDCs and DDC. There is a need for improved access to low-interest loans. Continued assistance is needed to bring the women above the poverty level

## **Gender Equality and Inclusion**

Women-100%

Malangwa Shanti Samuha-30 members

Nuri Shanti Samuha-23 members

Ethnic group Muslim

Female headed household-1

## GIRINDI KHOLA MICRO HYDRO COOPERATIVE SANTHA LIMITED

Dagatundada VDC, Kharbang, Baglung

Girindi Khola micro-hydro plant (MHP) started operation in November 9, 2007. With installed capacity of 75 kW, the plant recently is reported to have generation in the range of 90-92 kW and provides electricity services to 1046 beneficiaries including 46 SMEs. The establishment is a combined effort of the community, REDP/UNDP, DDC and VDC. This facility is among very few



MHP which has 11 kV system used to serve distant consumers. Its distribution system has about 5 km 11 extra high voltage (kV) and 20.5 km of low voltage (LV) lines.

This community-managed facility has thirteen Board members who elect an Executive Committee (EC) of five. No woman so far has become the 'President', however, significant number of female representation has been recorded in the Board and EC.

**Technical features:** Capacity: 75 kW; Discharge: 356 ltr/sec; Head: 43 m; Penstock Length: 98 m; Distribution line length - HV: 5 km; LV: 20.5 km; Actual generation – 90/92 kW

### Resources Received

#### Financing

Project Cost		Breakdowns	
Total	NRs 21,741,536	Community Labor Contribution	NRs 10,410,000 (estimated)
		Community Cash Contribution	NRs 2,789,786
		Subsidy Contribution	NRs 6,375,000 (@85k/kW)
		DDC Contribution	NRs 0,545,000
		VDC Contribution	NRs 1,621,750

### Relevance

The support provided was consistent with the needs of the local community. The relevance of modern energy (i.e. electricity from Girindi MHP) on the development of this village is evident. Noodle and soap factories have flourished. More kids are enrolled in the local school where modern computer based education is available and kids are excelling as because of electric light for late night study. Quality of health services have improved because vaccines can be stored in refrigerators, x-ray and pathological laboratory facilities are now available within the village. Level of public awareness is on the rise with the introduction of local community radios and access to computers and internet. A milk vendor does not have to worry about his unsold milk spoiling any more as he can preserve it in a chilling vat. Women do not need to wake up early in the morning to mill rice and flour in traditional labour-intensive mills. The facility has changed the facets of far flung Kharbang and nearby rural area.

## Effectiveness

Community has made effective use of the resources provided to them. A 100 watt FM station installed with community initiative in Kharbang is proof of that. Similarly, the computer lab facility in the local school, dental clinic and dispensary are few of other important establishments. Community people seem to have understood the multipurpose uses of electricity. They seem to have realized the importance of electricity in the better livelihood hunt.



With the mushrooming of many enterprises in the area, significant number of employment opportunities has been created. Life



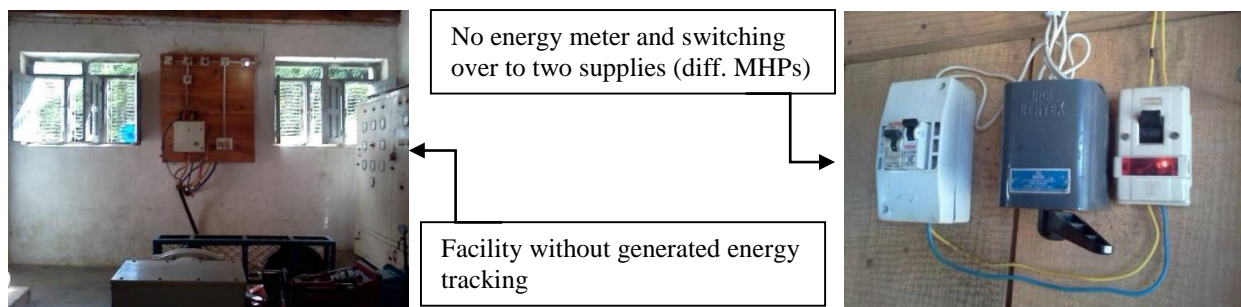
pattern especially of women have changed a lot – less extensive household chores by the use of electric drives.

Industrial and commercial venues are taking advantages of electricity and its by-product. People, especially women are now more aware of digital communication means (mobile, skype, email / internet). More kids getting better quality education than before and the entire area more prosperous now.

The facility had net saving of NRs 259,336 (with total income of NRs 2,224,127 and total expenditure of NRs 1,964,791). Furthermore, RERL through AEPC's mission of end use promotion is contributing to ensure its sustainability. So far the end users are; Rural Information Centre (1), Schools (5), Health Posts (1), Dispensary (1), Dental Clinic (1), Fresh House (1), Grill/Metal Industry (4), Furniture Industry (4), Mills (7), Noodle Industry (1), Poultry Farm (15), Photo Studio (1), FM/Radio (1), Paper Industry (1), Cable Network (1), and Chiuri Herbal Shop Industry (1). In addition to that, about 603 TVs, 207 computers and 153 fridge users are using electricity from the facility. With these establishments, the sustainability of the facility so far seems secured.

## Efficiency

So far the facility is running smoothly and community is managing the minor repair and maintenance efficiently. The Girindi MH functional group has already maintained a reserve fund of NRs 6,500,000 for operations and management and this shows some degree of efficient use of the facility. However, the facility lacks proper energy tracking. It neither has energy generation record nor proper consumption records. Few of the industries and commercial venues were provided electricity without energy meters and flat monthly rates were agreed. Few commercial consumers were even found to have supply from two micro hydros.



For efficient and transparent operation of electrical system, energy tracking is the most important feature. Without tracking sending end energy and receiving end energy, it is difficult to know the distribution system loss and consequently difficult in making strategy for demand side management. Energy systems are specialized job and need specialized people to manage it efficiently. Tracking spill energy during off peak time and making use of this spill energy can give more financial strength to the community. On that part however, the facility is found to have limitation.

## Impact

Following are examples of individual who have been the beneficiaries of the positive impact of the hydro station.

- The owner of Baglung Kalika Metal is a Malaysia return worker, now an entrepreneur. He is happy with the work and opportunity and admits that he is earning much more than in Malaysia and provides employment to 2/3 people.
- The owner of the a well-known Noodles business is an India return worker. He has 3 outlets and provides employment to 7/8 people in addition to his own family members.
- FM radio provided employment to 8 regular and 4 temporary staffs.

More importantly, rural people of Kharbang now realize that water, the most abundantly available raw material, can be harnessed to generate electricity and money. A 30 kW new micro hydro is being promoted by the group (in addition to the existing unit). The group is planning to get a loan from their own Cooperative Bank with over NRs 80,000,000 in order to fund the facility.

## Sustainability

This project is sustainable and moving towards expansion.

## Gender Equity and Inclusion

The micro hydro functional group has equal men and women representation; one each from the household. The community has used the collective approach to connect all the houses in the vicinity. Seven such poor houses thus got connected which in normal case would not have occurred. Among the beneficiaries 45 to 50% are Jan jati (Rana, Magar, Kumal).



## ANAKHOLA MICRO HYDRO PLANT

Chhula, Bagarkot – 6, Dadeldhura

Anakhola MHP facility started operation in 2003. With installed capacity of 12 kW, community members reported that the plant provides partial electricity supplies to 65 households (note: UNDP staff report 100 households, differing from the community information) and one Rice Huller/Grinder/Oil Expeller. UNDP staff indicate that the plant provide power to 100 households and one agro-processing mill.



The water used for hydropower is also used for irrigation. The plant normally operated two times daily; 7-11 am to supply electricity to the mill and 7-11 pm to supply electricity to the households. Remaining time plant is not operated and the water is used for agriculture.

The AnaKhola MHP was not in operation for about 3 years (since its operation) due to lack of timely repair and maintenances. UNDP staff reported that the management of the power plant is leased out.

Community members also noted that when there is high demand of irrigation water, community priority is agriculture and no MHP operation for several days (i.e. no electricity for HHs and Mill). While UNDP staff report that decisions are made by the community and transparent, community members expressed concern about lacking electricity at times.

UNDP staff noted that all decisions are transparent and based on consensus. The frustration expressed by community members indicates that the community has serious concerns and is not able to resolve the issues. The evaluators were not there for a sufficient length of time to understand the community dynamics sufficiently to comment on these concerns.

The earthquake has made power house weak and vulnerable and there is no reserve fund for power house repair and maintenance. NRs 100 per household per month (flat tariff) hardly generates NRs 6500 per month (the earning from the mill was not known and seems the canal maintenance is the obligation against the electricity supply to mill).

**Technical features:** Capacity: 12 kW; Discharge: 60 ltr/sec; Head: 40 m; LV line length – 5.5 km (to be verified)

### Resources Received

It is funded by the community in addition to REDP subsidy and VDC, DDC contributions, collected NRs 12,000 each from 65 HHs, plus 120 days labour contribution from each HHs.

### Relevance

Community people indicate that the support provided is not fully consistent with the needs of the local community. The preliminary electrification just for 4 hours in the evening (7-11 pm) hardly gives community any opportunity for livelihood improvement. The MHP has provided limited

economical activities; just a mill running for 4 hours from 7-11 am, and that is deprived of electricity during high demand of water for irrigation. While micro-hydro is highly relevant in the Nepal context, the issues in this community raise questions about the relevance of this particular model for this community.

## Effectiveness

Hybrid model of irrigation and MHP through the same water resource creates conflicting priorities – Agriculture vs Electricity. Dominance of agricultural need of water (in hybrid model) has deprived the community from taking full advantage of electricity. This is perceived quite differently from UNDP staff who see this as a viable model.

## Efficiency

This hybrid model where “water to irrigation is free of cost” is limiting the electricity generation of the MHP facility and thus deprives community from better livelihood hunt. The existing water to energy conversion mechanism is poorly designed, the landscape provides more options for better head harnessing. In such case, same (or more kW) generation is possible with almost half of the present discharge. While intended to be efficient, it does not seem to be working as intended for this community.

## Impact

Very limited impact is seen at the household, village or local level. While UNDP reports that three people are employed, the community reported that only one MHP operator and two mill staff are among the employment creation (and they are under-employed). Households and industry people are not completely happy. Community people do not seem to have understood the multipurpose uses of electricity. They still have not realized the importance of electricity in improved livelihood creation. Again, UNDP staff perceive this differently than the perspective indicated by the community members.

## Sustainability

While UNDP staff report that project is highly sustainable, community members report that so far the facility has been out of operation for almost three years (since its operation began) and community was unable to ensure smooth running of the system even in the case of minor repair and maintenance. Experiences show post construction O&M is a big challenge to small scale MHP business and this facility with very limited resources has a hard fate for sustainability. So far the facility functional group does not have a single penny reserve for O&M fund.

Damaged and vulnerable power house

Huge repair and rebuilding cost of damaged powerhouse needs outside support which so far



not in place. As the MHP has already served for about 13 years, it's time to upgrade and optimize the facility to an extent that it fits in the line – “economies of scale”.

### **Gender Equity and Inclusion**

During construction every single household in the village was involved. However, no significant gender equity and inclusion practices were evident through information gathered during the field visit. UNDP report that during the development of this MHP, REDP implemented community mobilization process where separate female and male Community Organizations (COs) were formed. Women in separate female COs independently got involved in decision making, planning and management of activities related to MHP.



## ANNEX H: INDICATOR ANALYSIS TABLE

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Included in ToR/progress reports and UNDAF 2013 – 2017

Included in UNDAF 2013 - 2017

Included only in ToR/progress reports

Achieved	Moving towards	Not achieved	No data
In UNDAF	Baseline	Target	Achieved
2. Vulnerable groups have improved access to economic opportunities and adequate social protection			
Gini coefficient	0.35 (2011)	% reduction = the inverse of the GDP growth rate	No data available
Poverty incidence % of employed people living below USD 1 (PPP) per day % of population below national poverty line	22% (2010) 25%	17% No increase	2014 – 16.4% proxy indicator based on % of employed people living below USD 1 per day 2015 – no new data available – estimated 22%
Discrepancy between rates of youth and total labour force participation Unemployment rate  Time-related underemployment	3.6% (aged 15 – 29) compared to 2.1%  7.2% (aged 15 – 29) compared to 6.7%	No discrepancy	Did not report
Number of households affected by Haliya bonded labour in 12 prone districts in Mid and Far West	19.059	0	
Community Asset Score	n/a	80% increase in target communities	
Output 2.1 Government and relevant stakeholders have increased capacity to develop, review and implement inclusive labour and economic policies and legislation that bolster productive employment and income opportunities			
Comprehensive and inclusive employment policy adopted	No	Yes (2014)	Did not report
Policy on home-based workers (HBWs) endorsed and implementation plan in place	No	Yes (2015)	
Foreign employment policy and national plan of action	No	Yes (2015)	

Achieved	Moving towards	Not achieved	No data
In UNDAF	Baseline	Target	Achieved
National Culture Policy revised and updated, addressing the protection of creators' rights, focusing on skills and knowledge of vulnerable groups	No	Yes (no date)	
National inclusive growth strategy developed	No	Yes	
Planning tools and budget allocations adjusted to address regional, gender, ethnic, and socio-economic disparities in line with inclusive growth strategy	No	Yes	
LDC graduation strategy developed	No	Yes	Draft developed in 2014 Sustainable country status report prepared in 2015
<b>2.1.1</b> GoN has increased capacity to develop inclusive growth policies, national plans budget and institutional capacity to increase vulnerable groups' access to employment and economic opportunities			
Result framework of 13 <sup>th</sup> plan prepared	No	No target	Yes
<b>2.1.2</b> NPC and CBS have improved capacity for gender and social inclusion responsive data collection and M&E system that promote inclusive growth and evidence based policy making, planning, and programming			
NPC has a streamlined and GESI responsive national M&E system in place	NPC is currently updating its M& E Framework and the framework is expected to be finalized by end of December	Revised national M&E framework in line with the SDG targets and indicators	2014: (a) Developed draft PM&E guidelines (b) Developed evaluation training module (c) Trained 311 government officials on M&E data management and modules (d) Two national program/projects evaluated (1) Integrated Women and Reproductive Health Program and (2) Madhya Marshangdi Hydropower Project evaluated.

Achieved	Moving towards	Not achieved	No data
In UNDAF	Baseline	Target	Achieved
			2015: (a) 3-day M&E training provided to 28 government officials.(b) Finalized PM&E guidelines As part of the capacity building, 37 senior government officials responsible for M&E functions in several ministries have been trained on impact evaluation. As a result NPC M&E division has done internal evaluation of three national programs - (i) Babai Irrigation Project, (ii) Women Development Programme (iii) Micro-Entrepreneur Development Program for Poverty Alleviation. The reports includes major findings and recommendations to guide the programs implementation and the way forward. Now 6 projects have been evaluated.
Periodic plan annual progress report	0	Prepare annual progress report of periodic plan	Did not report
CBS conducts annual household survey on consumption and labor	No	First survey in 2013	2014 - First AHS report prepared and uploaded in the website, 2nd AHS field survey completed and report is being finalized.

Achieved	Moving towards	Not achieved	No data
In UNDAF	Baseline	Target	Achieved
			2015 - 2nd AHS survey report prepared, printed and disseminated. Field work of Third Annual Household Survey completed, report is being prepared. (Note: this differs from info provided by NBS indicating that they do not intend to do the AHS annually)
Knowledge products and analytical reports using data from HH surveys to inform inclusive growth	No	At least 6 knowledge products including two NHDR two MDG report, one NSDS and master sampling framework	2014 - NHDR report prepared, launched and disseminated, a compendium of sectoral strategy for the development of NSDS prepared 2015 - (1) National Strategy for the Development of Statistics (NSDS) drafted which will guide the whole country's statistical operations for evidence-based policy design, monitoring and evaluation and decision making. The drafting of NSDS was extremely participatory and consultative. Nine Thematic Working groups were formed covering all ministries and government entities through which several consultations, workshops and orientations with

Achieved	Moving towards	Not achieved	No data
In UNDAF	Baseline	Target	Achieved
			relevant stakeholders conducted including the workshops at the regional/local level. (2) In order to support the household survey system, preliminary draft of the Master Sample Survey prepared. (3) Draft MDG terminal report prepared
<i>Output 2.2 Government has improved capacity to design, execute and manage economic development programmes and strategies</i>			
Labour market information analysis system is established and functional	No	Yes	Did not report
One national level and one in each of five development regions networks of trainers and organizations with skills and resources to support delivery of entrepreneurship programmes (especially for women and youth)	No	Yes	
GoN's microenterprise development programme is multi-donor/multi-partner and operational at national level	No	Yes	Did not report
2.2.1 35,000 micro-entrepreneurs created and 40,000 existing ones scaled up for poverty reduction, employment generation and sustainability			
# of new job holders (disaggregated by sex, age and social group)	58,000 (2012)	Additional 35,000	2014 - 16,373 jobs created (MEDEP – 9688, MEDPA – 6685) 2015 - Out of the target of 15789 (nearly 16000) job creation, a total of 15984 jobs created (women 12089, men 3895) that includes creation of 13589 micro entrepreneurs and 2395 additional

Achieved	Moving towards	Not achieved	No data
In UNDAF	Baseline	Target	Achieved
			employment from both MEDEP and MEDPA. Out of the total job creation, 75% are women, 28% are Dalits, and 40%, indigenous nationalities, 58% are youth.
2.2.2 GoN has increased capacity to design, implement and monitor a multi-partner supported micro-enterprise development Program			
Ministry of Industry has a functional MIS system in place to track the results of MEDPA	No	MIS system in place	2014 - Indicators revised and Finalized; A handbook on Result Based Monitoring and Evaluation is drafted jointly with GoN. 2015 - Trained 130 government officials and 58 MEDE staff on Result Based Monitoring and Evaluation Handbook; The New MIS is developed.
Output 2.3 Financial service providers have increased capacity to responsibly extend financial services to vulnerable groups.			
# of people from vulnerable groups who have accessed financial products to meet their livelihood needs	0	150,000	Did not report
# of people from vulnerable groups who have accessed clean and affordable energy products through end-user finance available to meet their energy needs	0	40,000	
Output 2.4 Vulnerable groups have increased access to sustainable productive assets and environmental services			
% of households in programme areas with acceptable Food Consumption Score (FCS above 35)		70%	Did not report

Achieved	Moving towards	Not achieved	No data
In UNDAF	Baseline	Target	Achieved
# of landless and/or land-poor farmers benefiting from evaluation reports access to leasehold forestry lands	62,810	72,075	
# of households in remote areas connected to micro- energy services	77,129	25,000	2014 - UNDP supported communities to generate 766kW from 26 Hydro Village Electrification Projects (MHVEP) providing electricity access to 8,351 households and benefiting 45,930 people. (TOTAL HHs from 2013 to 2014 = 20,316)
# of households benefiting from forest-based livelihoods	0	100,000	2014 - 8500 HH benefitted from forest based livelihood (EbA, CBDP Jhapa/Morang and SGP 2015 - additional 2500 household benefited from natural resources/forest based livelihood support in 2015 and the related programme has ended 2015 - (1) 8 kW solar PV systems installed; Detail Fesibility of 2 MW mini hydro completed; (2) With UNDP institutional capacity building support, AEPC connected 3504 rural HH to energy services. Add: A detailed feasibility study of 5 potential mini-hydro and 5 solar mini grid projects completed.



Achieved	Moving towards	Not achieved	No data
In UNDAF	Baseline	Target	Achieved
			District Rural Energy Plan of Gorkha district developed As a response to earthquake, rapid assessment of 100 MHPs were conducted in the 11 most affected districts, of which initiated rehabilitation of 31 MHPs in 4 districts benefitting over 7,500 households. Till date 23820 HH is benefitted ( 2013 = 11965, 2014= 8351, 2015 = 3504)
2.4.1 AEPC's capacity enhanced for scaling up energy services in the rural areas			
Comprehensive Renewable Energy Policy/Act formulated	No	Yes – with provisions for scaling up	2014 - Initial Renewable Energy Policy drafted and consultations planned for 2015. 2015 - The Renewable Energy (RE) Policy for Nepal is being finalised. A stakeholder (DPs, line ministries, private sector etc.) consultation for RE policy has been conducted. The finalization of RE policy will be completed in 2016.
2.4.2 Capacities of MoFSC's and local communities enhanced for effective management of natural resources, watershed and biodiversity. Proposed addition component in output statement			
Performance based incentive mechanism/guidelines developed for user groups working on forest & wetland management	No tool exists to measure performance	MoFSC applies the performance based incentive across the sector tool	2014 – PIF developed, endorsed by government; waiting for approval 2015 – no information

Achieved	Moving towards	Not achieved	No data	
In UNDAF		Baseline	Target	Achieved
		of user group work		
Output 2.5 Government and relevant stakeholders have increased capacity to support safe migration and productive use of remittances				
# of potential and returnee migrants trained on financial literacy and agro-processing skills	0	8,000	Did not report	
# of migrant workers reached with information on safe labour migration and their rights through Migrant Resource Centres (MRCs)	483 women 6,417 men	7,000 additional		
# of districts where women migrant workers are organized and mobilized to advocate for foreign employment policies	15	30		
Output 2.6 Government is better able to define and administer adequate social protection benefits				
GoN expands social security coverage by implementing at least four schemes: unemployment benefit; maternity benefit, sickness benefit; and workplace injury benefit	No	Yes	Did not report	
Comprehensive Social Protection Act enacted	No	Yes (2016)		
% of children under five in Karnali receiving child grant per MoFALD guidelines	75.4% boys 77.2% girls	90%		

Source: UNDP Nepal Country Program Action Plan (CPAP 2013 – 2017) Progress 2015 and Milestone for 2016 (March 2016)

## **ANNEX I: CONTRIBUTION TO IMPROVED ECONOMIC OPPORTUNITY & GESI BY PROJECT**

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Project	Contribution to Access to Economic Opportunity	Contribution to Gender Equality and Social Inclusion
<b>MEDEP</b>	2014 – assisted development of 4,747 entrepreneurs	Women - 75% Dalit – 22% Indigenous – 42% Madhesi – 21% Youth* - 56%
	2014 – assisted with creation of 4,952 jobs	Women – 75% Dalit – 30% Indigenous – 38% Madhesi – 32% Youth* 63%
	2015 – assisted with development of 5,423 entrepreneurs	Women – 79% Dalit – 27% Indigenous – 41% Madhesi – 27% Youth* - 74%
	2015 assisted with creation of 2,395 jobs	Women – 58% Dalit – 27% Indigenous – 40% Madhesi – 41% Youth* - 67%
Note: the primary focus of MEDEP during this phase is transferring the program to MEDPA. One would have expected minimal direct service and more activity supporting MEDPA staff. MEDPA staff reported receiving assistance from UNDP staff.		
<b>CILRP/LRP**</b>	2014 - 74 community group members registered in a cooperative	No breakdown by target group
	2014 – 4,624 self-employed entrepreneurs	
	2014 – 3996 households with access to community infrastructures	
	2015 - 84 community group members registered in a cooperative	
	2015 – 4,624 self-employed entrepreneurs retained	
	2015 – 1 additional household with access to community infrastructures	
<b>RERLP</b>	2015 – provided immediate support to 12,059 micro-entrepreneurs 4,011 completed in 2015 9,907 in progress	Women - 61.4% Janjati - 53.3% Dalit -14%
	2015 – provided support for start-up with 465 new micro-entrepreneurs	Women 55% Janjati - 45.8% Dalit - 22%

Project	Contribution to Access to Economic Opportunity	Contribution to Gender Equality and Social Inclusion
	2016 – completed repairs/rebuilding CFCs, numbers are not available	No breakdown by social group
<b>RERL</b>	21,000 additional households provided clean energy by the end of 2014 and an additional 3,581 households in 2015	No breakdown by social group
<b>CSUWN</b>	463 households received assistance in strengthening livelihood opportunities	No breakdown by social group
	Hotel management and nature guide training provided to 15 youth	
	Incomes have increased by 34%	

\*Aged 16 – 40

\*\*Reporting combined in Annual Progress Report

Source: Annual Progress Reports and Field visits

## ANNEX I: RATING STANDARD

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SN	Criteria	Rating Standard
A	Relevancy	A. Highly relevant B. Relevant C. Not relevant
B	Effectiveness	A. Highly effective B. Effective C. Not Effective
C	Efficiency	A. Highly efficient B. Efficient C. Not Efficient
D	Impact	A. High impacted B. Impacted C. Not impacted  (Should consider both positive and negative)
E	Sustainability	A. Highly sustainable B. Sustainable C. Not Sustainable
F	Gender, Inclusion and Human Right	a. Highly satisfactory B. Satisfactory C. Unsatisfactory
G	Partnership	A. Highly satisfactory B. Satisfactory C. Unsatisfactory
	Overall conclusion	A. Highly satisfactory B. Satisfactory C. Unsatisfactory