

A photograph of a woman in a pink and floral sari, wearing a white headscarf with a colorful pattern, speaking to a group of people. She has a bindi on her forehead and is gesturing with her right hand. In the background, other people, including a child, are visible. The image is partially covered by a large blue and orange curved graphic on the left side.

ANNUAL REPORT 2010

Empowered Lives. Resilient Nations.





In Nepal, almost 70% of UNDP's development assistance aimed at poverty reduction goes to programmes that benefit women.

THE UNITED NATIONS DEVELOPMENT PROGRAMME

The United Nations Development Programme (UNDP) is the UN's global development network, advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. It is on the ground in 166 countries, working with them on their own solutions to global and national development challenges. As they develop local capacity, they draw on the people of UNDP and its wide range of partners.

World leaders have pledged to achieve the Millennium Development Goals, including the overarching goal of reducing poverty in half by 2015. UNDP's network links and coordinates global and national efforts to reach these Goals. UNDP focuses on helping countries to build and share solutions to the challenges of Democratic Governance, Poverty Reduction, Crisis Prevention and Recovery, Energy and Environment and HIV/AIDS.

UNDP helps developing countries attract and use aid effectively. In all its activities, it encourages the protection of human rights and the empowerment of women.

UNDP in Nepal

Since 1963 UNDP has worked with the Government and people of Nepal to reduce poverty. The organization's current programme of assistance is detailed in the *Country Programme Document* (2008-2010) and focuses on the following:

- Peace building;
- Transitional governance;
- Sustainable livelihoods; and,
- Energy, environment, and natural disaster management.

Gender and social inclusion, HIV/AIDS, climate change, and capacity development are cross-cutting issues in these four areas.

Foreword

I am very pleased to introduce this report on another year's achievements by the UNDP Nepal country office, its implementing partners, and its donor agencies and to highlight some of the main achievements you will find in the pages that follow.

Since establishing an office in Nepal in 1963, UNDP Nepal has made large contributions to Nepal's development and become one of the country's principal development partners.

In 2010 our programme remained focussed on building the human and institutional capacities that Nepal needs for accelerated and equitable development. This year we devoted considerably more resources to building democratic governance and sustainable livelihoods. One of our largest new initiatives was a partnership with the Election Commission of Nepal to put in place a modern voter registration system, which will improve the credibility of future election results and help consolidate the democratic process.

At the community level, the Livelihood Recovery for Peace project is a relatively new initiative that is already showing results by empowering and benefitting some of Nepal's most disadvantaged communities; whilst the rural financial services project (EAFS) made great strides in 2010 to expand access to formal credit and savings to thousands of rural women.

At the same time UNDP continued to contribute to the implementation of Nepal's Comprehensive Peace Agreement, 2006. Our work in close association with a

number of sister UN agencies to rehabilitate some of the ex-combatants gave fresh impetus to the stalled peace process. And our constitution building project expanded the breadth and depth of engagement by the general public in the drafting of a new constitution and has helped ensure that the voices of women and indigenous peoples are heard by the document drafters.

The pages that follow also give details of how UNDP's work in 2010 improved access to justice, generated employment, extended access to clean energy, conserved biodiversity, helped prepare a national plan for climate change adaptation and helped reduce the risks from natural hazards and the spread of HIV. UNDP remains committed to supporting the Government and the people of Nepal for these and other goals whilst at the same time seeking to build gender equality, social inclusion and resilient communities across all its work.

I take this opportunity to thank our many partners in government, civil society, local communities and other UN agencies for partnering with us during the past year. I thank our donor partners for enabling us to deliver our largest annual programme yet. And last but not least, a special thanks to the dedicated staff of UNDP who have worked so hard to bring about the important results that are highlighted in these pages.



Robert Piper
UNDP Resident Representative, Nepal

Acronyms and Abbreviations

| | |
|---------------|---|
| A2J | Enhancing Access to Justice for Consolidation of Peace in Nepal project |
| ADB | Asian Development Bank |
| AEPC | Alternative Energy Promotion Centre |
| Aid (project) | Developing Capacities for Effective Aid Management and Coordination project |
| AIDS | acquired immunodeficiency syndrome |
| APPN | Assistance to the Peace Process in Nepal |
| ART | antiretroviral therapy/treatment |
| AusAID | Australian Agency for International Development |
| BCPR | Bureau of Crisis Prevention and Recovery (UNDP) |
| CA | Constituent Assembly |
| CCD | Centre for Constitutional Dialogue |
| CPAP | Country Programme Action Plan (CPAP) |
| CPP | Conflict Prevention Programme |
| DDC | district development committee |
| DEES | district energy and environment section |
| DFID | Department for International Development (UK) |
| DLGSP | Decentralized Local Governance Support Programme |
| DRRN | Disaster Risk Reduction in Nepal |
| EAFS | Enhancing Access to Financial Services project |
| ECCA | Enhancing Capacities for Climate Change Adaptation and Disaster Risk Management |
| ECN | Election Commission of Nepal |
| EIF | Enhanced Integrated Framework (WTO) |
| ENTReC | Enhancing Nepal's Trade Related Capacity |
| ERRRP | Earthquake Risk Reduction and Recovery Preparedness |
| ESP | Institutional Strengthening and Professional Development Support for the Election Commission of Nepal project |
| FACD | Foreign Aid Coordination Division (MoF) |
| GEF | Global Environment Facility |
| GFATM | Global Fund to Fight AIDS, Tuberculosis and Malaria |
| GIS | geographical information systems |
| HIV | human immunodeficiency virus |
| HPL | Himal Power Limited |
| HSCB | HIV/AIDS and STD Control Board |
| IDU | injecting drug user |
| IFTF | UNDP's Integrated Framework Trust Fund |
| ILO | International Labour Organization |
| JICA | Japan International Cooperation Agency |
| KERP | Koshi Early Recovery Project |
| kW | kilowatt |
| LBFC | Local Body Fiscal Commission |
| LGCDP | Local Governance and Community Development Programme |
| LRP | Livelihood Recovery for Peace Programme |
| m | million |
| MDG | Millennium Development Goals |
| MDTF | Multi-Donor Trust Fund |
| MEDEP | Micro-enterprise Development Programme |
| MoAC | Ministry of Agriculture and Cooperatives |
| MoCS | Ministry of Commerce and Supplies |
| MoEST | Ministry of Environment, Science, and Technology |

| | |
|---------|--|
| MoF | Ministry of Finance |
| MoFSC | Ministry of Forests and Soil Conservation |
| MoHP | Ministry of Home and Population |
| MoI | Ministry of Industry |
| MoLD | Ministry of Local Development |
| MoPPW | Ministry of Physical Planning and Works |
| MoPR | Ministry of Peace and Reconstruction |
| MPU | Montreal Protocol Unit |
| MSM | men who have sex with men |
| MW | megawatt |
| na | not applicable |
| NAPA | National Adaptation Programme of Action to Climate Change |
| NCASC | National Centre for AIDS and STD Control |
| NGO | non-government organisation |
| NHRC | National Human Rights Commission |
| NPC | National Planning Commission |
| NR | Nepalese rupees |
| NRB | Nepal Rastra Bank |
| OCHA | Office for the Coordination of Humanitarian Affairs (United Nations) |
| OHCHR | Office of the High Commissioner for Human Rights (United Nations) |
| PEI | Poverty Environment Initiative |
| PLA | participatory learning and action |
| PLHIV | people living with HIV/AIDS |
| PPP | public-private partnership |
| PPPUE | Public-Private Partnerships for Urban Environment |
| QIPSI | Quick Impact for Peace Support Initiative |
| RCHCO | UN Resident and Humanitarian Coordinator's Office |
| REDP | Rural Energy Development Programme |
| SCNHRC | Strengthening the Capacity of National Human Rights Commission |
| SDC | Swiss Agency for Development and Cooperation |
| SGP | GEF's Small Grants Programme |
| SPCBN | Support to Participatory Constitution Building in Nepal project |
| SPMCNPC | Strengthening Planning and Monitoring Capacity of NPC project |
| STI | sexually transmitted infection |
| TAC | Technical Advisory Committee (of the National Wetland Committee) |
| UNCDF | United Nations Capital Development Fund |
| UNDP | United Nations Development Programme |
| UNEP | United Nations Environment Programme |
| UNFCC | United Nations Framework Convention on Climate Change |
| UNFPA | the United Nations Population Fund |
| UNICEF | the United Nations Children's Fund |
| UNIRP | UN Interagency Rehabilitation Programme |
| UNMIN | United Nations Mission in Nepal |
| UNOPS | United Nations Office for Project Services |
| UNPFN | United Nations Peace Fund Nepal |
| UNV | United Nations Volunteers |
| VDC | village development committee |
| WTLCP | Western Terai Landscape Complex Project |

Exchange rate of \$1 to 71 Nepali rupees (March 2011)

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1. Overview 2010

In 2010, UNDP Nepal made major contributions to building national capacities, improving the national policy environment, strengthening governance and directly benefitting needy communities across Nepal.

Chapter 2 of this report summarises how almost all the 35 projects UNDP supported in 2010 have helped Nepal's long term development by reducing poverty, advancing the achievement of the Millennium Development Goals (MDGs) and helping build a sustainable peace following the 1996–2006 armed conflict. Chapters 3 to 9 describe in detail how UNDP has worked in partnership and collaboration with communities, the government, other development agencies, civil society, academia and the business community to:

- build peace and support transitional democratic governance;
- support sustainable livelihoods and promote clean sources of rural energy;
- conserve the environment and reduce the damaging effects of climate change and risks from natural disasters; and
- slow the spread of HIV/AIDS.

The main achievements of the projects supported by UNDP Nepal in 2010 were as follows:

Peacebuilding

Resources for constitution building — The Centre for Constitutional Dialogue (CCD) provided 1,020 pieces of expert advice on key constitutional issues, held 70 seminars and 14 workshops, supported 45 research studies on constitution building, and trained 679 members of the Constituent Assembly (CA) and civil society activists on constitution building. These activities played a major part in helping resolve many contentious issues in the draft constitution and in building up the knowledge of key stakeholders. (SPCBN)

The agenda of women and indigenous peoples — Helped women and Nepal's traditionally marginalised indigenous

Box 1.1: Highlights of 2010



8 January 2010: The first call is received from an ex-combatant registering on the rehabilitation programme.



15 September 2010: Phase 1 of the new biometric voter registration starts.



4 November 2010: The National Adaptation Programme of Action to climate change (NAPA) is launched.

people produce consolidated positions on how their rights should be guaranteed in the new constitution, with the Indigenous People's Caucus identifying 408 changes to the draft constitution. These exercises increased the influence of women and indigenous people in the making of the new constitution. (SPCBN)

Citizens' participation in constitution making —

Democratic dialogues in all 3,915 village development committees (VDCs) and 240 parliamentary constituencies informed 250,000 people about the status of constitution making and the remaining contentious issues in the draft constitution. The feedback from the dialogues was compiled and submitted to the assembly and its members. Citizens were also kept informed about these issues through the weekly *Sajha Sawal* debates for radio and television, and the *Katha Mitho Sarangiko* drama serial. (SCBPN)

Discharge and rehabilitation of ex-Maoist combatants

— Along with other UN agencies, UNDP facilitated the discharge of the 4,008 disqualified Maoist ex-combatants. It then established and managed their rehabilitation programmes. Fifty-eight percent of all the discharges contacted the rehabilitation programme during 2010 and 1,252 of them had taken or were taking the micro-enterprise, vocational skills, health or formal education packages by the end of 2010. (APPN and UNIRP)



Preventing conflict — Launched the Conflict Prevention Programme to build collaborative leadership and dialogue skills amongst mid-level political and civil society leaders and to mainstream conflict sensitivity and the 'do no harm' approach to development work into the way that UNDP, UNICEF, the UN Resident and Humanitarian Coordinator's Office and their programmes operate. (CPP)

Transitional democratic governance

Free and fair elections — Equipped the election commission with computers and the other equipment needed to establish and pilot a biometric voter registration system. This system will eliminate duplicate records and increase the credibility of future election results. UNDP also helped mobilise \$6.3 million of new funding for this important initiative. Nationwide voter registration began in September 2010.

Access to justice for the poor — Helped establish accessible justice for poor and marginalised people by:

- supporting the community mediation of 1,250 local disputes;
- training 80 legal professionals on court-referred mediation;
- supporting 70 VDC paralegal committees to resolve 2,061 cases; and
- running mobile legal aid clinics that provided free legal services to 1,524 poor people. (A2j)

Strengthened formal justice system — Helped establish a national database to track the execution of court judgments, supported a government task force to update and revise five major legal documents and set up another task force to produce witness protection legislation. (A2j)

Safeguarding human rights — Built up the capacity of Nepal's Human Rights Commission to protect and promote human rights by helping it establish four regional offices, by training 192 commission staff and human rights defenders, and by supporting it to investigate 142 alleged human rights violations and monitor Nepal's observance of human rights treaties. (SCNHRC)

Improved central level planning — Supported the National Planning Commission (NPC) to produce two important reference documents for national planning: the third MDG Progress Report (2010) and the MDG needs assessment. Also helped integrate the achievement of the MDGs and gender and social inclusion issues into the *Approach Paper of the new Three Year National Plan* (2010/11 to 2012/13). (SNPC)

More effective aid management — Towards improving the management of the country's large aid receipts, helped establish a database for tracking foreign aid (the Aid Management Platform) at the Ministry of Finance and produced a capacity development plan for the officials responsible for managing the database. (Aid)

Improving local government — Provided expert advice and supporting workshops that enabled the Ministry of Local Development to develop 23 guidelines and accompanying manuals on the practice of local governance and effective, efficient and transparent service delivery. This puts in place the framework for mainstreaming the good practices these documents prescribe into the way local government works.

Performance-related grants — Supported the carrying out of the nationwide assessments of the performance of DDCs, municipalities and VDCs and helped introduce a system to check the quality of these assessments. The assessments govern the amount of grants local bodies receive with evidence emerging that this is improving performance and reducing corruption in local bodies. The training of 8,500 local body staff, service providers and politicians on local governance contributed to the same outcome. (LGCDP-JP)

Services to needy communities — The building of 3,964 toilets, 229 drinking water taps, and 3 new health posts, and the teaching of 6,982 local people about health and hygiene in the 38 VDCs most affected by the 2009 diarrhoea epidemic, has improved the quality of life of 7,033 households (42% Dalit) and greatly reduced the likelihood of them falling ill from water-borne diseases. (QIPSI)

Improving access to services in urban areas — Supported the NPC to prepare a white paper on public-private partnerships (PPPs) to promote central level infrastructure development and service delivery through PPPs. Also supported partner municipalities

to implement nine new PPP projects for solid waste management and other local services, trained municipal personnel on PPPs and posted United Nations volunteers to the 10 partner municipalities to provide dedicated personnel to develop PPPs. (PPPUE)

Livelihoods

Peace and livelihoods in the central Terai — Formed 350 community groups of vulnerable, excluded and economically disadvantaged households (92% women) in the three Terai districts where poverty, conflict and natural disasters most hinder development. Then supported them to implement 151 projects that provided 13,741 households with improved sanitation, drinking water supplies and other community infrastructure improvements. (LRP)



Promoting micro-enterprises — Helped institutionalise support for micro-enterprise development by supporting the inclusion of a micro-enterprise development component in the government's Comprehensive Industrial Policy, 2010, by training 487 enterprise development facilitators and by helping establish micro-enterprise units in 25 districts to implement the government's Micro-enterprise Development for Poverty Alleviation scheme. (MEDEP)

New entrepreneurs — Trained 8,385 poor rural people to be entrepreneurs, provided 5,078 trainees with technical skill training and supported 11,815 micro-entrepreneurs to scale-up their businesses. This and previous support led to 5,416 new micro-enterprises (70% run by women) and 6,489 new full-time jobs in 2010. (MEDEP)

Extending access to financial services — Forged partnerships with 18 financial service providers and

provided them with technical and capacity building support. This led to them opening 80 new branches and reaching 97,880 new clients, almost all of whom are women. (EAFS)

Trade integration strategy — Made a major contribution to finalising the Nepal Trade Integration Strategy — the guiding document for developing Nepal's trade. The production of this document is a precondition for accessing major trade-related technical assistance, with \$900,000 of funding for this secured in 2010 from the Enhanced Integrated Framework. (ENTReC)



Rural energy

New energy sources — Connected 10,442 new households to a reliable source of clean energy as 35 new micro-hydro power schemes began supplying 1 megawatt of electricity in rural areas far from the national grid. Also installed 924 toilet-attached biogas plants, 1,692 energy efficient cook stoves and 181 solar lighting systems, and supported the establishment of 131 energy-based enterprises linked to micro-hydro schemes. More than 8,400 local people were trained on operating micro-hydro plants. (REDP)

Smart subsidies — Worked with the government to pilot smart subsidies in nine of Nepal's most underdeveloped districts to help poor communities overcome the difficulty they have mobilising their cash contributions for new micro-hydro plants and to help people in remote areas meet the high costs of transporting electro-mechanical equipment to site. (REDP)

Environmental conservation

Policies for integrated landscape management — Advocacy by WTLCP contributed to the government

committing to landscape level management in the Approach Paper of the new Three Year National Plan, establishing a Landscape Support Unit in the ministry of forests and amending the Forest Rules for the better management of biological corridors. Three corridors were subsequently declared protected forests. Advocacy by CSUWN led to the formation of the Technical Advisory Committee of the National Wetland Committee as a major step towards making sectoral policies more wetland-friendly. (WTLCP and CSUWN)

Biodiversity conservation — Supported local communities to strengthen 27 community anti-poaching groups, conserve 7 wetlands, form 30 new community forest user groups, revise 14 community forest operational plans for biodiversity conservation and plant 360 hectares of indigenous tree species. Many of these and other activities took place in the biological corridors that are so important for the conservation of elephants, tigers and other endangered fauna. (WTLCP) Support to local communities to protect the Ghodaghodi and Koshi Tappu wetlands led to significant habitat improvements and the first ever breeding of two bird species in these areas. (CSUWN)

Environmentally-friendly livelihoods — Trained 400 households on entrepreneurship and skill development and helped establish 10 new forest-based micro-enterprises in the Western Terai. (WTLCP) Provided 215 wetland dependant households with income generating support, including to produce handicrafts from wetland grasses. (CSUWN)

Local conservation initiatives — Supported 28 community groups to implement local conservation initiatives including ten biodiversity conservation projects, six renewable energy projects and five projects for environmentally friendly livelihoods. Almost all 28 projects have strengthened local livelihoods by increasing incomes and access to natural resources. (SGP)

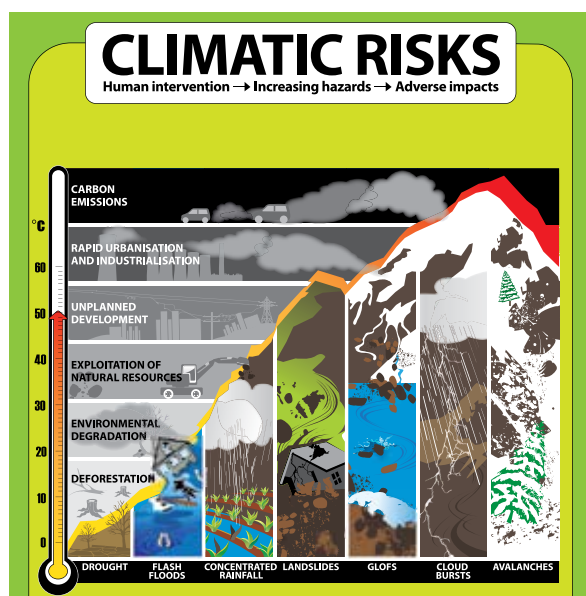
Climate change adaptation — Supported the production and finalisation of Nepal's Adaptation Programme of Action for Climate Change (NAPA), which paves the way for Nepal to access international funding for Least Developed Countries to adapt to climate change. Alongside this, the launching of the Nepal Climate Change and Development Portal on the internet and

the Nepal Climate Change Knowledge Management Centre in the Kathmandu Valley, put in place the means of coordinating research, exchanging information and facilitating dialogue on climate change in Nepal. (NAPA)

Food production and climate change — Along with FAO and the Ministry of Agriculture and Cooperatives, trained 60 agriculture and livestock officials and 200 farmers on how local farmers can adapt to climate change and protect their crops and livestock from floods and other natural disasters. (ECCCA)

Reducing risks from natural hazards

Disaster risk reduction, preparedness and response — Supported the establishment of a National Emergency Operations Centre to coordinate the response to natural disasters and to share information. Also helped produce disaster preparedness and contingency plans in 11 districts and trained 22 high level officials on the operation of Nepal's airports during national emergencies. (DRRN) Also reduced the vulnerability of communities in the hills of Dolakha and Sindhupalchok districts to flash floods, glacial lake outburst floods (GLOFs) and landslides through training, planning and awareness raising activities that led to local communities and local government engaging for disaster mitigation and preparedness. (RCRRP)



Credit: RCRRP

Earthquake resistant buildings — Trained 153 builders on earthquake-safe construction and completed the retrofitting of five municipality buildings to demonstrate earthquake resilient construction. Also produced training curricula and practical handbooks and assessed the vulnerability of mobile phone towers to earthquakes. (ERRRP)

Early recovery from the Koshi flood — Supported the district authority responsible for coordinating the humanitarian and early recovery responses to the 2008 Koshi flood (Sunsari District Disaster Relief Committee). Also built 235 low cost housing units for flood victims and made grants to community projects that improved the local infrastructure of 29,000 flood-affected people and provided 22,000 days of paid employment. (KERP)

Halting and reversing the spread of HIV/AIDS

Reaching the most-at-risk and PLHIV — In partnership with 39 NGOs across 61 of Nepal's Districts:

- newly reached 447,293 migrants and their family members with HIV prevention packages, tested 25,889 for HIV and treated 35,597 for sexually transmitted infections (STIs);
- reached 3,855 injecting drug users with harm reduction services and 1,328 of them with detoxification and rehabilitation services;
- newly reached 31,887 men who have sex with men (MSM) and male sex workers with HIV prevention messages and support, including referrals for HIV testing and STI treatment; and
- provided 2,786 people living with HIV (PLHIV), with treatment, health care and psychological support to live in dignity with AIDS in 22 community-based care homes.

Expanded HIV services — Extended access to HIV-related services by establishing 4 new HIV testing centres, 2 new antiretroviral treatment (ART) centres and 8 ART sub-centres, and by funding the running costs of 61 HIV testing centres and 35 ART centres. Services were improved at these centres by training 516 counsellors, laboratory technicians and other health staff on HIV testing, counselling, treating STIs, and managing ART. The programme also managed the procurement of \$1.4 million of HIV test kits,

condoms, needles and syringes, other medical commodities, and drugs for treating AIDS, STIs and the opportunistic infections that PLHIV are so prone to. (GFATM Round 7)

Strengthened national system — Built up the capacity of the National Centre for AIDS and STD Control (NCASC), which led to it being assessed by the Global Fund as eligible to take on the principal recipient role for Global Fund HIV grants. Also strengthened the monitoring of the HIV response by establishing a database for tracking service delivery and by training 320 health staff on HIV M&E. (DFID and GFATM Round 7)

Gender equality and women's empowerment

Affirmative action — Most UNDP supported programmes target gender equality and women's empowerment. For example, in 2010, women made up almost all the 97,880 new micro-finance clients reached by partner financial institutions (EAFS), 92% of the members of LRP's 350 community groups, 76% of the 8,385 potential entrepreneurs who completed MEDEP's entrepreneurship development course and almost half the enumerators hired to carry out voter registration (ESP).



Mainstreaming gender justice — The A2J project trained 154 judges, lawyers and police on gender justice, including 29 police and female lawyers who run legal aid desks in police stations. These desks provided free counselling and legal assistance to 869 people (mostly women) on domestic violence cases whilst mobile legal clinics provided similar services to 1,524 poor rural people (80% women). Also coached 93 women law graduates to enable them to pass their Bar and Public Service Commission exams. (A2J)

Promoting the women's agenda in the Constituent Assembly — Supported networks of women's civil society organisations to produce a single position on women's issues in the new constitution and identify 144 areas of the 11 thematic committee reports that need changing to incorporate women's concerns.

2010 programme

The projects supported by UNDP spent \$42.4 million in 2010¹, 15% more than the 2009 expenditure of \$36.9 million and 60% more than the 2008 expenditure of \$26.5 million. The 2010 increase was due to the doubling of expenditure on transitional democratic governance and substantially increased expenditure by the livelihoods projects (see Figure 1.1).

All 35 projects supported by UNDP in 2010 are listed in Annex 1 and in tables in Chapters 3 to 9 in order of their 2010 expenditure. Of the total 2010 expenditure the highest proportion went on peacebuilding (26%) and the second highest on transitional democratic governance (24%).

Of these amounts 46% came from bilateral and multilateral donors, with the British Government's Department for International Development (DFID) and the Australian Agency for International Development (AusAID) the largest contributors. Forty two percent came from UNDP sources and 12% from the Global Fund, the Global Environment Facility, and other funds (Figure 1.2). Chapter 10 of this report gives more details on resources and expenditure).

¹This amount only includes the expenditure of projects where funds are directly managed by UNDP Nepal. Annex 1 shows how some projects' expenditure is handled by other agencies.

Three new projects began and three ended this year. Two major new projects were launched to support crucial parts of the peace process — the UN Interagency Rehabilitation Programme (UNIRP) and the Conflict Prevention Programme (CPP), whilst the Poverty-Environment Initiative (PEI) began to promote environmentally-friendly development. The projects that ended in 2010 were the Quick Impact for Peace Support Initiative (QIPSI), the trade project (ENTReC) and the earthquake project (ERRRP).

The programme went ahead in line with the Country Programme Action Plan (CPAP, 2008-2010) with capacity development as the overarching objective and gender equality, social inclusion, climate change, and disaster risk management as cross-cutting foci. In view of the longer than planned time it is taking to implement the Comprehensive Peace Agreement (2006), and in order to align the CPAP

with the United Nations Development Assistance Framework (UNDAF, 2008-2012), in 2010 the current CPAP was extended for two years to December 2012.

The working environment

All the above work went ahead in a challenging environment amidst Nepal's continuing transition from conflict to peace and development. A lack of political consensus led to limited progress on the peace process with the term of the Constituent Assembly extended for a year and delays in the discharge of the qualified Maoist ex-combatants. This lack of consensus, together with the competing demands of many ethnic, regional and other interest groups, led to many bandhs (shut-downs) and strikes across the country. This, together with the fragile law and order situation, especially in the Terai, disrupted some of the field activities of UNDP-supported projects in 2010

Figure 1.1 UNDP 2008, 2009 and 2010 expenditure by thematic areas (\$ million)

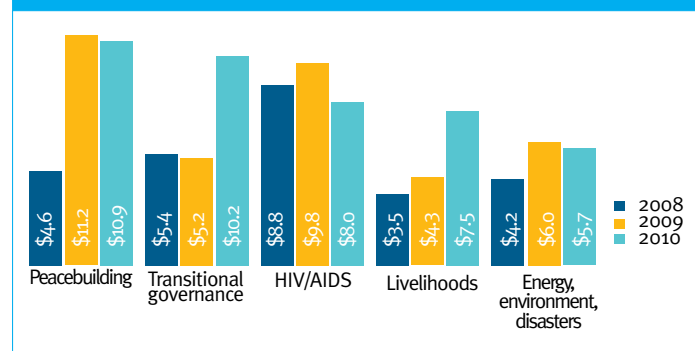
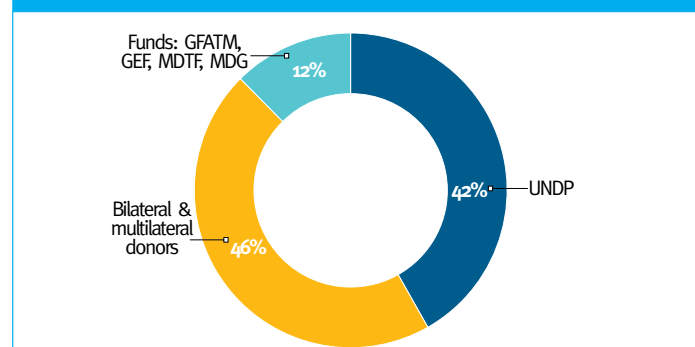


Figure 1.2 Sources of 2010 expenditure (through UNDP on UNDP supported programmes)



2. Supporting progress towards the MDGs and consolidating peace

The following matrix explains how UNDP's projects make a large contribution to the achievement of the MDGs and the building of a sustainable peace.

| 2010 projects | Contributions to peace and the MDGs |
|--|---|
| Peace building | |
| 1. Support to Participatory Constitution Building in Nepal (SPCBN) | The promulgation of a new constitution will be a major landmark in the peace process, with peace being a precondition for accelerated progress towards all the MDGs. This project supports the widest possible participation in the drafting of the constitution. |
| 2. UN Interagency Rehabilitation Programme (UNIRP) | The successful carrying out of the peace process is a precondition for progress across all the MDGs and for Nepal's development. This project is focussing on a key part of the peace process — the discharge, rehabilitation and reintegration of former Maoist combatants. |
| Transitional governance | |
| 3. Strengthening the Election Commission of Nepal (ESP) | Although Nepal has made good progress towards most of the MDGs, this progress would have been greater if there had been peace and a stable multiparty democracy. This project is contributing towards the next national and local government elections being fairer and more democratic. |
| 4. Enhancing access to justice (A2j) | Maintaining the rule of law and ensuring access to justice for all is essential for a lasting peace. This project is enabling women and poor and marginalised people to claim their rights, and is improving their livelihoods by helping them more easily solve their disputes, thus contributing to the poverty and gender MDGs (MDGs 1 and 3). |
| 5. Strengthening the National Human Rights Commission (SCNHRC) | Fewer human rights abuses will lead to a more democratic and equitable society where all Nepalis, regardless of caste, ethnicity, religion and gender can gain equal access to services and realise their full potential. This project and previous support is working to reduce the number and seriousness of human rights abuses — fundamental to consolidating peace and achieving the MDGs. |

| 2010 projects | Contributions to peace and the MDGs |
|---|--|
| 6. Strengthening the National Planning Commission (SNPC) | Progress towards the MDGs is crucial for overcoming the underdevelopment that was a root cause of the 1996–2006 armed conflict. This project is supporting the body responsible for producing Nepal's development plans to integrate the achievement of the MDGs, gender equality and social inclusion into national planning processes for more poverty-focussed planning. |
| 7. Effective aid management and coordination (Aid) | Better managed aid with lower transaction costs, less duplication and less overlap will make more money available for development activities to meet the MDGs and for the achievement of a sustainable peace. |
| 8. Local governance and community development (QIPSI and Joint programme for LGCDP) | Local governments more effectively delivering education, health and other services will result in more progress towards most of the MDGs. The decentralisation of government is also a key factor for overcoming the resentments that local needs are often ignored in central government plans and programmes; and for peacebuilding at the local level — something that the QIPSI project has already done through quick impact projects to improve the infrastructure of poor and conflict-affected areas. |
| 9. Public Private Partnership for Urban Environment (PPPUE) | Public-private partnerships provide a very suitable mechanism for improving access to clean drinking water, waste disposal, sanitation and other services in Nepal's crowded towns and cities, and for improving the country's infrastructure. The project is contributing towards MDG Target 7.D of "achieving by 2020 a significant improvement in the lives of at least 100 million slum dwellers". This target defines slum dwellers as people who live in sub-standard dwellings without proper access to water and other basic facilities. |
| Livelihoods | |
| 10. Livelihood Recovery for Peace (LRP) | This project is building social cohesion and improving livelihoods across the three Terai districts where poverty, conflict and natural disasters most hinder development. This area has the largest wealth gap in Nepal between the rich and the poor. The project is working to lift thousands of the area's most vulnerable people out of poverty (MDG 1). |
| 11. Micro Enterprise Development Programme (MEDEP) | MEDEP reduces poverty and hunger (MDG 1) by increasing the incomes of poor rural households. It empowers women (MDG 3) as most district micro-entrepreneurs group associations and half the business development service-providing organizations it promotes are headed by women whilst most new women entrepreneurs gain a strengthened role in household decision-making. It improves school attendance and the health of women and children as women's incomes go mainly on food, clothing, and education for their kids and to pay for health care (MDGs 2, 4 and 5). It promotes environmental sustainability (MDG 7) by working with forest user groups to promote environmentally-friendly enterprises. |

| 2010 projects | Contributions to peace and the MDGs |
|--|--|
| 12. Enhancing Access to Financial Services (EAFS) | Access to affordable credit and a safe place to lodge savings helps poor people break out of the vicious cycle of poverty and will help bring the number of Nepalis living below the poverty line down to Nepal's MDG 1 target of 21% by 2015. Access to formal credit decreased during the armed conflict and increasing access is important for building prosperous communities that don't need to fight for their rights. |
| Energy and environment | |
| 13. Rural energy (REDP and KiND) | REDP and KiND contribute to MDG 1 by powering improved rural livelihoods, to MDG 2 by lighting children's studies, to MDGs 3, 4 and 5 by removing the wood-collecting burden from women and smoky wood burning stoves from their homes and to MDG 7 by lessening reliance on greenhouse gas-emitting and forest-depleting sources of energy. These projects are also contributing to the decentralised decision-making that is needed for peace and development. |
| 14. Western Terai Landscape Complex Project (WTLCP) | WTLCP is working for environmental sustainability (MDG 7) by making poverty reduction (MDG 1) a key way of getting local people to conserve and improve animal and plant habitats outside the protected areas. The project's contribution to local livelihoods, tourism promotion and improved policies will help peaceful development. |
| 15. Conservation and Sustainable Use of Wetlands (CSUWN) | This project is conserving the biodiversity of Nepal's wetlands by building sustainable environmentally-benign livelihoods for the many poor people who rely on and live around these areas and by making sectoral policies protect wetlands. The successful implementation of the project will contribute to MDG 7 for environmental sustainability and MDG 1 for reducing poverty. |
| 16. GEF Small Grants Programme (SGP) | Most SGP projects contribute to the environmental sustainability MDG (MDG 7) and are reducing carbon emissions. Many have also improved rural livelihoods thus contributing to improving the economic situation of rural people and reducing poverty (MDG 1). |
| 17. Climate change adaptation (NAPA and ECCCA) | Climate change is likely to increase hunger and poverty in developing countries such as Nepal (MDG 1) by reducing food production, by causing more natural disasters (to which the poor tend to be most vulnerable) and by causing malaria (MDG 6) to spread. These two projects are putting in place plans and mechanisms to enable the government and communities to adapt to these threats. |

| 2010 projects | Contributions to peace and the MDGs |
|--|---|
| Disaster Risk Reduction | |
| 18. Disaster risk reduction (DRRN, ERRRP and the new Comprehensive Disaster Risk Management Programme [CDRMP]) | The vulnerability of many of Nepal's poor to natural disasters is a large impediment to the achievement of the MDGs. It is poor and marginalised people who tend to live on steep landslide-prone slopes, on low-lying flood-prone areas, in flimsy dwellings that collapse during earthquakes and who have the least resources to recover. The large impact of natural disasters on poor people can keep them in poverty and below the MDG thresholds. These projects are mainstreaming disaster risk reduction into planning across sectors and making buildings more earthquake-resilient. |
| 19. Koshi Early Recovery Project (KERP) | UNDP's coordination of early recovery work and assistance to rebuild livelihoods and the local infrastructure and provide new homes has helped prevent many victims of the 2008 Koshi floods sinking into poverty (MDG 1). |
| HIV/AIDS | |
| 20. Supporting the national HIV/AIDS response (DFID and GFATM support) | UNDP's support to the national HIV/AIDS programme has played a key role in reducing the rates of infection among the at-risk groups to put Nepal on-target to achieve MDG 6 of having halted by 2015, and begun to reverse, the spread of HIV/AIDS. This support is crucial for preventing an epidemic from developing in the general population, which would undermine development across the MDGs. |

3. Building peace

As in 2008 and 2009, a lack of political consensus and delays in the formation of government led to only limited progress on the peace process. The peace process had started after the formal end of the ten years of violent conflict between the Communist Party of Nepal (Maoist) and Nepal's government with the signing of the 2006 Comprehensive Peace Agreement. In 2010, the Constituent Assembly was unable to produce a new constitution by the 28 May deadline after which the prime minister resigned and the assembly failed to form a new government throughout the rest of 2010. One key advance was the discharge and rehabilitation of 4,008 disqualified Maoist army personnel. By the end of 2010 many challenges remained, foremost of which were completing the constitution drafting process and building consensus for the integration and rehabilitation of the qualified Maoist army personnel.

UNDP's response

Since late 2006 UNDP has provided key technical support to the peace process, alongside the support provided by the United Nations Mission in Nepal (UNMIN). In 2010, 26% of UNDP's total expenditure (\$10.9 million) went on the peacebuilding initiatives listed in Table 3.1. Most of this was targeted at a more inclusive constitution drafting process and the discharge and rehabilitation of disqualified Maoist army personnel.

Successful implementation of the peace process is an overriding priority for Nepal's political and socio-economic development. Apart from the initiatives described in this chapter, much of the rest of this report, and specifically Chapter 2, shows how almost all the projects UNDP supported in 2010 contributed in one way or another to consolidating peace by strengthening local democracy, improving people's livelihoods, and by providing opportunities at the local level and in other

ways. Three other projects of particular importance to peacebuilding were the election support (ESP, see Chapter 4), quick impact for peace (QIPSI, see Chapter 4) and the Livelihoods Recovery for Peace (LRP, see Chapter 5) projects. In 2010 all three helped build an enabling environment for peaceful development.

It is important to note that UNDP's support to peacebuilding in Nepal is not limited to the implementation of project activities. UNDP also provides strategic advice to the rest of the UN Country Team (UNCT) including the UN Resident and Humanitarian Coordinator's Office, as well as coordinating UN-wide peacebuilding efforts (especially with UNMIN in 2006–2010) and developing catalytic new peacebuilding initiatives. These activities, often concerning politically sensitive issues and requiring lengthy and complex negotiations, do not necessarily manifest through the prism of project-based achievements (see Box 3.1).

Table 3.1: UNDP support to the peace process in 2010

| Project | Duration - all phases (implementor) | 2010 expenditure | Status/focus |
|---|-------------------------------------|---|--|
| Support to Participatory Constitution Building in Nepal (SPCBN) | May 08–Dec 12 (UNDP) | \$5,165,519 (UNDP, Denmark, DFID, British Embassy, Norway, Austria) | Supporting the inclusive functioning of the Constituent Assembly (CA) and enabling the participation of all sectors of society in drafting the new constitution. Website: www.ccd.org.np |
| UN Inter agency Rehabilitation Programme (UNIRP) | Jun 10–May 12 (UNDP) | \$2,218,183** (UNPFN, UNDP, UNICEF, UNFPA, ILO) | Supporting the rehabilitation of the under-age and late joining Maoist personnel. |
| Assistance to the Peace Process in Nepal (APPN) | Jan 07–Jun 11 (UNDP) | \$1,422,739 (UNPFN, UNDP, DFID, Norway) | Providing technical support to the government for the discharge and rehabilitation of ex-Maoist combatants and other key tasks of the peace process. |
| Crisis Prevention and Recovery Support to Nepal (CPRSN) | May 08–Dec 12 (UNDP) | \$583,233 (UNDP) | Supporting UNDP's development of new peacebuilding initiatives and the operations of its Peacebuilding and Recovery Unit. |
| Conflict Prevention Programme (CPP) | Oct 10–Dec 12 (UNDP) | \$223,708 (UNDP) | Supporting collaborative leadership and dialogue between political and social leaders and others involved in the peace process and mainstreaming conflict sensitivity into UNDP and UN Country Team programming, policies and processes. |

Note the projects are ordered in these tables by the amount spent in 2010

*** Expenditure from UNDP in UNPFN and BCPR funds only*

Box 3.1: High level strategic peacebuilding and programme development work in 2010

1. Throughout 2010, the constitution building project (SPCBN) provided technical and policy advice to the government and assembly members to help identify and address key transition and implementation challenges for after the constitution is promulgated.
2. Throughout 2010, UNDP's Peacebuilding and Recovery Unit played a key role in coordinating the UN system's support for the discharge of the 4,008 disqualified Maoist army personnel. UNDP is also leading the UN system's provision of technical advice on the rehabilitation of the 19,602 qualified Maoist army personnel — a task handed over to it after the withdrawal of UNMIN in January 2011. It also strengthened the Ministry of Peace and Reconstruction by supporting it to prepare a capacity building plan and operational guidelines for the Nepal Peace Trust Fund and by organizing leadership training for its senior officers.

Participatory constitution building

A new constitution that brings Nepal's traditionally excluded groups into the political and social mainstream is crucial for the fundamental resolution of the conflict. Between May 2009 and January 2010 the eleven thematic committees of the Constituent Assembly (CA) developed and finalised their reports as draft content for the new constitution. These reports had many unresolved issues and issues not agreed on by consensus. The failure of the political parties to agree on these issues led to the Constituent Assembly missing its 28 May 2010 deadline for the new constitution. The assembly was subsequently extended for a year. This provided a valuable opportunity for the [Support to Participatory Constitution Building in Nepal \(SPCBN\)](#) project to further build the capacity of central actors and community people to participate in constitution building.

Promoting the indigenous people's agenda

The Constituent Assembly is Nepal's most inclusive law making body ever with a third each women and indigenous people members. However, at first, as representatives of different political parties, these assembly members did not present a united voice on their common concerns. Project support has enabled these traditionally marginalised groups to develop common agendas on how their rights should be addressed in the new constitution and has increased

the influence of these groups in the assembly. The achievements related to women's involvement in constitution making are presented in Chapter 9.

The Indigenous People's Caucus of the Constituent Assembly is a cross-party body with 218 members. In 2010 the project supported it to review the 11 thematic committee reports from the perspectives of indigenous people's rights. Expertise from four constitutional specialists, support for consultations between caucus members and their communities and consultations with indigenous academics and intellectuals led to the caucus identifying 408 gaps and parts that needed changing, including the examples in Box 3.2.

One issue of particular concern to indigenous peoples is the boundaries and number of federal provinces to be created under the new constitution. The caucus was provided with expertise to analyse the boundaries and economic viability of the 14 provinces proposed by the committee on state restructuring. This exercise led to the caucus developing an alternative 12 province model, which is, however, yet to be agreed on by the caucus.

This dynamic review process produced a single clear position on indigenous people's issues. This position is proving very influential and is frequently referred to by the constitution drafting committee. The process has also importantly led to the caucus becoming a more cohesive group across party lines with more knowledge and confidence to speak up for their common position.



In December 2010 the Indigenous People's Caucus met to validate its report on the changes needed to the 11 thematic committee reports

Box 3.2: Some amendments proposed by the Indigenous People's Caucus to the 11 thematic committee reports

Natural resources, economic rights and revenue distribution

- First right to the use of natural resources for Adivasi Janajati and local communities.
- Right to property not to be confined to individuals, but should also extend to groups/communities or corporate entities.
- Free, prior, informed consent should be obtained from Adivasi Janajati while acquiring lands they possess or own.

The division of economic powers

- Economic powers should be delineated and rest on the provincial governments instead of on the federal government.
- Benefits accrued from the development/use of natural resources such as royalties and/or other benefits or services/ goods shall be equitably distributed as per law to Adivasi Janajatis, Dalits and local deprived communities.

Other thematic areas

- The list of Adivasi Janajatis who are entitled to autonomous areas should be annexed in the Constitution. At present, there are 57 recognized Adivasi Janajati groups in the country.
- Adivasi Janajati should be entitled to the rights of self-determination by virtue of which they will enjoy autonomy and self-rule in their ancestral lands/territories and in highly concentrated areas ... (ILO 169)

The support to the Indigenous People's Caucus and women's civil society networks went on side-by-side. One exercise fed into another as the indigenous caucus agreed to address indigenous women's issues in their analysis and recommendations.

Resources for constitution building

The Centre for Constitutional Dialogue (CCD) was set up by SPCBN in Kathmandu in 2009 and provides a democratic dialogue space for individuals, communities and political groups to participate in constitution making. In January 2010, on its first anniversary, the prime minister praised the centre for the valuable contribution it had made to the constitution building process.

In 2010, the CCD's seminar and discussion series, its new publications (see Box 3.3), the research it supported and the expert advice it provided mainly focussed on the contentious constitutional issues such as state restructuring and the forms of government. The following activities importantly informed debates among stakeholders and enabled more effective participation and contribution to the drafting process:

- The centre provided 1,020 pieces of expert advice on key constitutional issues to assembly members, the assembly's committees and civil society activists.

- The centre's 70 seminars (3,738 participants) and 14 workshops (929 participants) built up the understanding of assembly members and civil society and political stakeholders on constitutional issues.
- The information booklets on minority rights, an independent judiciary, participatory constitution making, social inclusion and diversity have reached a wide readership as they were produced in the Maithali, Bhojpuri, Tharu, Magar, Tamang and Newar languages as well as in English and Nepali.
- The CCD's 45 research studies supported the assembly and other stakeholders to investigate and develop options for inclusion in the constitution.

Box 3.3: Reference materials on constitution making

SPCBN produced a number of informative reference publications in 2010 including 'Towards a New Constitution'. This CD contains copies of the 11 thematic committee reports, Nepal's previous constitutions and other documents.



It was predominantly new lawmakers who took the following SCPBN-sponsored training courses in 2010 that have enabled them to function more effectively:

- 280 members of the women and indigenous people caucuses (203 female, 109 male) were trained on constitutional issues;
- 33 assembly members and 48 members of civil society (37 female, 44 male) were trained on negotiation for constructive consensus building;
- 146 assembly members and 111 civil society activists were trained on key constitutional issues (26 female, 131 male); and
- 129 assembly members (80 female, 49 male) were trained on information technology and language skills.

Citizens' participation in constitution making

The project's democratic dialogues and television and radio programmes informed citizens and key stakeholders about the constitution making process.

Democratic dialogues

In 2009, SPCBN supported the holding of 2,274 local democratic dialogues (loktantrik sambad) that raised awareness and provided local inputs into the making of the new constitution. The plan in 2010 was to run dialogues to gather comments on the draft constitution. The absence of the draft meant that the 2010 dialogues provided an opportunity to disseminate information and collect opinions on the 11 thematic committee reports, which represented the progress to then on constitution making. These dialogues were held at VDC, constituency and provincial (proposed) levels and were attended by 259,708 citizens.

VDC and constituency dialogues — Between March and September 2010 dialogues were held in all Nepal's 3,915 village development committees. They were run by trained facilitators from 18 consortia of civil society organisations. Ninety master trainers (see photo) trained over 1,300 facilitators on imparting information to people with limited literacy and involving less vocal participants. Box 3.4 recounts a typical dialogue from Dhanusha. After each dialogue, reports were prepared on the main concerns raised and suggestions made. These reports were then compiled into 240 constituency-wise reports, which were presented to the assembly members.

Dialogues were also held in all 240 parliamentary constituencies with the assembly members in attendance at 200 of them. These dialogues discussed the points raised at the VDC dialogues and provided a valuable forum for assembly members to respond to citizens' concerns (see Bara dialogue in Box 3.4).



Training for master trainers of democratic dialogue facilitators, Chitwan, February 2010

Feedback to the assembly — Reports were prepared on the points raised at the constituency dialogues, after which a report was compiled with the major points from all 240 reports (see image below). In November, the 240 constituency reports and a compiled report (see cover image) were submitted to the assembly, the chair of the assembly and individual members representing the opinions of the general public on the shape the constitution should take. Interactions were held with political leaders to inform them about the contents of the main report.

Other dialogues — Federal dialogues were held in each of the capitals of the 14 new provinces proposed by the state restructuring committee and were attended by more than 1,150 politicians, civil servants and civil society representatives. The value of these meetings soon became apparent as amongst all these leading district and regional level decision makers very few said they had a good knowledge of the proposed new governance structures before the meetings.

A series of regional seminars informed 150 district-level civil servants about the implications of federalism and gave them the opportunity to question constitutional experts about the proposed federal model, the new legislative, judicial and executive arrangements and the terms and conditions of bureaucrats under the new system. Civil servants will have an important role in implementing the new system.

Box 3.4: Two examples of democratic dialogues for an inclusive constitution



Renu Gupta facilitating the Bindi VDC dialogue



Pushpa Lama speaking on Third Gender rights

A VDC dialogue: Renu Gupta and Raghunath Das were one of the 17 teams of facilitators that facilitated democratic dialogues across Dhanusha district in 2010. During a dialogue in May 2010 in Bindi VDC the audience of Yadavs, Chaudharies, Mushahars and other communities listened to the presentations and offered their thoughts and suggestions. In response to the orientation on the report on the Distribution of Natural Resources, Financial Rights and Revenues:

- a former government official said that local resources should be managed by consumer groups as they know best;
- a district member of the Nepal Sadbhawana Party said that special provisions should be made for young widows and women from marginalized groups; and
- a school teacher asked how the new constitution would address the large gap in the quality of education between government and private schools.

A constituency dialogue: Some of the many issues raised at a dialogue held in August by the Madhesi NGO Federation in Bara district were as follows:

- A Third Gender person passionately called for the rights of lesbian, gay, bisexual, transgender and intersex people to be recognized in the new Constitution (see photo).
- Many participants called for changing the rules to allow younger and less educated people to become members of parliament as the current, mostly older, educated members do not understand their problems.
- The president of the local Bar Association called for the political parties to be more flexible to resolve the contentious issues to make the constitution on time.

Many of the most effective dialogues have been ones such as this that brought assembly members face-to-face with the concerns of their constituents.

Television and radio programmes

The television and community radio programmes supported by the project and produced by the BBC World Service Trust have raised public awareness about the constitution making process and contributed to its democratization. In 2010, 36 episodes of the *Sajha Sawal* (Common Questions) discussion programme were broadcast on Kantipur Television and 113 FM radio stations. The project also supported 36 episodes of the radio drama *Katha Mitho Sarangiko*, (Sweet Tales of the Sarangi), which were broadcast on 113 FM radio stations to over two million people. Many episodes of these programmes have stimulated debate and become talking points in communities. The project also supported the Association of Community Radio Broadcasters to establish a studio and produce daily news bulletins in seven languages broadcast through the association's 87 member radio stations.

Discharge and rehabilitation of former Maoist combatants

The future of the former Maoist combatants is one of the most complex, challenging and important issues to settle for the successful completion of the peace process.

Soon after the signing of the Comprehensive Peace Agreement in November 2006, the Maoist army and their weapons were placed in cantonments at 28 sites in Nepal. UNMIN, with support from UNDP, then proceeded to lead the verification of combatants within these sites and found 19,602 to be verified members of the Maoist army, while 4,008 were disqualified either as minors or late recruits. Two years after the completion of the verification process, and after several rounds of negotiations, an action plan was signed by the Maoists and the Government of Nepal in December 2009 for the discharge and rehabilitation of the disqualified combatants. In a major step forward in the peace process, UNDP in partnership with UNMIN, UNICEF, UNFPA and ILO, supported the discharge and rehabilitation of these personnel that to date represents one of the major achievements of the peace process.

Discharge of disqualified Maoist combatants

Through continuous engagement with the discharge process throughout 2008 and 2009, UNDP was well positioned to immediately begin implementing the action plan upon its signature in December 2009. By the end of February 2010, all 2,394 (60%) of the minors and late recruits remaining at cantonment sites were discharged following a briefing on their entitlements. The 1,614 (40%) absent personnel were discharged in absentia. A number of the absentees later took part in the rehabilitation programme, some due to follow-up by the UN agencies.



Discharges leaving Kailali cantonment

Rehabilitation – The United Nations Interagency Rehabilitation Project

Building on the success of collaborative inter-agency efforts in discharging the verified minors and late recruits, a similar multi-stakeholder approach was adopted to design and implement their rehabilitation programme.

In 2010, UNDP led the establishment of the [United Nations Interagency Rehabilitation Programme](#) (UNIRP) to facilitate the transition of discharged personnel from military to civilian life. Within this programme UNDP facilitates vocational skills training and micro-enterprise development support, the United Nations Children's Fund (UNICEF) manages the education and psycho-social

counselling programme, the United Nations Population Fund (UNFPA) coordinates the health-related training and gender and health support, while the International Labour Organization (ILO) builds the capacity of the vocational training providers. As of December 2010 \$9.3 million had been pledged to support the rehabilitation process, with contributions from the UN Peace Fund to Nepal (with Norway and DFID as the main donors) and UNDP's Bureau for Crisis Prevention and Recovery (BCPR).

On 8 January 2010, a toll free phone number was established as the first point of contact for discharges to obtain information on the rehabilitation packages. By December 2010, 58% of all discharges had made contact with the programme through this number.



Information briefing for discharges, Nawalparasi cantonment

Through 2010, 46% (1,856) of the 4,008 verified minors and late recruits received career counselling at the regional offices in Kathmandu, Biratnagar, Bharatpur, Nepalgunj and Dhangadhi. They were referred to one of the following rehabilitation packages which remained on offer through to March 2011:

- vocational skills training;
- micro-enterprise development;
- vocational education towards becoming community health workers; and
- formal education.

As of 31 December 2010, 1,252 discharges were either engaged in or had already undertaken rehabilitation support packages including 163 discharges who were pursuing formal education and 41 health training.

Vocational skills training package — By the end of 2010, 218 discharges (214 men and 4 women) had completed the vocational training packages while a further 166 were undertaking the package. These discharges first received a literacy and numeracy course to enable them to participate in the skills training courses and then embarked on training courses on the subject of their choice followed by on-the-job training to improve and apply their skills. Following their graduation, the programme helped them in the challenging task of finding work, monitored their progress and provided them with counselling and mentoring support. The electrician's training course was the most popular option (see Figure 3.1).

Micro-enterprise package — In 2010, 252 discharges (143 female and 109 male) completed the micro-

enterprise package, while a further 280 were undertaking the package at the end of December. These courses were managed by UNDP and delivered by its Micro Enterprise Development Programme (MEDEP) and a number of training institutes. These ex-combatants first took an 11 day course to equip them with the basic skills for starting and running a small business. Those who needed new skills were also provided with short skill training courses. They were then given start-up grants of 30,000 to 40,000 rupees for setting up their businesses, after which the project provided them with business counselling and mentoring support. The most popular options were tailoring and mobile phone repairing (see Figure 3.2).

By the end of 2010, 37 of those who had completed the vocational training course were in employment including Mr Limbu (Box 3.5), and 83 of the micro-enterprise graduates had established their own businesses, including the two mobile phone entrepreneurs also featured in Box 3.5. These are encouraging statistics given the difficulty of finding work in Nepal, the background of the graduates and the fact that many had only recently graduated. Many more will enter employment in 2011.

An important part of the programme's remit is to encourage potential employers to employ discharges — a challenging task given that the discharges were armed insurgents until 2006. In 2010, the project held a retreat with business leaders in Kathmandu and regional level meetings and many informal discussions with potential employers and employers' organisations to advocate for the employment of disqualified combatants.

Figure 3.1 Types of vocational training completed by discharges, 2010

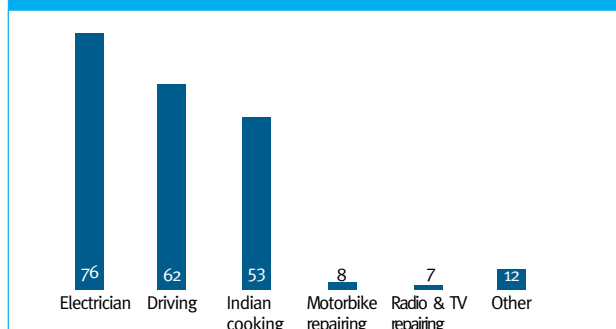
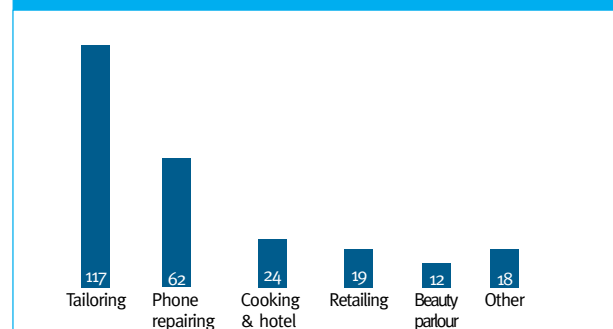


Figure 3.2 Types of micro-enterprise packages completed by discharges, 2010



Box 3.5: Ex Maoist combatants successfully re-enter civilian life

Electrician — Mr Limbu, 23, joined the Maoists at a young age. He was discharged from Ilam cantonment in January 2010 after being classified as a minor. He phoned the toll free number and then chose the vocational training package. After completing a house-wiring course, Mr Limbu took on-the job training and passed his skills test from the National Skill Testing Board (see above photo of another dischargée taking this course). The electrician's toolkit he received helped him start work in August 2010 earning 150 rupees a day. He foresaw the potential of earning much more from a trade that is in high demand. Mr Limbu says that the rehabilitation programme has transformed his life and taught him many useful skills that have helped him return to civilian life.



Mobile repair shop — Ex-Maoist combatants Mr Budha and Mr Chaudhary were discharged from Surkhet cantonment in February 2010. At their career counselling they opted for the micro-enterprise package. After taking the Start and Improve Your Own Business course they decided to take the course on mobile phone repair and completed it in July 2010. The two of them had become good friends and went into business together opening Rara Mobile Phone Repair Center at Chhinchu, Surkhet. With a daily income of 600 rupees they are satisfied with their new business and continue to seek advice from their trainer on more complicated jobs. They are now searching for additional credit to buy more tools and expand their business.

Other support to dischargées — UNIRP has been particularly concerned about the 1,130 minors who were discharged in absentia. In this regard, a follow-up exercise managed to trace and contact 764 of them to encourage them to participate in the rehabilitation programme. As a result a further 142 dischargées contacted the toll free number.

During 2010, the programme also supported dischargées with special needs. It provided childcare and nutritional support for women with young children who were taking the packages and extra support to dischargées suffering from physical health and psychological problems.

Consolidating peace and preventing conflict

In September 2010, UNDP launched the Conflict Prevention Programme (CPP) to support the prevention, mitigation and management of conflicts at the central and local levels. CPP aims to achieve this through the following two pillars:

- Collaborative leadership and dialogue** — The programme aims to build collaborative leadership and dialogue skills and other capacities amongst Nepal's leaders and institutions at the central and local levels, focussing on political, civil society, government, youth, women and ethnic leaders. This pillar was designed over a 12 month period through a multi-stakeholder process involving a steering committee with members from seven major political parties and three civil society organisations. This participatory approach was aimed at ensuring national ownership. This approach has also promoted sustainability as the steering committee continues its involvement as advisors during the implementation stage. The unique design of this component also generated a multi-stakeholder dialogue space among mid-level leaders at a time when political consensus was difficult to forge due to the fragmentation of the national and local level polity. In designing this component UNDP facilitated four steering committee meetings and two participatory workshops, plus many informal meetings.

- **Mainstreaming conflict sensitivity and the ‘Do No Harm’ approach** — The programme is working to ensure that development initiatives are designed, implemented and monitored in a conflict-sensitive way that maximises peacebuilding impacts. UNDP recognises that its programmes must be conflict-sensitive and be designed and implemented with a full understanding of the potential impact on local conflict and contextual dynamics.

This pillar was designed through an interagency process in the spirit of ‘delivering as one’ as a partnership between UNDP, UNICEF and the UN Resident and Humanitarian Coordinator’s Office (RCHCO). A strategy was developed to mainstream conflict sensitive working in seven initiatives and areas of work of these UN agencies and to establish institutional capacities on the subject.

In 2011

SPCBN: In 2011, participatory constitution building will remain a priority support area for UNDP. SPCBN will endeavour to secure funding to enable it to:

- target senior assembly and political party leaders to help resolve critical, unresolved constitutional issues;

- support the strengthening of the women, indigenous, Dalit and Madhesi caucuses;
- develop a strategy and action plan to transform the Centre for Constitution Dialogue into a national institution; and
- advocate for early preparations to be made for implementing the new constitution.

UNIRP: The programme will work to ensure the delivery of high quality rehabilitation packages. Beyond that, UNDP and ILO will work with potential employers, INGOs and the private sector to facilitate the employment of the dischargees, while engaging with financial institutions to link trainees with micro-credit providers. With the departure of UNMIN in January 2011, UNDP will be ready to respond to any requests from the government to lead United Nations efforts to support the rehabilitation of the 19,602 qualified combatants.

CPP: A nationwide assessment of collaborative capacities will identify organisations and individuals at central and local levels that the programme can work with. The mainstreaming of conflict-sensitive and ‘Do-No-Harm’ approaches will be strengthened within the seven pilot initiatives and expanded to other initiatives with UNDP, UNICEF and RCHCO with the possibility of expansion to additional agencies in the UN system.

4. Transitional democratic governance

Improvements in governance, the provision of basic services and the rule of law are preconditions for a sustainable peace in Nepal. In 2010, UNDP provided large-scale support towards achieving these features of a democratic state that governs for the benefit of all its citizens.

Strengthened state institutions

In 2010, support from UNDP and its partners has gone to strengthening the institutions and systems for running democratic elections, for facilitating the provision of justice, for safeguarding human rights, for central

level planning and for managing the country's large aid receipts (Table 4.1). See Chapter 3 for the large contributions UNDP made to strengthening another key state institution — the Constituent Assembly.

Table 4.1: UNDP support to key state institutions in 2010

| Project | Duration - all phases (implementor) | 2010 expenditure | Overall Status/focus |
|---|-------------------------------------|---|--|
| Institutional Strengthening and Professional Development Support for the Election Commission of Nepal (ESP) | Aug 08–Jul 11 (UNDP) | \$6,173,115 (Norway, Denmark, DFID, UNDP, AusAid, JICA) | Supporting the government agency responsible for running elections to improve voter registration and the management of elections. Website: www.election.gov.np |
| Enhancing Access to Justice for Consolidation of Peace in Nepal (A2J) | Aug 08–Dec 12 (The Supreme Court) | \$1,031,320 (UNDP) | Supporting the courts to execute court decisions; establishing community mediation, paralegal support and court-referred mediation; implementing laws against gender-based violence and reforming laws. |
| Developing Capacities for Effective Aid Management and Coordination (Aid) | Jan 09–Dec 11 (MoF) | \$504,394 (UNDP, DFID) | Improving coordination between the ministries (plus NPC) responsible for aid management and setting up a database as a single point of information on aid. Website: amis.mof.gov.np |
| Strengthening the Capacity of National Human Rights Commission (SCNHRC) | Aug 09–Dec 11 (NHRC) | \$473,772 (Finland, Danida, British Embassy, SDC, UNDP) | Strengthening the National Human Rights Commission to protect and promote human rights and fulfill Nepal's national and international human rights obligations. Website: www.nhr.cnepal.org |
| Strengthening Planning and Monitoring Capacity) of NPC (SNPC) | Oct 09–Sep 12 (NPC) | \$274,759 (UNDP, DFID) | Improving planning and monitoring for Nepal's development towards achieving the MDGs, social inclusion and gender equality. Website: www.npc.gov.np |
| Advancing Gender Equality and Women's Empowerment in Crisis Countries | Aug 09–Aug 11 UNDP | (UNDP-BCPR) | The Nepal part of this programme is working to make the Nepal Police more gender sensitive and improve the treatment of women victims of violence. See write-up in Chapter 9. |

Free and fair elections

Nepal's next parliamentary and local elections will be critical for the future of democracy in the country as they will be the first under the new constitution. In 2010, the [Institutional Strengthening and Professional Development Support for the Election Commission of Nepal](#) (ESP) project spent \$6.1 million on improving the country's election system. This was the highest spending UNDP project in 2010, accounting for 15% of all expenditure.

UNDP is implementing this project in partnership with the Election Commission of Nepal and is responsible for donor coordination. In 2010 it played a large role in mobilising \$6.3 million of new funding from Norway, the Danish Embassy, DFID and AusAID (most of which went for procuring voter registration kits) and helped secure a further \$5 million from the Nepal Peace Trust Fund for the government to fund voter registration and other election expenses.

Voter registration — Previous elections in Nepal have been marred by fraudulent voting and inaccuracies in the voters list. A major focus of the project has therefore been to improve the voter registration system. In 2010 the project successfully procured 3,600 voter registration kits (laptop computers, fingerprint scanners and web cameras), piloted the new biometric registration system and helped implement the first phase of registration across Nepal's urban areas.



Collecting voter registration details from Nepal's Vice-President Parmananda Jha

A pilot voter registration project was conducted in five districts in April 2010. Applying the lessons learned, the nationwide registration of all citizens of 16 years and over began across Nepal's 58 municipalities on 15 September 2010. Up to its completion on 31 December, the signatures, fingerprints and photographs of 1,287,222 citizens had been digitally captured and voter registration cards handed to them. This new system has many advantages over the old manual registration system (see Box 4.1) and will strengthen national efforts to promote free and credible elections.

Other support — In 2010 the project also supported the establishment of an elections geographical information system (GIS) and ran training courses on election management. The establishment of a GIS mapping



Taking a voter's photographs

Box 4.1: Advantages of photo and fingerprint voter registration

- Produces a more accurate and complete voters list
- Enables the detection and removal of duplicate registrations
- Makes it easier to maintain the voters list
- Allows for the clearer identification of voters on election-day
- Deters false voting
- Produces more credible election results.

system within the election commission enables it to plot polling locations, define constituency boundaries and produce maps of voting patterns. This system will produce constituency-wise maps as a useful reference for planning and executing elections.

In 2010, a further 206 commission officials and other election stakeholders (194 male, 12 female) were trained on Building Resources in Democracy, Governance and Elections (BRIDGE). The training courses were on gender and elections, electoral justice, electoral dispute resolution, electoral administration and management. Unfortunately the impact of the project's training courses has been reduced by many trained commission staff being transferred to other government agencies before using their new skills.

Access to justice

UNDP Nepal's extensive support for improving access to justice in the 2001–2010 period has made major contributions to strengthening the rule of law and improving access to justice and human rights in Nepal. In 2010 the [Enhancing Access to Justice for Consolidation of Peace in Nepal project \(A2J\)](#) continued to strengthen the formal and informal justice systems, improve access to justice and protect the human rights of women, poor and marginalised people. The project's notable achievements on mainstreaming gender justice are presented in the gender equality chapter (Chapter 9).

Justice for the vulnerable and marginalized

The expense and the often prolonged and complicated legal procedures mean that Nepal's poor and rural people find it difficult to resolve their disputes and legal cases through the courts. In 2010 the following support made it easier for these people to access affordable justice:

- Since 2009, paralegal support has been provided in 70 VDCs through VDC paralegal committees. In 2010, these committees provided information and support that helped resolve 2,061 cases. Also during this year, paralegal support was extended to all wards within the 70 VDCs by forming 630 ward paralegal committees. Two thousand members of the ward committees were trained on human rights and

gender-based violence and how to resolve cases. These committees then ran a campaign against gender-based violence through a radio programme, door-to-door campaigning and VDC workshops.

- The project supports the community mediation of disputes in 16 VDCs and 4 municipalities in 4 districts. In 2010, 1,250 disputes were registered with the 20 community mediation centres and 725 cases were successfully resolved.
- In support of efforts to establish a national court-referred mediation programme, a week-long training was provided to 80 lawyers, court officials, civil service society members and other professionals on the subject. This kind of mediation sees formal courts referring domestic and other community level disputes for local mediation.
- Mobile legal aid clinics in Mahottari, Sarlahi and Rautahat districts provided free legal services and information to 1,524 people (80% women) in local languages (Box 4.2).

Box 4.2: Mobile legal Clinics inform women and the poor about their legal rights



Between August and December 2010, UNDP's access to justice project ran 18 mobile legal clinics in Sarlahi, Mahottari and Rautahat districts. Members of the Law Students' Association provided free legal counselling and briefed 1,524 rural people (80% women, 56% Dalit) on the law related to marriage, caste discrimination, domestic violence, abortion, citizenship and property partition and on accessing free legal aid. About 4,000 Maithali, Bhojpuri and Nepali language legal literacy booklets were distributed. These clinics empowered many poor and marginalised women to claim their rights and sensitised local lawyers on the needs of poor people and poor women for accessing justice. Providing these services in the local languages helped reach many poor women.

Strengthening the formal justice system

In 2010 the following support helped bring Nepal's legal system in-line with international standards.

- A national database was established to track the execution of court judgments — an important initiative towards overcoming the low levels of execution. In 2010, 249 personnel from all Nepal's 75 district courts were trained on operating the database and by November 30,000 cases had been entered.
- Project support to a government task force led to the updating and revision of five major legal documents: the Penal Code, Sentencing Policy Bill, Criminal Procedure Code, Civil Code and Civil Procedure Code. The task force reviewed international practice, organized consultations and prepared final drafts, which were submitted to the Office of the Prime Minister and the Ministry of Law and Justice and made available for public comment.

Protection and promotion of human rights

The [Strengthening the Capacity of National Human Rights Commission](#) project (2009–2011) and previous UNDP support (2002–2008) have played a major role in equipping Nepal's National Human Rights Commission (NHRC) to operate as an independent institution for protecting, promoting and respecting human rights. This support enabled the commission in 2010 to retain its 'A' level accreditation from the International Coordinating Committee of National Human Rights Institutions.



Institutional strengthening — In 2010 the project strengthened the commission's institutional capacity and human resources by equipping its new regional offices in Janakpur, Butwal and Khotang. These offices have improved the monitoring of the human rights situation in these areas and makes it easier for citizens to lodge complaints.

Also in 2010 the project supported:

- the finalisation of policies and guidelines on the commission's key operational areas — media relations, complaint handling, social inclusion, internal administration and confidentiality;
- the training of 192 NHRC staff and human rights defenders on human rights monitoring, investigation, and reporting violations (with OHCHR); and
- the development of a training module on the human rights approach to development and the training of 23 commission, government and non-governmental staff on delivering training courses on this subject.

Case investigation — The commission's main responsibility is to monitor and follow up on human rights abuses. In 2010, with project support, the commission monitored and investigated 142 alleged human rights violations. The highest profile case was the exhumation of four persons who had disappeared, allegedly killed by the security forces, in 2003. The exhumation was carried out with the police and international experts. The preliminary findings were shared with civil society and the international community. The evidence could help in taking forwards an important test case in the stalled transitional justice process. Also as part of its remit the commission produced the 2009 situation report on human trafficking.

Implementation of recommendations — The biggest challenge facing the commission is the failure of the government to implement many of its recommendations. A 2010 review found that only 9% of recommendations had been fully implemented (Table 4.2). NHRC with support from the project continues to lobby the government to act on the commission's recommendations. Partly as a result of this, in 2010 the Government responded to the NHRC's recommendations to provide compensation to some victims and survivors of conflict by setting aside funds and providing reparations.

Table 4.2: Implementation status of NHRC recommendations to the government on human rights cases (2001–2009)

| Type of violation | Fully implemented | Partially implemented | Not implemented | Total recommendations |
|---------------------------|-------------------|-----------------------|------------------|-----------------------|
| 1 Extra-judicial killings | 18 | 107 | 114 | 239 |
| 2 Disappearances | 1 | 24 | 22 | 47 |
| 3 Abductions | 0 | 1 | 2 | 3 |
| 4 Torture | 1 | 3 | 26 | 30 |
| 5 Violence against women | 13 | 0 | 3 | 16 |
| 6 Child rights | 0 | 1 | 7 | 8 |
| 7 Displacement | 0 | 1 | 27 | 28 |
| 8 Other | 1 | 1 | 13 | 6 |
| Totals | 34 (9%) | 138 (36%) | 214 (55%) | 386 |

Treaty and law monitoring — Another important role of the commission is to monitor Nepal's observance of human rights treaties. In 2010, the project supported the commission's Human Rights Treaty Monitoring Division to:

- carry out treaty monitoring missions on the right to education, prisoners' rights, labour rights, and right to food;
- to prepare the Universal Periodic Review for submission to the UN's Human Rights Council; and
- to advise the government on preparing a status report on Nepal's observance of the International Covenant on Civil and Political Rights (ICCPR).

Awareness raising — In 2010, the project promoted human rights across the country. A series of workshops informed stakeholders about pressing human rights issues including the rights of senior citizens, women and citizenship rights, indigenous peoples' rights and trafficking. The commission also promoted the production of a human rights friendly constitution by holding workshops and supporting public service announcement on several TV channels. The weekly human rights radio programme, *Sachetana*, has been broadcast on Radio Sagarmatha and the eight sister stations nearby NHRC regional offices since March 2010 to inform the public about the commission's work and provide updates on the implementation of its recommendations.

Improved central level planning

The National Planning Commission (NPC) is the body responsible for producing Nepal's development plans. In its first full year (2010) the [Strengthening Planning and Monitoring Capacity of NPC](#) project supported the commission to produce the latest Millennium Development Goals (MDGs) progress report and integrate the achievement of the MDGs into national planning.

MDG progress report and needs assessment — Nepal's latest report to the United Nations General Assembly on its progress towards the MDGs was published in September 2010. The project covered all the costs of this joint NPC-UNDP effort. This was the most rigorous MDG progress report yet with separate write-ups on each target and the inclusion of new targets relevant for Nepal, including one on achieving full and productive employment. For the first time the write-ups pointed out the differences in levels of achievement towards the MDGs between people from different social groups, although data is still lacking to show this. The report concludes that Nepal is likely to achieve six of the eight goals by 2015.

At the same time the project supported the NPC to produce the MDG needs assessment, which estimates that it will take \$20 billion for Nepal to achieve the MDG targets by 2015. The final draft was completed in December after the project had provided expertise and training that enabled the ten sectoral working committees to produce their cost estimates.

Three Year Plan — The project also helped integrate the achievement of the MDGs into the next national plan — the Three Year National Development Plan (2010/11 to 2012/13).

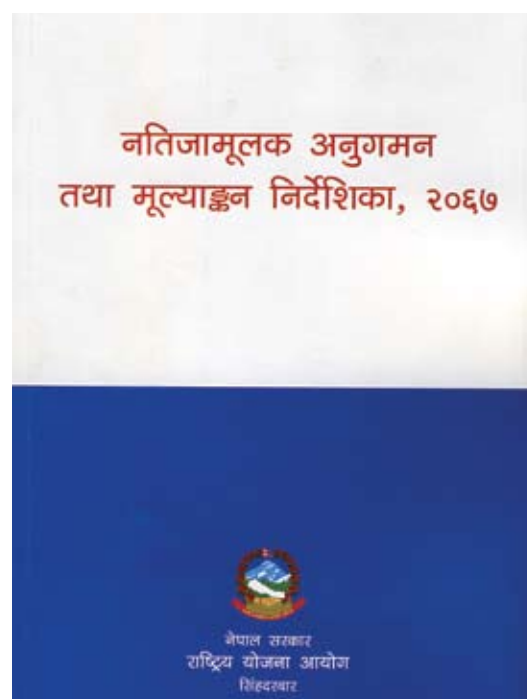
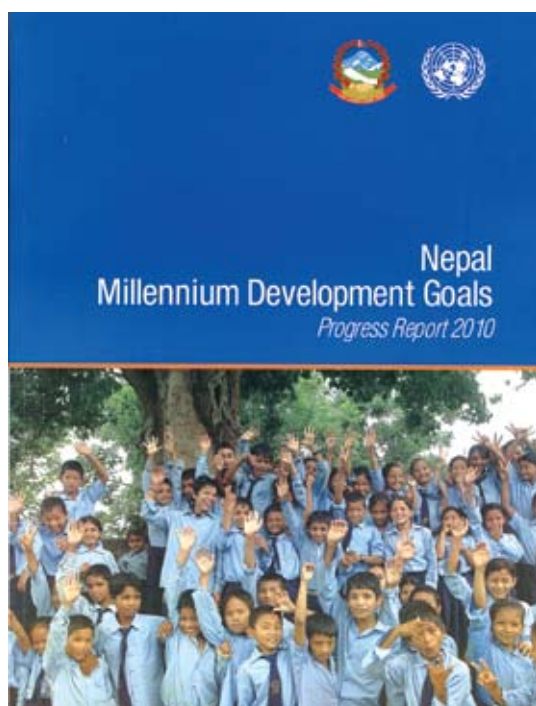
- Project support and advocacy led for the first time to the MDG progress report being directly used to prepare the national plan and the approach paper to the national plan. The progress made against the MDGs was taken as the baseline situation of the country for the new plan. The needs assessment has also been much used in developing the plan's budget.
- The project supported the production of the *Three Year Plan Approach Paper* by reviewing a draft from the gender and social inclusion perspective and by funding the production of the English version. This document, which was officially approved in June 2010, includes the key findings from the MDG progress report in a separate chapter and has enhanced content on gender and social inclusion.

The Poverty-Environment Initiative (PEI), the Western Terai project (WTLCP), the disaster risk reduction project (DRRN) and other UNDP-supported projects also

successfully promoted the inclusion of important issues and development approaches into the approach paper.

Other support — In 2010 the project also supported new M&E directives, district level monitoring and census preparations:

- The project supported the NPC to prepare its *Results Based Monitoring and Evaluation Directives*, 2010 in order to standardize the monitoring and evaluation of the government's development programmes and to improve their effectiveness. These directives put much more focus on monitoring outcomes and were approved by the NPC in August 2010.
- Support for finalising the software of the district poverty monitoring and analysis system (DPMAS) and the carrying out of a pilot training programme in 10 districts helped keep up the momentum for the Ministry of Local Development to introduce this important new poverty monitoring system across all Nepal's 75 districts.
- Consultations and advice to Central Bureau of Statistics officials and a review of training materials for census enumerators and supervisors led to greater awareness about gender and social inclusion issues in the preparations for the 2011 census.



The latest MDG progress report and the new M&E directives for monitoring the impact of development programmes were produced with UNDP support



More effective aid management

Foreign aid makes a large contribution to government expenditure and to Nepal's development programmes. In 2010/11 the Government of Nepal plans to mobilise \$907 million of foreign grants to meet 23% of its planned expenditure and to finance \$308 million of its deficit from foreign loans. In 2010, UNDP's [Developing Capacities for Effective Aid Management and Coordination](#) project made important contributions to the improved governance of Nepal's foreign aid receipts.

Aid management platform — The main achievement was the installation of the Aid Management Platform software in the Foreign Aid Coordination Division (FACD) of the Ministry of Finance. The database software is a standard package that was customized for Nepal before being installed in April. The initial training of 20 FACD staff was followed by the training of 30 focal point persons from development partners and government agencies on data entry and generating outputs, and of six FACD under-secretaries on data validation. Data entry then got underway with project support. By the end of 2010 the details of 170 on-budget projects had been entered leaving 150 off-budget projects to be entered.

In October, an Aid Management Platform working group was established to oversee data entry and updating. The participation of several FACD staff members in a knowledge sharing workshop in Nairobi showed them the benefits of such aid platforms in other countries and helped convince them of the utility of such a system for Nepal.

This type of initiative is being undertaken in many developing countries in line with the Paris Declaration's call for more transparent and coordinated aid. Once fully operational Nepal's aid platform will bring together and make available the information on Nepal's aid receipts, budgets, expenditure and impacts for the government, the public and donors.

Other aid management support— In mid-2010, self-assessments were completed of the capacity of four of the main ministries (finance, health, education and local development) plus the National Planning Commission that are responsible for managing foreign aid. This was followed by the formulation of a capacity development plan and the subsequent training of Ministry of Finance and 22 other ministry staff on results-based management.

Also in 2010, UNDP and the Asian Development Bank supported the 2010 evaluation of the Paris Declaration by the government and its development partners. This exercise increased awareness on mutual accountability. The evaluation report will be fed into discussions at the Fourth High Level Forum on Aid Effectiveness, which will be held in Busan, Korea in December 2011.

Local governance

Under the UN Joint Programme for the Local Governance and Community Development Programme (LGCDP) UNDP, the United Nations Capital Development Fund (UNCDF) and four other UN agencies are supporting the government to strengthen local governance. Also in 2010, the public-private partnerships project continued to support municipal governments to improve services in partnership with the private sector whilst the Quick Impact for Peace Support Initiative supported impoverished communities. Table 4.3 lists the main direct support to this sector in 2010.

As in previous years the following work went ahead against the continuing challenges of the absence of elected representatives in local bodies (with non-accountable all-party mechanisms in charge), the lack of full-time secretaries in almost 20% of VDCs, the difficult security situation in the Terai and frequent bandhs (forced shutdowns).

Table 4.3: UNDP support to local governance and community development in 2010

| Project | Duration - all phases (implementor) | 2010 expenditure | Overall Status/focus |
|--|-------------------------------------|---|--|
| UN Joint Programme for the Local Governance and Community Development Programme (LGCDP-JP) | Apr 09-Dec 11 (MoLD) | \$852,136 (DFID & DANIDA through MDTF; UNDP, UNICEF, UNFPA, UNCDF, UNV, UN Women) | Six UN agencies are supporting decentralised, local governance and community development in Nepal under the government's LGCDP programme. Website: www.lgcdp.gov.np |
| Public Private Partnerships for Urban Environment (PPPUE) Phase 2 | Mar 02-Dec 12 (MoLD) | \$559,113 (UNDP, ADB, Netherlands, UNOPS) | Supporting 10 municipalities to work in partnership with the private sector to improve the urban poor's access to services. Website: www.pppue.org.np |
| Quick Impact for Peace Support Initiative (QIPSI/DLGSP) | Oct 07-Dec 10 (UNDP) | \$322,594 (UNDP, Norway) | Supported livelihoods and community development for poor communities affected by conflict, floods and epidemics. QIPSI was funded from the budget of the Decentralized Local Governance Support Programme. |

Strengthening local government

LGCDP — The Local Governance and Community Development Programme (LGCDP) began in 2008 as the first nationwide integrated support programme for local government in Nepal. It is going ahead under government leadership across all Nepal's 75 district development committees (DDCs), 3,915 VDCs and 58 municipalities with about \$800 million of funding from 2008 to the end of 2011. Almost three-quarters of this funding is coming from the government whilst 13 development partners are providing financial and technical support.

The majority of LGCDP's expenditure goes towards the annual block grants that central government provides to local bodies for improving infrastructure and providing services. Previous UNDP/UNCDF support under the Decentralized Financing and Development Programme (2000–2008) played a major role in transforming the system for disbursing these grants to one where the amounts granted are linked to performance and especially to levels of accountability and transparency.

Joint programme — The [UN Joint Programme for the Local Governance and Community Development Programme](#) began in 2009 to support the Ministry of Local Development to implement LGCDP. UNDP administers this programme. In 2010, the six UN agencies successfully collaborated with the ministry to rapidly produce the joint programme's work plan for 2011. The six agencies also produced a consolidated

UN response on the progress of LGCDP for the programme's mid-term review and a joint procurement plan mainly directed at the procurement of expertise to carry out the performance assessments and produce local governance guidelines. The latter achievement is important given that the main thrust of the joint programme is providing technical expertise.

LGCDP is working to improve the supply side of local government to improve service provision to local people and the demand side to give local people more influence on decision making. In 2010, UNDP and UNCDF support led to the following achievements.

Strengthening the supply side

Guidelines — The joint programme provided expert advice and supporting workshops and interaction programmes that enabled the Ministry of Local Development to develop 23 guidelines and accompanying manuals on local governance and effective, efficient and transparent service delivery. The most significant achievement was the amalgamation of the separate government and LGCDP guidelines on the management and use of block grants. The production of these blended block grant guidelines has simplified the process by which these large amounts of money are managed and will help curb mismanagement and misuse. The official approval of these and a number of other guidelines and strategies puts in place the framework for mainstreaming the good practices they prescribe.

Assessments — Much joint programme expenditure goes to fund the annual minimum conditions and performance measures assessments of the VDCs, DDCs and municipalities. These are used as the basis for allocating block grants and the top-up block grants. The latter sees extra development programme money made available for the best performing local bodies.

In 2010 the fourth nationwide assessment of DDCs, the third assessment of municipalities and the second assessment of VDCs were carried out by consultants appointed by the Local Bodies Fiscal Commission (LBFC). The technical and logistical support provided by UNDP and UNCDF, and LBFC's experiences in carrying out previous assessments meant that the 2010/11 assessments were the best yet. Importantly, from 2010 a system is in place to check the quality of these assessments. UNDP/UNCDF technical inputs in 2010 also saw progress on the adoption of a more transparent and scientific formula for allocating the block grants.

Although it is early days, evidence is emerging that this new system is reducing corruption and improving the performance of local bodies (see Box 4.3).

Capacity development — In 2009/10, the joint programme guided all 75 DDCs and 58 municipalities to develop capacity development plans. These will be very useful for prioritising and allocating resources for developing the skills of local government personnel. Towards meeting capacity needs the programme trained and orientated 8,500 local body staff, service providers and politicians on a range of topics including the expanded block grants, financial management, gender and social mobilization. Also, 264 registered auditors were mobilised to support a quarter of Nepal's VDCs (952 VDCs) to audit their accounts.

Box 4.3: The impact of performance assessments on local bodies

Reduced corruption — The fact that the standard block grants are allocated according to a fixed formula and the top-up grants according to the results of assessments has greatly reduced the possibility of political influence on the amounts granted to local bodies.

Improved accountability and transparency — The results of the performance assessments are made available on LGCDP's website. This has led to the public knowing about the performance of their local bodies, particularly through newspaper articles that highlight improvements or shortcomings. This greater public knowledge is leading to more accountable and transparent local government. It is also causing the Ministry of Local Development to investigate more corruption cases and take action that has led to guilty officials being punished and funds recovered.

Improved performance — In 2010 the Local Bodies Fiscal Commission reported that many DDCs had improved their planning, programming, financial management, governance and transparency since the new system for allocating block grants was introduced. Although the result trends do not necessarily reflect this, the figures in Table 4.4 should be set against the fact that the most recent assessments were carried out much more stringently and independently than in previous years — this probably being the reason for the lower ratings of DDCs and municipalities in 2009/10 than in 2008/09.

Table 4.4: Performance of local bodies against minimum conditions (MC) and performance measures (PM)

| | MCs passed | | PM achievements | | |
|----------------|------------|---------|-----------------|-----------|-----------|
| | 2008/09 | 2009/10 | 2007/2008 | 2008/2009 | 2009/2010 |
| DDCs | 89% | 84% | 56% | 66% | 62% |
| Municipalities | 97% | 91% | na | 49% | 55% |
| VDCs | 89% | 93% | na | na | na |

Strengthening the demand side

Since the mid-1990s UNDP has provided large-scale support that has empowered local people to influence local government decision making. In 2010, the following progress was made under the joint programme for citizens' involvement in local government:

- The appointment of the national and local service providers in all 75 districts to work with communities to roll out LGCDP's social mobilisation activities.
- The finalisation of guidelines to ensure the wider participation of citizens, especially marginalized and disadvantaged people, in local planning and decision making. These guidelines delineate the roles and responsibilities of the planned nationwide network of VDC citizen awareness centres and ward level citizen forums, which LGCDP began to establish in 2010.
- The production of a strategy for LGCDP's information and education communication campaign, which will be implemented in 2011 through radio and other media to inform local people about what they should expect of their local bodies.

Reducing fiduciary risk

The establishment of a new body and the production of an action plan put in place important parts of the framework for reducing fiduciary risk in local government finances. The semi-autonomous Local Governance Accountability Facility was established with support from UNDP/UNCDF. In 2010 three NGOs were appointed to run the facility and a work plan was developed. This agency will support civil society organizations to monitor the performance of local bodies.

Also with UNDP and other LGCDP partner support, the Ministry of Local Development developed a fiduciary risk action plan to improve the monitoring of local body financial management. The plan began to be implemented in 2010 through regular meetings and briefings and better access to reports to provide development partners and other stakeholders with timely information on local governance corruption cases.

Services to needy communities

Since 2007, UNDP's [Quick Impact and Peace Support Initiative](#) (QIPSI) has provided tangible and immediate benefits to poor and excluded communities affected by conflict, natural disasters and epidemics. QIPSI has supported local communities to implement 2,042 community infrastructure improvement projects that have benefitted 208,804 households by supporting them to build and rehabilitate schools, drinking water schemes, health posts, community buildings, toilets and irrigation canals. A very notable feature of QIPSI is that more than a third of its beneficiaries have been Dalits.

In 2010 the programme directed its support to the 38 VDCs in Dailekh, Jajarkot and Achham districts most affected by the diarrhoea epidemic of mid-2009. This epidemic cost 438 lives in the three districts.

Between October 2009 and December 2010 the programme supported communities in these VDCs to implement 142 infrastructure improvement projects that resulted in the construction of 3,964 toilets, 229 drinking water taps and 3 new health posts. Furthermore, 6,982 local people were taught about health and hygiene and 125 about building skills. These initiatives, including the one in Box 4.4, have improved the quality of life of 7,033 households (42% Dalit) and greatly reduced the likelihood of them falling ill from water-borne diseases. These poor households also benefited from paid employment building the new infrastructures. Public audits were held for all projects to promote local ownership.



One of the 3,964 toilets built by local communities with QIPSI support in 2010

Box 4.4: An improved health post for safer childbirth

One of the 2010 QIPSI projects with the greatest impact was the new sub-health post at Badalamjee, Dailekh. The previous building was dilapidated, provided poor services and was not properly staffed (see photo).

After QIPSI came to their area, the 993 households of this VDC, including 338 Dalit households, identified a new sub-health post as their priority. Local people planned and implemented the project with a QIPSI grant of NR 277,647 and a community contribution of NR 92,549. The building was completed in eight months with the VDC paying to build an attached toilet.

It was the lack of quality health care that led to the 2009 epidemic spreading so quickly. The new building has greatly improved access to health care in this and surrounding VDCs. It has also been a boon for pregnant women who now have easy access to pre- and post-natal care and a place to give birth safely. The centre is now staffed by a senior auxiliary health worker, and two nurse-midwives and provides a high level of service. The centre treats about 25 patients a day and about 14 women give birth there every month.

The lessons learned from the implementation of QIPSI have identified it as a successful way of providing immediate and longer term benefits to poor and disadvantaged communities. Parts of this approach have thus been adopted in the government's blended block grant guidelines including the compulsory inclusion of women on project user committees.

Improving access to services in urban areas

Nepal's 58 municipal authorities struggle to provide their rapidly growing populations with clean drinking water, waste disposal, sanitation and other services. Since 2002, UNDP has worked with the Ministry of Local Development, municipalities and the private sector (FNCCI) under the [Public-Private Partnerships for Urban Environment](#) (PPPUE) to build an enabling policy environment and the human resources to implement public-private partnerships (PPPs). Such partnerships involve municipalities facilitating private businesses, NGOs and communities to provide services.

The project received a major funding boost in 2010 as the Asian Development Bank and AusAID provided half a million dollars to extend project activities to Butwal, Birgunj, Dhangadhi and Dharan municipalities.

Promoting national level PPPs — Up to now most experience on implementing PPPs has accumulated at the municipal level and there is a great need to extend these experiences to the central level to give an impetus to large-scale PPPs. In 2010, PPPUE supported the National Planning Commission (NPC) to prepare a white paper on PPPs to help the government develop its position on PPPs for central level infrastructure development and service delivery. This work started by PPPUE preparing a paper on PPPs in Nepal, which was used by the NPC to produce part of the Approach Paper for the Three Year National Development Plan (2010/11 to 2012/13). The white paper was finalized and approved in March 2011.

PPP projects — The project has supported dozens of PPP projects in its partner municipalities to demonstrate this alternative way of providing services and developing infrastructure. The nine projects in Table 4.5 were identified and implemented in 2010 and will employ 75 people when fully operational. Also, six feasibility studies were completed and two new city-level projects were identified including a major hospital waste management project in Pokhara. Many of the projects supported by PPPUE, including the examples in Boxes 4.5 and 4.6, demonstrate the great potential PPPs have for improving urban services and employing disadvantaged and poor people.

In 2010, the project's partner municipalities were provided with additional support to manage and facilitate projects and other PPP work by the posting of United Nations volunteers to work for them. These ten volunteers provide dedicated full-time support to facilitate PPPs and to track the services provided by them. The volunteers work alongside PPP focal persons in the municipalities and chambers of commerce. These volunteers and their counterparts were trained on PPPs, proposal writing, gender and social inclusion and enterprise development.

Table 4.5: New PPPUE projects in 2010

| | |
|---|--|
| 1 | Solid waste management, Dhangadhi |
| 2 | Sewage biogas plants at a housing colony, Birgunj |
| 3 | Waste collection, recycling and composting, Butwal |
| 4 | Community sanitation with biogas plant, Dharan |
| 5 | Buffalo slaughterhouse, Dharan |
| 6 | Two mobile toilets, Birgunj |
| 7 | Mobile toilet, Butwal |
| 8 | Management of municipal park, Dhangadhi |
| 9 | Management of a children's park, Dhangadhi |

Training programme — Waste management is an area with great potential for being managed under PPPs. In July 2010, 39 participants from five municipalities, civil society and private businesses were trained on integrated sustainable waste management through PPPs. This initiative was run in association with Biratnagar Sub-metropolitan City as part of the Dutch government supported PPP-ISWM global initiative. This training was particularly useful for Biratnagar municipality personnel, as the municipality is planning to extend waste collection and recycling and establish large scale composting and biogas production from waste.

Box 4.5 Dhangadhi waste management



Since mid-October 2010, Dhangadhi municipality's solid waste has been managed by a local NGO. Most of the 30 employees are disadvantaged Dalits and Janajatis. The municipality estimates that the new scheme will reduce the cost of waste management by at least 10 percent. The scheme charges between 10 and 300 rupees a month to collect the waste of 2,500 households and businesses. The operator is paid a management fee by the municipality, which will be reviewed as the income from collection fees, scrap collection and compost increases.

Box 4.6 From a dumping site to a nursery



Under a public-private partnership Seeta and Gopal Lama have transformed the dumping ground under the China bridge into a successful plant nursery. In 2008, the sister-brother partnership signed an agreement with Pokhara Municipality to rent the area for 30,000 rupees a year. After much hard work their Bhadrakali nursery now employs 16 staff, who grow and sell more than 500 varieties of plants and provide gardening services. After signing the agreement Gopal and Seeta were supported by PPPUE to visit other municipalities to see how PPPs work and in 2010 were helped to erect safety fencing.

In 2011

In 2011 UNDP and its partners plan to provide the following support for transitional democratic governance:

- **Elections:** Enable the Election Commission to complete its voter registration project, implement a training programme and support the establishment of an Electoral Education Information Centre.
- **A2j:** Direct more support to ensuring that the vulnerable and marginalized can access justice and link up with UN Women to support transitional justice and victim protection mechanisms.
- **NHRC:** Continue to strengthen the capacity of NHRC, develop induction programmes for new staff and strengthen human rights resource centres and the office of the national rapporteur against trafficking.
- **Aid:** Operationalize the Aid Management Platform, implement capacity development initiatives and finalize the National Action Plan and Foreign Aid Policy.
- **NPC:** Help NPC prepare an MDG-consistent macro-econometric model, support it to finalise the Three Year Plan, help make the census gender and social

inclusion responsive and help implement poverty monitoring and analysis systems.

- **LGCDP:** Orientate the all-party mechanisms and the local bodies on the new guidelines for more accountable local government, help implement DDCs' and municipalities' capacity development plans and introduce performance based reporting for local bodies.
- **PPPUE:** Continue promoting public-private partnerships by supporting the development of large-scale projects, carry out a study to identify the potential of PPPs in one ministry and identify service providers to support municipalities to roll out PPPs.
- **Gender:** Under BCPR's Advancing Gender Equality and Women's Empowerment in Crisis Countries assist Nepal's police force to become more gender sensitive and to improve its responses to gender based violence.

UNDP in partnership with the United Nations Office on Drugs and Crime (UNODC), will also investigate supporting the government to combat corruption following on from Nepal's February 2010 ratification of the United Nations Convention Against Corruption.

5. Livelihoods

Nepal is unlikely to reach the MDG target by 2015 of “Achieving full and productive employment and decent work for all, including women and young people.” The lack of in-country employment opportunities leads many Nepalis to seek employment outside their homeland. The underdevelopment of Nepal’s trade and industry, the low volume of exports, low agricultural productivity, lack of access to affordable credit and the weak law and order situation all contribute to the lack of good employment opportunities and the relative weakness of Nepal’s economy.

UNDP’s response

UNDP promotes inclusive growth and sustainable livelihoods through the now completed trade project, the on-going Micro Enterprise Development Programme, Livelihood Recovery for Peace and Enhancing Access to Financial Services projects (see Table 5.1). In 2010, these projects helped bring about improved policies and institutional frameworks for inclusive growth whilst directly benefitting tens of thousands of community people through skill training, short term employment,

improved local infrastructure and improved access to financial services.

Projects featured elsewhere in this report have also provided short term employment (QIPSI and KERP — see Chapters 4 and 7), whilst the energy and environment projects (REDP, KiND, WTLCP, CSUWN and SGP) have supported their stakeholder communities to develop environmentally-friendly livelihoods (see Chapter 6).

Table 5.1: UNDP supported the livelihood projects, 2010

| Project | Duration - all phases (implementor) | 2010 expenditure | Overall Status/focus |
|---|-------------------------------------|---|--|
| Micro Enterprise Development Programme (MEDEP) Phases 2 and 3 | 1998–Dec 11 (Mol) | \$4,667,713 (UNDP, AusAID, HPL) | MEDEP has pioneered a model that supports the rural poor, women, youth and people from marginalised groups to create and run micro-enterprises. The government is adopting this model for its micro-enterprise support programmes. Website: www.medep.org.np |
| Livelihood Recovery for Peace (LRP) | Aug 09–Dec 14 (UNDP) | \$2,275,507 (UNDP) | This project is promoting social cohesion and improving livelihoods in the three Terai districts (Sarlahi, Mahottari and Rautahat) that are most vulnerable to poverty, conflict and natural disasters. |
| Enhancing Nepal’s Trade Related Capacity (ENTReC) | Jun 06–Dec 10 (MoCS) | \$1,240,606 (UNDP, IFTF, DFID, Finland) | Helped the government identify measures and build capacity for increasing Nepal’s export trade in a way that creates jobs and benefits the economy and poor. Website: www.entrec.org.np |
| Enhancing Access to Financial Services (EAFS) | Nov 08–Dec 12 (NRB) | \$426,171** (UNDP, UNCDF) | Supporting micro-finance institutions to provide rural women with access to formal savings and credit services in the many areas of rural Nepal where access to such services is non-existent or limited. Website: www.eafsp.org |

** Only expenditure from UNDP funds

Peace and livelihoods in the central Terai

The 20 southern plains districts of Nepal that border India account for a majority of Nepal's productive farmland, large areas of valuable forest and most of Nepal's industries. In spite of this wealth many inhabitants of the Terai area live in poverty and suffer serious socioeconomic disadvantage.

Livelihood Recovery for Peace (LRP) is a five year project that is promoting peace and social cohesion by creating livelihood opportunities in the three Terai districts where poverty, conflict and natural disasters most hinder development. The 1.7 million people who live in Sarlahi, Mahottari and Rautahat have a mixed ethnic makeup and 40% are from traditionally disadvantaged groups (see Figure 5.1). In its second year (2010) the project rolled out its wide-ranging community empowerment activities in the south of Mahottari and Rautahat districts and the north of Sarlahi district (see Figure 5.2). It also formed district livelihoods coordination committees (DLCC) in all three districts made up of local politicians and government officials. The five meetings of these committees enabled the project to explain its approach, show how it works for the benefit of poor and vulnerable people and invite cooperation for implementing the project.

The promotion of gender equality and social inclusion is at the core of how this programme is being implemented with, for example, 59% of youth volunteers and 42% of facilitators being women. The benefits of the programme are illustrated by the cases in Box 5.1.

Mobilising the poorest communities for peace and development

In 2010, the project mobilised 350 community groups across the three districts as the main focus for implementing programme activities. Ninety-two percent of members are women and women hold 87% of decision making positions in these groups. These groups, with an average membership of 29 households were formed amongst the most socio-economically deprived and vulnerable communities as identified by a mapping exercise carried out in 2010.

These groups have subsequently been running regular participatory learning and action (PLA) sessions facilitated

Figure 5.1 Ethnic-caste makeup of 3 LRP districts

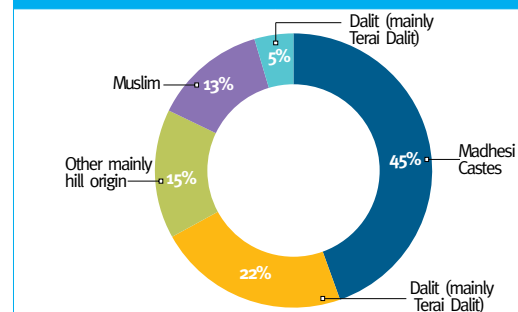


Figure 5.2 LRP's programme area



by the project's 102 peace and livelihood facilitators. These facilitators work under the project's partner NGOs and received on-the-job training throughout 2010 through monthly reflection, planning and capacity building events.

Group meetings provide an opportunity for facilitators to sensitise members on what support the project can provide and how local people can access and exercise their basic rights and work to transform their communities. The meetings also provide members with the chance to agree on their priority needs and join together to promote social and environmental improvements. These meetings have already had a substantial impact as shown in Table 5.2 with many group members, as a result of encouragement by the project's facilitators and their peers, starting to send their children to school, access more services and become more proactive. A related initiative is the 71 women's rights forums formed in Mahottari and Sarlahi that are protecting victims and helping to prevent the prevalent gender-based violence.

Table 5.2: *Impact of PLA sessions in Sarlahi and Mahottari on community group members and their families in 2010*

| Event | Achievement |
|---|-------------|
| Births, marriages and deaths registered | 3,478 |
| New school enrolments | 2,750 |
| Learned to write signature | 2,226 |
| Dalit student scholarship taken | 1,417 |
| Young children vaccinated | 845 |
| Participated in VDC planning | 559 |

Box 5.1: Developing social harmony and economic empowerment in three communities



The flurry of development activities taking place in Siwir Tole and Katani of Mahottari district under LRP have increased harmony in these communities, which are home to some of Nepal's poorest and most marginalised people.

Siwir Tole — The ethnically mixed community at Siwir Tole (Sarlahi district) is made up of poor people who settled there after the devastating floods of 1990. The Deurali Livelihood Women's Group was formed under LRP by women from across the communities' ethnic groups. These women have formed a cohesive group and have united to fight the caste and gender discrimination that is still widespread in these conservative areas. The community now allows the ex-untouchable Dalits to use the village well. The women say they have learnt to treat each other equally and take decisions through consensus.

Katani — In nearby Katani the 31 women of the Sagarmatha Livelihood Group are supervising the construction of a community building. They tell how they have learnt so much from these new responsibilities and have built up their confidence as they have undertaken new tasks such as buying building materials. A project facilitator guides them and shows them how to maintain open accounts to ensure that the money is spent properly.

Improving local infrastructure and livelihoods

The project supports community groups to improve their local infrastructure and the livelihoods of their members. In 2010, it assisted the community groups and their surrounding communities to implement 151 projects that are providing 13,741 households with improved sanitation, drinking water supplies and the other infrastructure listed in Table 5.3. Amongst the improvements are 63 new community buildings that provide a place for holding social gatherings and also serve as emergency shelters during the floods that often strike Terai communities. The implementation of these projects has empowered communities as they have led the planning, implementation and oversight, which in itself has promoted social cohesion. Another major benefit has been the 42,565 person-days of paid employment.

Table 5.3: *Infrastructure built and rehabilitated with LRP support, 2010*

| Infrastructure type | Number |
|-------------------------|------------|
| Toilets | 272 |
| Drinking water supply | 265 |
| Community buildings | 63 |
| Drainage and sanitation | 22 |
| Electrification | 22 |
| School buildings | 14 |
| Other | 13 |
| Total | 671 |

Through the community groups the project transferred cash grants to 3,750 members of 131 community groups, who invested this money in chicken, cow, goat, buffalo and pig raising, vegetable gardening, tea stalls and grocery shops. In 2010 the project also provided equipment, tools and training to 30 groups, and provided solar home lighting systems to 525 poor households who live in areas where the national grid has yet to reach.

Youth empowerment

The lack of work and social opportunities for young people has been a major catalyst of the conflicts that have stricken the eastern and central Terai. In 2010, LRP forged partnerships with 59 youth organisations to implement a Youth for Social Cohesion and Peace Programme. The impacts of this programme became apparent in 2010 as 100 members of these youth clubs and NGOs were trained and went on to organise:

- 122 street plays, community discussions, and sports, socio-religious and cultural events that promoted peace and social cohesion;

- a tutorial support programme that provided 3,550 children of community group members with two hours of daily after-school tuition; and
- the planting of 77,500 mango, litchi, jackfruit, fodder and fuelwood trees.

Poverty alleviation through self-employment

Nepal's latest MDG progress report added the achievement of "full and productive employment and decent work for all" as a key target for Nepal's development in view of the crucial importance of overcoming the lack of employment opportunities in the country. Since 1998, UNDP's [Micro-enterprise Development Programme](#) (MEDEP) has contributed to the achievement of this target by training and supporting more than 50,000 poor rural people to become micro-entrepreneurs, of whom about 70% were still active in 2010. A 2010 impact assessment found that MEDEP has had a large economic, social and empowerment impact on many of its beneficiaries with 73% of its participating households moving out of poverty. It has brought about these achievements in a very cost effective way as its average cost of developing an entrepreneur (NR 31,010 — \$420) has been about the same as the extra income generated by participants in just one year (NR 30,650).

In 2010, the project's most notable achievement was the progress made towards institutionalising the MEDEP model of micro-enterprise development into the government's regular development programme. The project also successfully supported the creation of new entrepreneurs and built up existing enterprises, including in the five new programme districts of Mahottari, Rautahat, Salyan, Rukum and Rolpa.

Mainstreaming the MEDEP approach

Over its 12 years MEDEP has developed and refined a comprehensive nine-step approach to developing micro-enterprises. This approach goes from identifying and supporting potential entrepreneurs through supporting established enterprises, setting up entrepreneur organisations and reforming policy. A major thrust of the current phase (2008–2011) is to sustain the programme's impact by supporting national and local government to mainstream the MEDEP approach with the following progress made in 2010:

- **Policy development** — The government was supported to include a micro-enterprise development component in its Comprehensive Industrial Policy

(2010), which supersedes the Micro-Enterprise Policy, 2007. This new policy recognises micro-enterprises as one of the five major types of 'industries', thus ensuring better institutional support. The programme subsequently supported the development of the micro-enterprise section of the forthcoming Industrial Enterprises Bill, which should come into force in 2011 to implement the policy. Building on this, micro-enterprise development was made a key economic development strategy of the approach paper for the government's Three Years Plan (2010/11–2012/13).

- **Institutionalising micro-enterprise development** — The government allocated NR 70 million (\$1 million, an increase of NR 20 million from the previous year) to implement the MEDEP model under its new Micro-enterprise Development for Poverty Alleviation scheme. This scheme is being implemented by government agencies in 25 districts in 2010/11. Also this year, the Ministry of Industry established separate micro-enterprise units with dedicated staff to implement this government programme in 25 districts with government funding and technical assistance from MEDEP.
- **Capacity building support** — The programme trained 487 enterprise development facilitators and supported the government's Council for Technical Education and Vocational Training to start a 15-month long course on this subject in February 2010. Amongst the first two groups of students, 72 were women from disadvantaged groups studying on MEDEP scholarships. This support is building up the skilled personnel needed as the government takes over and extends support for micro-enterprise.

Developing new entrepreneurs

In 2010, MEDEP continued to provide a comprehensive package to build up micro-enterprises in Nepal's rural areas with:

- 8,385 potential entrepreneurs (76% women) completing MEDEP's entrepreneurship development training course;
- 5,078 graduates of these courses (77% women) going on to complete technical skill training courses under MEDEP;
- 11,815 micro-entrepreneurs receiving scaling-up support including advice on product labelling, advanced skill training, exposure visits and support to participate in trade fairs.

This and previous support led to the creation of 5,416 new micro-enterprises (70% run by women)

leading to 6,489 new full-time jobs of which 62% are held by women. All these beneficiaries were economically poor and many are from socially marginalised groups. The project also targets young people with 70% of the new enterprises being run by people under 35 years of age.

In addition, the programme provided entrepreneurship and skills training to 585 ex-Maoist combatants under the United Nations Interagency Rehabilitation Project (UNIRP). It also supported district enterprise development

committees (DEDCs) to provide income generating support to 231 hard core poor and disaster affected people and helped establish 38 new enterprises under the Khimti Neighbourhood Development Project (KiND).

In what is a very competitive marketplace, most entrepreneurs need further support to enable their businesses to flourish. MEDEP supports entrepreneurs to develop their enterprises by linking them up to sources of credit, enhancing their expertise and helping to build up the enterprise value chain (see Box 5.2).

Box 5.2: Building the value chain for allo, forest products and chyuri soap



Allo thread weaving



Chyuri soap making

MEDEP has worked to build up the value chain of products and sectors with a good potential for value addition. Substantial achievements were made in 2010 to benefit allo and forest product entrepreneurs whilst the development of chyuri soap entrepreneurs has been on-going for several years:

- **Allo** — MEDEP has supported hundreds of allo entrepreneurs to transform a dying handicraft into a flourishing business. In 2010 alone, 1,100 allo entrepreneurs were directly supported. These enterprises produce thread from the Himalayan nettle, which grows across Nepal's hills. They use the thread to weave cloth for making shawls, bags and clothing and for carpet making. In November 2010, MEDEP's efforts over several years paid off as Allo entrepreneurs from 30 districts gathered in Kathmandu to form the National Allo Entrepreneurs Association. These entrepreneurs are now working to improve the branding, packaging and marketing of their products.
- **Forest based enterprises** — Nepal has more than 11,000 community forest user groups, which manage large areas of national forest. In 2010, MEDEP supported the Ministry of Forest and Soil Conservation to study constraints for promoting small forest-based enterprises and revenue generation from community forests. The study reports will be finalised in 2011 to guide the ministry to develop more forest-enterprise friendly policies. Also in 2010 the project supported the production of 73 second generation operational plans for community forests, which emphasise the productive potential of forests. In relation to this the programme supported a study on establishing a pine pole treatment plant in Kavre to process timber from the large areas of mature pine plantations in this district.
- **Chyuri** — MEDEP has trained about 200 entrepreneurs who in 2009 produced 84,000 pieces of chyuri soap with a value of 1.8 million rupees. The raw material is readily available from Nepal's 5.6 million fruit bearing chyuri trees. MEDEP has provided these entrepreneurs with skill training and advice on improved packaging, extending market linkages and branding. The project has also linked the Jhimruk Chyuri Herbal Soap company of Pyuthan with the Mahaguthi shops in Kathmandu that package and export the soap to Japan, whilst other producers have been linked with the Saugat Micro-Promotion company, which sells the soap in supermarkets in the Kathmandu Valley. Testing in 2010 found that this soap meets the high quality standards needed to export it to Japan.

Extending access to financial services

The lack of access of many Nepalese women and poor rural people to financial services is a serious hindrance to Nepal's economic development and a major contributor to persistent poverty. Financial institutions have struggled to extend their services beyond the main centres of population in the hills and mountains and many people in these areas have to walk for hours to access formal savings and credit services.

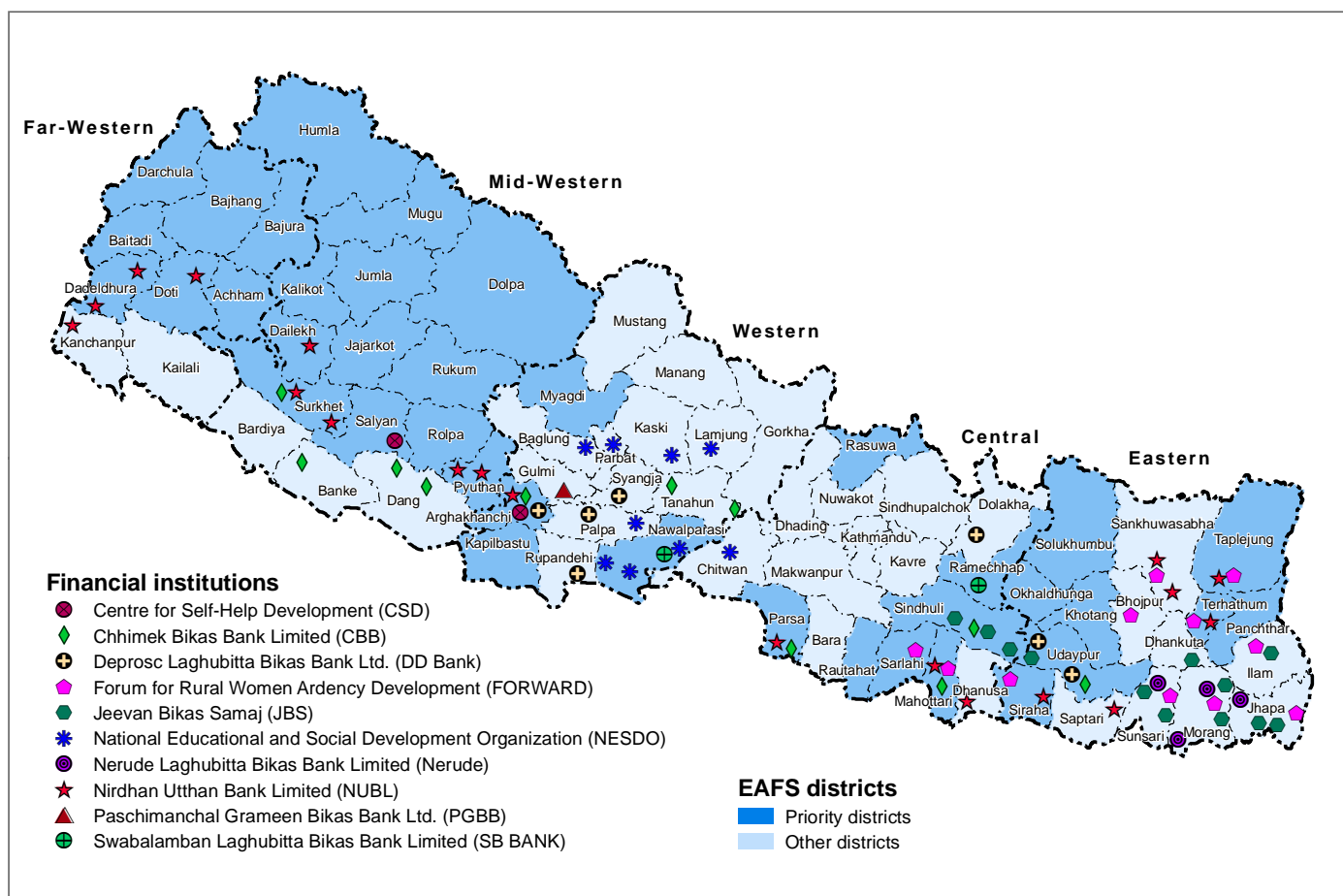
The [Enhancing Access to Financial Services \(EAFS\)](#) project is being implemented by the body responsible for promoting and overseeing Nepal's microfinance institutions — the Nepal Rastra Bank (Nepal's central bank). The project is working to make the provision of financial services to the rural poor into an attractive proposition for financial service providers. With funding and technical support from UNCDF and UNDP it aims to provide an additional 330,000 people

(mostly poor women) with micro-finance services in Nepal's remoter areas by the end of 2012.

Partnership agreements — The main breakthrough in 2010 was the forging of partnerships between the project and 18 financial service providers. In April 2010 the project entered into performance based agreements with these providers whereby the project will provide financial and capacity building support to enable them to extend their outreach, whilst the partner institutions agreed to provide 258,770 new clients with savings and credit services by mid-July 2012. The agreements state that loans shall be provided collateral free, thus enabling poor women to participate, and that the institutions will target the project's priority districts.

Priority districts — In 2010 the project identified its 38 priority districts, defined as the poorest districts with the least access to microfinance services (see Figure 5.3).

Figure 5.3: New branches of EAFS partner financial institutions (as of mid-January 2011)



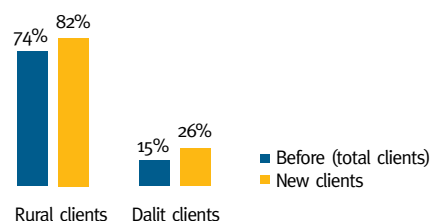
Types of partners — The project signed agreements with two types of partner institutions. The 10 ‘strategic partners’ started work in April to increase financial service outreach by extending their branch networks. The project provides these partners with a grant of about \$5 per new client to help cover the additional costs of frontier expansion to new rural and remote clients. The other eight partners (innovative partners) are piloting more cost effective and efficient ways of reaching clients, including through branchless banking. These partners are provided with a subsidy per new client of \$10–15 to cover the higher costs of trying out new modalities.

Technical support and capacity building — Nepal’s financial institutions have traditionally mostly served better-off people. In 2010 the project supported its partners to operate more efficiently and to bring about the more inclusive provision of financial services by:

- providing technical advice and ensuring that the performance based agreements were met;
- training partners on innovations in microfinance;
- linking partners to the global microfinance information platform ‘MIX Market’ to increase their profile and visibility;
- facilitating the international financial rating of the 10 strategic partners; and
- assisting partners to get official permission to extend their operations to 41 additional districts.

Progress of strategic partners — In the eight months after the signing of the performance based agreements the project’s support has had a large impact on advancing the Nepali’s government mission of creating inclusive access to financial services. Between April and December 2010, project support led to the 10 strategic partners opening 80 new branches (see Figure 5.3). Seven of these partners opened branches in new districts thus extending their branch networks to 59 districts, of which 24 are priority project districts. Through their new and existing branches strategic partners reached nearly 97,880 new clients almost all of whom are women. The new branches alone reached 40,819 new clients with 26,349 of them in priority project districts. These achievements have significantly increased the reach of project partners to one of the most disadvantaged groups of people (Dalits) and to people in rural areas (see Figure 5.4).

Figure 5.4 Reach of EAFS strategic partners before and after EAFS support (to mid-Jan 2011)



Linking to saving and credit groups — The lack of collateral of most rural women means that they often rely on local savings and credit groups for getting loans. A key project strategy for extending access to financial services to women is to link project partners with 10,000 community savings and credit groups. In 2010 the project ran two workshops where partner institutions learned about extending their reach to these groups. The project also developed a tool for assessing the strengths and weaknesses of saving and credit groups and pilot tested it and orientated partners on its use.

Promoting Nepal’s trade

In a culmination of a decade of UNDP support for trade policy, the Nepal Trade Integration Strategy (NTIS), 2010 was launched on 24 June. This marked the end of the [Enhancing Nepal’s Trade Related Capacity \(ENTReC\)](#) project. The finalisation of the strategy provides the main reference point for the government to prioritise the development of trade as a key means of developing the economy and helping Nepal achieve the MDGs in its new Three Year Development Plan.

The strategy was launched at a time when Nepal’s trade and economic situation is suffering from declining exports and a weakening balance of payments. The strategy articulates the main challenges to developing Nepal’s trade and stresses the need for Nepal to develop its trade in ways that benefit the economy, reduce poverty and have a benign impact on the environment.



As the UNDP resident representative said at the launch:

“The Nepal Trade Integration Strategy 2010 makes a plea for Nepal to take strong steps to diversify its export base to protect the country against the risks of over-specialization and to ensure that export diversification is ‘inclusive’ and assists Nepal in meeting the MDGs. As suggested by the study, there are many opportunities for Nepal to pursue a deliberate strategy to strengthen existing export sectors and develop new ones that have a smaller footprint on the environment, at least in term of water and energy resources, and have high positive benefits in term of employment generation, income generation, impact on some of the most disadvantaged regions, impact on women and other factors likely to contribute to poverty reduction.”

The strategy identifies 19 products and services with the greatest export potential (7 agro-food products, 5 craft and industrial products and 7 services). Figure 5.5 shows their relative levels of import potential and socio-economic impact.

Figure 5.5: Export potential and socio-economic impact of the most-promising export goods and services from Nepal

| Current export potential | | | |
|-------------------------------|--|---------------------------------------|--------|
| Low | Medium | High | |
| Handmade paper | Tea Woollen products Medicinal herbs and essential oils | Tourism Labour services | Low |
| | Ginger Pashmina products Honey Silver jewellery IT and business process outsourcing Hydro-electricity | Cardamom Iron and steel Lentils | Medium |
| Education and health services | Engineering services | Instant noodles | High |

This study is important for identifying how Nepal can enhance its trade and for helping mobilize major trade-related technical assistance, including Enhanced Integrated Framework (EIF) and other aid for trade initiatives. In 2009/10 the project assisted the Ministry of Commerce and Supplies to prepare a proposal for Tier 1 EIF funding which was subsequently approved for \$900,000 of funding. This amount will be used by the government and the private sector to implement the NTIS and manage trade-related technical assistance and aid for trade.

In 2011

In 2011 UNDP will continue to promote inclusive growth and sustainable livelihoods through the following three projects.

- **LRP** plans to extend its peacebuilding, infrastructure improvement, income generation and youth and gender empowerment activities to its cluster 2 and cluster 3 areas (see Figure 5.2). The project will also seek to coordinate its activities with other agencies and projects to maximise benefits.
- **MEDEP** will finalise the design and strive to secure funding for its next phase, which will focus on building up the government system for supporting micro-enterprise development.
- **EAFS** plans to further support the development of inclusive financial services via innovative approaches so as to maximize outreach in the 13 priority districts yet to be reached by project partner institutions. This will be supported by developing and running a financial literacy campaign. The project will also support its partners to develop financial products and services for the poor.

6. Energy, environment and climate change

Environmental degradation, the loss of biodiversity, climate change and natural disasters seriously threaten the livelihoods of Nepal's rural poor and the country's achievement of the MDGs. UNDP's support is helping mitigate and reduce the impact of these threats and provide the rural poor with clean renewable energy and environment-friendly livelihoods. A key part of UNDP's support across these areas is promoting pro-poor environmental management, risk reduction, and climate change adaptation at the national and local levels.

Promoting rural energy

Currently, only 48.5% of Nepal's rural households have electric lights in their homes. In 2010, UNDP continued to support the Government of Nepal to expand equitable access to energy services in remote areas under its Rural

Energy Development Programme (REDP) and the Khimti Neighbourhood Development Project (KiND) (see Table 6.1). These projects promote decentralized renewable energy schemes managed by rural communities.

Table 6.1: UNDP supported rural energy projects, 2010

| Project | Duration - all phases (implementor) | 2010 expenditure | Overall Status/focus |
|---|-------------------------------------|-------------------------|---|
| Khimti Neighbourhood Development Project (KiND) | Jul 07–Jun 11 (AEPC) | \$1,012,119 (HPL, UNDP) | Providing the people living in VDCs surrounding Khimti hydropower plant with access to electricity and community development. |
| Rural Energy Development Programme (REDP) Phase 3 | Sep 96–Mar 11 (AEPC) | \$957,138 (UNDP) | Extending rural communities' access to renewable sources of clean energy by helping them install and manage micro-hydro plants and other sources of energy and to develop associated enterprises. Website: www.redp.org.np |

REDP

Between 1996 and 2010, the [Rural Energy Development Programme](#) (REDP) has given more than 50,000 households the means to light their homes and power their enterprises from sources of clean energy (see Table 6.2). Over this time the programme has developed a successful community-managed model for extending access to electricity in remote rural areas. A 2010 review of REDP found that the success of this model has been largely due to it:

- joining the provision of energy services with the establishment of micro-enterprises to break the

cycle of lack of access to energy and economic impoverishment;

- requiring households and communities to co-finance new micro-hydro plants through cash contributions, bank loans and their labour; and
- being mostly women who have benefitted from the much easier access to energy that allows them to spend their time on more economically productive activities.

These successes have led to the model being adopted by the government in its first Rural Energy Policy (2006) and its nationwide Micro-hydro Village Electrification Programme (MHVEP).

Table 6.2: REDP's achievements (1996–2010)

| | 1996-2010 |
|-------------------------------------|-----------|
| New micro-hydro plants | 306 |
| Installed micro-hydro capacity | 5,552 kW |
| Households connected to micro-hydro | 55,160 |
| Improved cook stoves | 14,225 |
| Toilet attached biogas plants | 6,811 |
| Solar home systems | 3,099 |

New energy sources — In 2010, 35 new micro-hydro power schemes were completed with support from REDP. These schemes supply a total of 1 megawatt (MW) of electricity to 10,442 households (55% Dalit and Janajati), mostly in remote rural areas away from the national grid. This new capacity is considerably more than the 668 kW of new micro-hydro power that came on line with REDP support in 2009. Also in 2010, REDP boosted domestic energy supplies for cooking and lighting by supporting households to install 924 toilet-attached biogas plants, 1,692 energy efficient cook stoves and 181 solar home lighting systems. This support has improved indoor air quality and hygiene and reduced drudgery and environmental degradation from firewood collection.

Alongside these regular achievements progress was made on the following innovations:

- Work is almost complete on linking up the seven micro-hydro plants located from upstream to downstream along the Kalung Khola to form Nepal's first mini grid system. Four of the plants were synchronized and tested in 2010 and all seven will be connected in 2011. Once complete, this considerable technical challenge will provide 132 kW of electricity to more than 1400

households. The linking up of these plants will improve the reliability, quality and availability of local electricity supplies and facilitate the sale of excess power to the national grid.

- In 2010 REDP carried out preparatory work to install a gasifier plant fuelled from agricultural waste, sawdust, weeds and other biomass to provide electricity to a community in a remote part of Sarlahi district. The equipment was transported to site and the foundations built. This scheme is testing a promising means of supplying electricity to remote villages in the Terai flatlands where micro-hydro is not an option.
- REDP and the Alternative Energy Promotion Center teamed up with Dhading District Energy and Environment Section and the Association of District Development Committees to facilitate the construction of a 2 MW hydropower plant at Galchi, Dhading. The work under this major public-private partnership is being financed by the FNCCI, the Clean Energy Development Bank and Dhading DDC.

New enterprises — REDP also supports the establishment of businesses powered from the new micro-hydro plants. In 2010, the programme put more emphasis on developing such enterprises by assigning dedicated personnel in 10 REDP districts to develop business plans, assist start-ups and help link them to markets. In all 131 new energy-based enterprises were set up around REDP supported micro-hydro schemes including 52 agro-based enterprises, and 30 information technology-based enterprises. Sixty-nine of these enterprises belong to Dalits or Janajatis. In 2010 an FM radio station was set up in a remote part of Baglung district powered by REDP-supported hydropower (see Box 6.1).

Box 6.1: A micro-hydro powered radio station



The Girindikhola micro-hydro plant was commissioned in October 2007. It was built with support from REDP and is operated and maintained by local people in partnership with Baglung DDC's District Energy and Environment Section. The scheme provides 75 kilowatt of electricity to 772 households in Kharbang VDC, Baglung.



This new reliable and affordable source of clean energy has spawned several new enterprises, including Sarathi FM radio station. Test transmissions started in January 2011 with the station being received across much of Baglung and in adjoining districts. It is one of the first community radio stations to be set up in such a remote location.

REDP provided technical guidance and a grant of NR 250,000 to enable the local people to open the station. Most of the NR 1.3 million cost of establishing the station was met by local people who became shareholders in it. The station provides information, news and entertainment to its many listeners. The shareholders expect to get a return on their investments within a few years from advertisements and sponsorship.

Capacity building — To sustain the operation of new energy schemes, in 2010 REDP provided technical support and trained 8,400 local people to run and maintain micro-hydro schemes themselves. REDP also supported the operation of 72 district energy and environment sections and units (DEES/DEEUs) as focal points for the decentralised planning and management of rural energy and environment and to ensure that all members of communities benefit. In 2009/2010, the government funded all 40 DEES to monitor the rural energy activities they supported and to raise awareness about decentralized environment and energy planning.

Smart subsidies — REDP is playing a major role in introducing smart subsidies to make the installation of micro-hydro power more affordable for poor and remote communities. Following support for a feasibility study, in 2010 REDP worked with the government to pilot the provision of smart subsidies in nine of Nepal's most underdeveloped districts. These subsidies have offset the cash contributions of 1,079 Dalit and Janajati households for funding the costs of new plants, which are now providing their communities with 393 kW of power.

This initiative and previous REDP experiences show that full-fledged smart subsidies will:

- help poor communities overcome the difficulty they have in mobilising the community cash contributions for building new micro-hydro plants; and
- help people in remote areas meet the considerably higher transportation costs of electro-mechanical equipment to site.

Building upon REDP's experiences the government, through its Alternative Energy Promotion Center, is expected to soon introduce smart subsidies for remote communities.

KiND

REDP has used its expertise to pilot a private sector initiative with Himal Power Limited (HPL) to extend access to electricity to the communities around the 60 MW Khimti hydropower plant in Dolakha and Ramechhap districts. This project is mainly funded by Himal Power Ltd (a consortium of Norwegian and Nepalese companies) — the company that runs this large hydropower plant.

In September 2010, the [Khimti Neighbourhood Development Project](#) (KiND) contracted a Chinese company to supply and install the turbine and other electro-mechanical equipment

for the 400 kW Haluwa Khola mini-hydro plant. The work is due to be completed by April 2011. Earlier in 2010 the installation of the transmission and distribution lines was completed. In the meanwhile the project supported 57 households of Siureni, Jiri VDC to connect to electricity from the Jhakre Khola mini-hydro plant and carried out a feasibility study on providing electricity to other households until the Haluwa Khola plant comes on-line.

This project has faced many challenges. In 2010 the construction of civil structures and the installation of the headrace and penstock pipes were delayed due to adverse weather, local conflicts, land acquisition difficulties and the supply of sub-standard products for the headrace and penstock. These problems were overcome in the latter part of 2010.

This project is going ahead in partnership with local communities. The Haluwa Khola Mini-Hydro Functional Group has been responsible for implementing the project locally and for building the civil works around the power plant. The project is also building up the capacity of the Khimti Rural Electric Cooperative (KREC) to operate the Haluwa Khola and Jhakre hydro schemes on behalf of local users. In 2010, the project supported the cooperative to build a meeting hall and establish an information centre for disseminating information to its future clients — more than 8,000 households. The cooperative was also supported to train 1,500 technical staff and community people on safe electricity, and exposure visits were organised to see how other mini-hydro plants operate.

Through the project's community organisations and user groups, in 2010 the project also supported the building of 698 toilets, 3 school buildings, and 3 drinking water supply systems, with a further 7 school buildings, 9 water supply systems and 9 micro-irrigation schemes under construction. In addition the project supported local enterprise development in collaboration with UNDP's micro-enterprise development project (MEDEP) with 38 new micro-enterprises and income generation activities supported.

Conserving the environment

In 2010, the environmental conservation projects in Table 6.3 supported Nepal's policymakers, district level officials and communities to take the initiative to conserve the country's rich biodiversity across its protected areas, forests, grasslands, wetlands and farmers' fields.

Table 6.3: UNDP supported environmental projects, 2010

| Project | Duration - all phases (implementor) | 2010 expenditure | Status/focus |
|--|-------------------------------------|--|--|
| Western Terai Landscape Complex Project (WTLCP) | Aug 05–Dec 12 (MoFSC) | \$694,937 (GEF, UNDP) | Promoting landscape-level conservation and the sustainable management of natural resources across the Western Terai. Website: http://www.wtlcp.org.np |
| GEF Small Grants Programme (SGP) Phase 3 | 1996–Jun 14 (UNOPS) | \$413,854 (GEF) | SGP has funded 131 environmental conservation initiatives including 54 biodiversity conservation projects and 41 climate change mitigation projects. Website: http://sgp.undp.org/web/countries/NEP/ |
| Conservation and Sustainable Use of Wetlands (CSUWN) | Mar 07–Feb 12 (MoFSC) | \$557,710 (GEF, UNDP) | Promoting the conservation and sustainable use of wetland resources through the collaborative management of Nepal's wetlands. Website: www.wetlands.org.np |
| Poverty-Environment Initiative (PEI) | Feb 10–Dec 12 (NPC, MLD) | Expenditure is through LGCDP and SNPC (UNEP, UNDP) | Integrating pro-poor climate and environment concerns into national and local level planning and decision making through activities under the LGCDP and SNPC projects. Website: www.unpei.org/programmes |

Terai landscape conservation

The globally important biodiversity of Nepal's western Terai is under serious threat from the growing human population with many locals relying on the area's forests for their subsistence needs. The [Western Terai Landscape Complex Project \(WTLCP\)](#) has worked since 2006 to extend a landscape conservation model across the area's two protected areas, its forest corridors and 52 of its VDCs (Figure 6.1). The project is working to conserve the area's valuable biodiversity by promoting environmentally-friendly livelihoods, conservation initiatives and by fostering enabling policies.

Enabling policies for landscape level conservation

Since it began the project has advocated for the landscape level management of Nepal's biodiversity. The aim is to move away from only conserving the

biodiversity within the national parks and other protected areas towards conserving biodiversity across landscapes, including the areas of forest and grassland that serve as wildlife corridors. This advocacy work continued in 2010 with a workshop, an orientation training and three consultation meetings held for national policy makers and district line agencies on integrated landscape level planning and management.

Largely as a result of project advocacy, in 2010 substantial progress was made on the government institutionalising landscape level management as:

- the government committed to landscape level management in its Approach Paper of the Three Year National Plan: "Apply the landscape management approach for conservation and management of forests and natural resources" (Strategy 3, forest and soil conservation);
- a Landscape Support Unit was established within the Ministry of Forest and Soil Conservation as the focal point for coordinating and monitoring landscape level biodiversity conservation; and
- the Ministry of Forests and Soil Conservation amended the Forest Rules to allow for the management of biological corridors as protected forests with three biological corridors declared as protected forests (see below).

Figure 6.1: The Western Terai Landscape Complex area

Also in 2011 the project advocated for the introduction of payments for environmental services. Such payments usually happen by downstream communities compensating upstream communities for the latter's work on protecting the watershed for improved water supplies. Decision makers who participated in a central level workshop and the district officials and local community representatives who took part in a study tour discussed how this system could be introduced in Nepal. The project also produced a plan for the integrated management of the Mohana River watershed

in Kailali in partnership with the Department of Soil and Watershed Conservation.

Biodiversity conservation

The mid-term review of WTLCP found that the project's many conservation activities and its support for environmentally-friendly livelihoods have led to visible improvements in forest cover and grasslands in the protected areas, buffer zones, wildlife corridors and forests where the project works. Some highlights of the many such activities supported in 2010 are given in Box 6.2.

Box 6.2: WTLCP community-level biodiversity conservation activities, 2010

Conservation awareness — Project training programmes raised the awareness of 449 local people (22% Dalit, 15% Janajati, 59% women) about biodiversity conservation and the management of community forests. The forest management trainings led to 15 community forestry user groups from the Churia hills stopping livestock grazing in their forests to encourage the natural regeneration of trees.

Wildlife habitat improvement — The plantation of 360 hectares of indigenous tree species in national forest areas and the management of 100 hectares of grassland in Bardiya National Park and Suklaphanta Wildlife Reserve improved wildlife habitats inside and outside protected areas.

Fencing — The installation of 10 km of electric fencing around Bardiya National Park is protecting the crops of more than 2,000 households from wildlife damage and has improved relations between communities and the park authorities.

River training — Bio-engineering work carried out with forest user groups and the district soil conservation office along the Mohana River is safeguarding 90 households and 120 hectares of cultivated land from flooding and protecting important habitats of the blue bull, spotted deer and other wildlife.

Income generation support — 26 entrepreneurship and skill development trainings were provided to more than 400 households of whom 14% were Dalit and 47% Janajati. Also, 10 new forest-based micro-enterprises were established including non-timber forest product cultivation and bamboo crafts.

Improved cook stoves — Improved cook stoves were installed in 100 households saving about 1.6 tonnes of firewood per month.

Anti-poaching — 27 anti-poaching groups were strengthened, 10 anti-poaching posts rehabilitated and 12 bridges and causeways built in protected areas to help the groups monitor wildlife. In 2010 the groups worked with park authorities and district forest offices to apprehend sellers of tiger bones and a leopard skin, to confiscate animal traps, prevent fish poisoning and seize illegally felled timber.

Wetland conservation — the conservation of seven wetlands in the Churia hills and protected areas and the resulting increased water levels has improved their utility as sources of drinking water for wildlife and of irrigation water for nearby communities.

Community forestry — 30 new community forest user groups were formed giving 3,552 households rights to the managed use of 2,521 hectares of national forests.

Radio programme — 48 episodes of the project's radio programme (Sanrakchhen Sansar) were broadcast and increased awareness on biodiversity conservation and sustainable livelihoods among community people. Every fourth episode was broadcast in the Tharu language.

Infrastructure support — 14 community infrastructure projects were supported in buffer zone areas — mainly irrigation canals, water boring engines and non-timber forest product processing plants for poor, women and Dalit communities.

Agro-biodiversity — Supported improved storage facilities at six community seed banks, the collection of traditional landraces, and the establishment of a mango gene management zone and 32 diversity blocks of paddy and 14 of vegetables.

Conserving wildlife corridors

The Khata, Basanta and Laljhadi biological corridors are very important for the natural movement of wildlife species. These corridors connect Bardiya National Park, Suklaphanta Wildlife Reserve and the Churia forests of Nepal with Dudhawa National Park and the Katarniaghat Wildlife Sanctuary of India (see Figure 6.1). However, these biological corridors are seriously threatened by encroachment for settlement, agricultural expansion and uncontrolled grazing. The project has been advocating for these areas to be protected.

Important progress in 2010 saw the Ministry of Forests and Soil Conservation declaring these three corridors as protected forests, meaning that they cannot be exploited for commercial purposes. The project also facilitated the Government to develop a biological corridor conservation policy, with a workshop held in 2010 where key stakeholders discussed how to take forward policy making on corridor management. In 2010 the project helped directly improve the condition of these corridors as many of its livelihood and conservation activities (see Box 6.2) were implemented in these areas. Box 6.3 relates a success story on the rehabilitation of a large area of forest corridor.

Box 6.3: Encroachment control in the Western Terai



One of the main challenges for maintaining the forest corridors of the Western Terai is to prevent human encroachment. In 2010, WTLCP facilitated the formation of three community forest user groups in Kanchanpur, giving 886 additional households legal access to forest resources. The members of these groups were previously illegally exploiting the resources of these forest areas and the biodiversity of this biological corridor between Suklaphanta Wildlife Reserve and the Laljhadi forest corridor was rapidly degrading.

Negotiations by the district forest office with the settlers resulted in them leaving 752 hectares of forest in Pipladi, Daiji and Krishnapur VDCs in Kanchanpur. The credit for this goes to the skill of the district forest officer who convinced the people to move. The project supports district forest offices to monitor forest encroachment. The project has supported the user groups to build a 12 km-long trench with bio-fencing and plant 3,500 seedlings in the evacuated areas.

Conserving wetland biodiversity

Nepal's lakes, marshes, stream and rivers house a wealth of plant and animal diversity and are an important resource for surrounding communities. However, many of these wetlands, and particularly those in the heavily populated southern Terai plains, are seriously threatened as many areas have been converted into farmland and the water, plant and animal resources of the remaining wetlands are under increasing pressure.

In its second year the [Conservation and Sustainable Use of Wetlands in Nepal](#) (CSUWN) project helped establish the institutional and policy framework that is urgently needed to protect Nepal's wetlands. It also supported the communities living around the globally important wetlands at Koshi Tappu in eastern Nepal and the Ghodaghodi lake area in western Nepal to protect the biodiversity of these areas and to develop environmentally-friendly livelihoods.

A framework for protecting Nepal's wetlands

Up to now the management of Nepal's wetlands has been fragmented across sectors. In 2010 the following important advances took place for the more integrated management of wetlands:

- **National Wetland Committee** — The official launching in January 2010 of the National Wetland Committee (NWC) brought together the main government agencies with responsibilities for managing wetlands so as to foster inter-sectoral coordination and cooperation. The committee is made up of high level officials from the National Planning Commission and the ministries of forest and soil conservation, local development, agriculture and cooperatives, energy, irrigation, environment and industry. The main progress was the formation of the Technical Advisory Committee (TAC) under the National Wetland Committee. The TAC met five times in 2010 when it focussed on identifying gaps in sectoral policies related to wetlands and on revising the National Wetland Policy, 2003.



Launch of National Wetland committee, January 2010

- **Policy reviews** — With project support, a gap analysis was carried out on wetland conservation and management in seven government sectoral policies. The National Wetland Policy, 2003 was also reviewed. The reviews found that the sectoral policies only address narrow sectoral concerns and that the National Wetland Policy itself does not address cross-sectoral issues. The reviews were completed in December, and will form the main inputs for the upcoming revision of the National Wetland Policy. The ministries also agreed to integrate the findings into their sectoral policies and planning frameworks.
- **Valuing wetlands** — The common perception of wetlands as being wastelands of little value led to their conservation receiving little attention in the past. In 2010 the project helped develop a means of calculating the economic value of wetlands through case studies of Ghodaghodi lake area (Kailali) and Phewa Lake, Pokhara. This economic valuation tool puts a monetary value on the economic, community service, irrigation, biodiversity and other values that wetlands have and provides an important means of convincing policy makers of the importance of wetlands.

These activities and the appointment of wetland focal persons in concerned ministries greatly increased awareness amongst high level officials about the importance of wetland conservation. One result of this and project lobbying was the Ministry of Tourism and Civil Aviation earmarking 1.6 million rupees for developing visitor facilities around the Ghodaghodi lake area.

Protection by local communities

The CSUWN project in 2010 encouraged and supported the communities around the Ghodaghodi lake area and Koshi Tappu Wildlife Reserve to protect these wetlands and conserve their biodiversity. Support to buffer-zone and other community forest user groups have led to improvements in these wetlands (see Box 6.4).

The multi-stakeholder forum for the Ghodaghodi Lake Complex was formed in 2009 to bring together local government, line agency and community groups for the conservation of the Ghodaghodi lakes and other wetlands in Kailali district. In 2010 the forum lobbied for wetland concerns to be integrated into local planning and development programmes. This led to Kailali District Development Committee dedicating 1.2 million rupees to develop an entrance and office at the lake.

A key project strategy is to help local people earn a living in ways that don't damage wetlands. The project has identified 463 households as wetland dependent and aims to increase their income by 15%. In 2010, 215 of these households were supported to carry out fish, pig, goat, poultry and mushroom growing and the potentially lucrative enterprise of producing handicrafts from wetland grasses (see Box 6.5).

Box 6.4: Improved bird habitats in the Ghodaghodi lake area



Habitat improvements in the Ghodaghodi Lake area led to the first-ever reported breeding of the common moorhen (*Gallinula chloropus*) in Nepal in July 2010 and the first breeding of the Asian cotton pigmy goose (*Nettapus coromandelianus*) in Nepal outside the Pokhara Valley. This has come about due to the wetlands project's support to local communities for anti-poaching patrols, to remove invasive weed species from lakes and to build floating nesting sites. The chicks were sighted by local bird watching clubs in its annual monitoring exercise. The project encourages the work of local conservation organisations.

Box 6.5: Local incomes from local wetland plants



UNDP's wetlands project has teamed up with two Kathmandu businesses specialising in natural fibre products to boost local incomes in the Koshi Tappu area. In 2009/10 Organic Village and Nepal Knotcraft trained 27 local women to produce fibre and handicraft products from the water hyacinth and pater grass plants that grow in abundance in the waterways and marshes of Kosi Tappu. These women now supplement their incomes by selling mats, bags, and other products made from these plants. These enterprises have great potential and in 2010 the project joined with the Koshi Early Recovery Project to build a store, a processing chamber and a sales outlet. This initiative has also shown local people how to use water hyacinth — previously considered a nuisance weed — for organic compost and for fuelling biogas plants.

The project also developed conservation education materials including a communication, education, participation and awareness strategy and dissemination framework for the Department of Wildlife and Soil Conservation — the designated authority for Ramsar in Nepal. In line with the strategy posters with wetland conservation messages, a list of frequently asked questions about wetlands and a wetland resource book were developed.

Local conservation initiatives

The [Small Grants Programme](#) of the Global Environment Facility (GEF) was set up following the Rio Earth Summit of 1992 to fund local conservation and renewable energy initiatives and now operates in 123 countries. In 2010 this Global Environment Facility programme supported 23 on-going projects and 5 new projects in Nepal. The main focus of 10 of these projects was on biodiversity conservation, including 5 wetland conservation projects; the main focus of 6 others was on mitigating climate change by promoting clean energy whilst a further 5 promoted environmentally friendly livelihoods. The fifth phase of the programme started in Nepal in July 2010.

Most of the projects SGP supports have multiple impacts. Box 6.6 features three of the most successful recent projects that have helped conserve globally important biodiversity, reversed land degradation and provided health benefits whilst enhancing local livelihoods. On the other hand, not all SGP projects are successful, although all offer valuable lessons for future programming. A project supported in 2008/10 for the pilot production of

biodiesel from the *Jatropha* plant ended after finding that the yield was too low to make it viable.

Two of the new projects with the best potential to achieve a significant impact are:

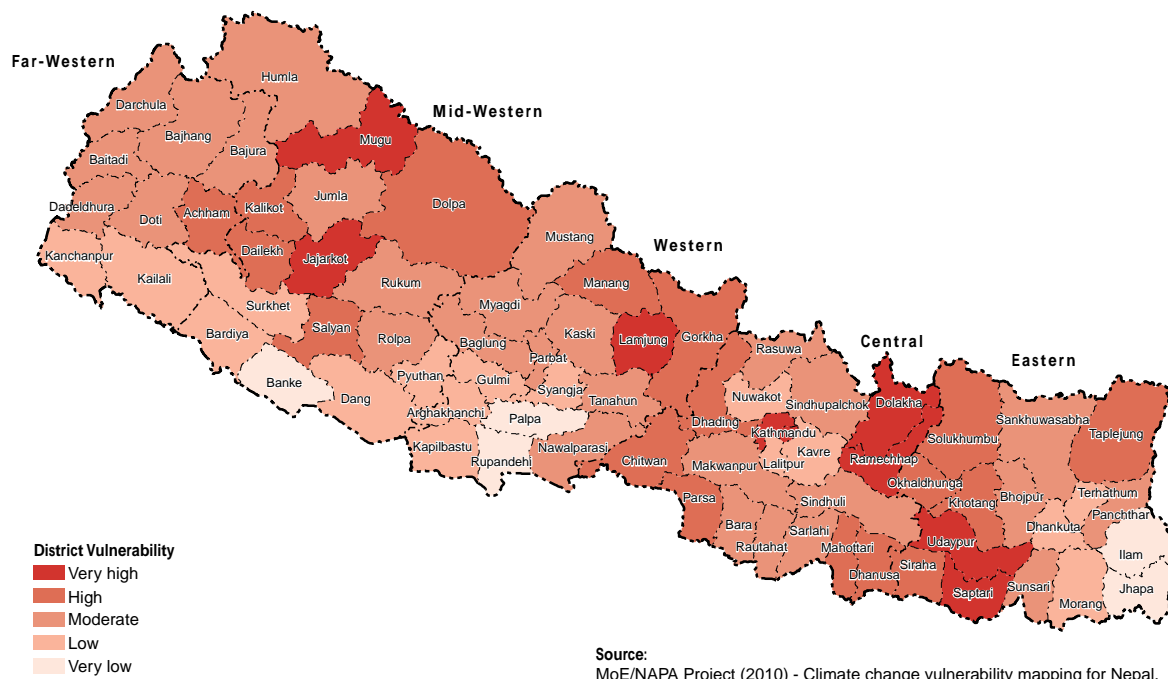
- an awareness campaign for the safer use and disposal of dangerous chemical substances including the Polychlorinated Biphenyls used in the 1000-plus welding workshops of the Kathmandu Valley; and
- the extension of the organic farming of coffee, spices and other crops in a hilly part of Arghakhanchi district that is prone to soil erosion and has one of the highest rates of out-migration for work in Nepal.

Climate change adaptation

The current and future negative impacts of climate change are a major global concern. In Nepal climate change is already believed to be resulting in more flooding, changes in the timing of the monsoon, longer dry spells, more storms and a growing threat from glacial lake outburst floods. These hazards are damaging property and putting human lives and development gains at risk. The nine Nepalese districts most vulnerable to climate change are shown in Figure 6.2.

In 2010 UNDP supported two initiatives that are assisting Nepal to prepare for and adapt to the challenges presented by climate change (see Table 6.4). The achievements of the Nepal part of a regional project to reduce and mitigate the consequences of climate change are given in Chapter 7.

Figure 6.2: Relative climate change vulnerability of Nepal's districts (source: NAPA 2010)



Box 6.6: The recent SGP projects with the greatest impact



Support since 2007/08 to set up vulture restaurants stocked with diclofenac-free carrion has led to a recovery in numbers of this endangered species in Nawalparasi. The number of vulture nests in surrounding areas has increased from 17 in 2006/07 to 68 in 2009/10. Along with other donors, SGP has also supported the setting up of vulture restaurants in Kailali, Dang, Rupandehi and Kaski districts.

This Bird Conservation Nepal initiative has had wider impacts as the department of livestock and local people have made Nawalparasi and Dang diclofenac free districts, an increasing number of tourists are visiting the restaurants and this model venture has been replicated in India, Pakistan and Cambodia. This initiative received the World Wildlife Fund's Abraham Conservation Awards in 2010.

Another SGP-supported project received the Sasakawa award of the United Nations Environment Programme for 2010/11 for converting 892 hectares of degraded steep land into productive agroforestry land. This work was undertaken by the Manahari Development Institute (MDI) and local communities in a poor part of Makawanpur district by planting over three million banana, pineapple, lemon, orange, broomgrass and other useful plants. The 1,897 poor households of this area now provide for a much greater part of their livelihood needs from their own land.

In 2010 alone, locals earned 4.7 million rupees selling bananas, broomgrass, fish and vegetables. The earnings since 2004 have gone to install solar home lighting, biogas plants, pay off debts and to pay school fees.

In 2010, SGP support to the Indoor Air Pollution Health Network led to the installation of 280 smokehood stoves in the northern district of Rasuwa. The combination of stove improvements, the insulation of kitchen walls and the installation of a smokehood have reduced firewood consumption by almost a half and made the kitchens almost smoke free. This will make a great contribution to reducing the respiratory infections that damage the health of so many Nepali children. These improved stoves are equally effective in heating the kitchens in the colder months.

The project has trained three local people to make the smokehoods and has linked them up with supplies of the right kind of metal.

Table 6.4: UNDP supported climate change mitigation projects, 2010

| Project | Duration - all phases (implementor) | 2010 expenditure | Status/focus |
|---|-------------------------------------|--------------------------------------|--|
| National Adaptation Programme of Action to Climate Change (NAPA) | Nov 08–Mar 11 (MoEST) | \$688,203 (DFID, Denmark, GEF, UNDP) | Supported the government to prepare its plan for climate change adaptation and establish a knowledge platform on climate change. Website: www.napanepal.gov.np/ |
| Enhancing Capacities for Climate Change Adaptation and Disaster Risk Management (ECCCA) | Sep 09–Aug 11 (MoAC/FAO) | \$154,294** (FAO, UNDP) | A joint programme to reduce the impact of natural hazards and climate change on food production. |

** Only includes UNDP expenditure

National plan of action

NAPA — The main outcome of the [National Adaptation Programme of Action to Climate Change](#) (NAPA) project was achieved with the finalisation of the NAPA document after an 18-month effort involving six line ministries and more than eighty institutions across the country. Nepal's National Adaptation Programme of Action (NAPA) for climate change was endorsed by the cabinet in September, submitted to the United Nations Framework Convention on Climate Change (UNFCCC) in October and officially launched by the prime minister in November.



Support for a nationwide vulnerability assessment and extensive consultations led to the identification of the nine priority areas that need addressing and the activities that need carrying out for Nepal to adapt to climate change (see Box 6.7). The NAPA document defines the governance structure for climate change adaptation and the agencies responsible for interventions. The process was concluded at three national workshops where the final document was presented to stakeholders.

The production of the NAPA paves the way for Nepal to access international funds for Least Developed Countries to adapt to climate change. In late 2010 the project began to develop a project for submission to the UNFCCC's Least Developed Country Fund (LDCF).

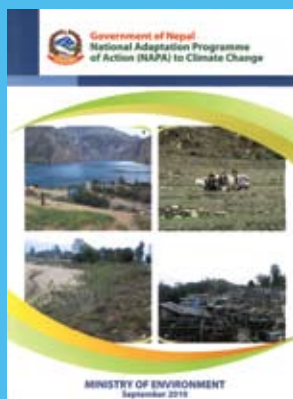
The production of the NAPA document and the NAPA working structure contributed to and facilitated the design of the Strategic Programme for Climate Resilience (SPCR) in Nepal. This initiative is being funded by the Climate Investment Funds (CIF) of the multilateral banks including the Asian Development Bank and the World Bank.

Knowledge management platform — In November the government launched two platforms for coordinating research, exchanging information and facilitating dialogue on climate change:

- The Nepal Climate Change and Development Portal (www.climatenepal.org.np) enables researchers, policymakers, NGO professionals and the general public to share and access climate-change related information and acts as a tool for coordinating climate change initiatives. The project supported the development of this website.
- The Nepal Climate Change Knowledge Management Centre is housed in the Nepal Academy of Science and Technology and contains a growing number of books, journals, reports, audio-visual materials and other climate change knowledge products. The project helped equip the centre and purchase books and other knowledge products.



Box 6.7: The Nepal NAPA's national adaptation priorities



1. The integrated management of agriculture, water, forests and biodiversity
2. Improving productive systems and access to agricultural development services to build the adaptive capacity of vulnerable communities
3. Community based disaster management
4. Glacial lake outburst flood monitoring and disaster risk reduction
5. Forest and ecosystem management
6. Public health challenges
7. Ecosystem management
8. Empowering vulnerable communities through the sustainable management of water resources and clean energy supplies
9. Climate-smart urban settlements

Multi-stakeholder framework of action — The participatory process of producing the NAPA led to greatly increased coordination amongst the organisations working on climate change. In 2010, with project support, the Ministry of Environment formed the Multi-Stakeholder Climate Change Initiatives Coordination Committee (MCCICC) to institutionalise this network of researchers and practitioners. This committee has begun work to coordinate a unified response to climate change in Nepal and is facilitating the engagement of local institutions with national institutions.

Climate change negotiations — Another important initiative was a training workshop in July that orientated government officials participating in the UNFCCC-led climate change negotiations on how to represent their country's position. Two international experts led a simulation exercise and briefed participants about the negotiation processes.

Agriculture and climate change

UNDP is working with the Food and Agriculture Organisation and the Ministry of Agriculture and Cooperatives to reduce the negative impacts of climate change on agriculture in Banke and Surkhet districts. In 2010, the [Enhancing Capacities for Climate Change Adaptation and Disaster Risk Management](#) project formed and trained project task groups in the two districts with membership from the national and local

government agencies responsible for climate change adaptation and disaster risk reduction.

The project's major three achievements in 2010 were as follows:

- Training workshops and field visits increased the knowledge of about 60 central and local agriculture and livestock officials and 200 farmers on how farmers can adapt to climate change and protect their production from floods and other natural disasters. An exposure visit for 11 government officials showed them how vulnerable people have adapted their livelihoods in a disaster prone part of Bangladesh.
- Preparatory work was undertaken to establish disaster early warning systems, and to improve climate data analysis, database management and seed supply and storage. The improved collection of meteorological data is very important for forewarning farmers about floods and for planning for climate change adaptation.
- Thirty-five local good practices for climate change and resilience were identified including for crop improvement, soil and water conservation and the management of degraded natural resources. Demonstration sites were established to test land management and crop production techniques that reduce erosion, protect agricultural land and increase agricultural productivity. Examples of these include using stress tolerant crop varieties, sloping agricultural land technologies (SALT) and soil and moisture conservation practices.

Planning to strengthen poverty-environment linkages

Nepal needs sustainable development that benefits poor people's livelihoods and the national economy without negatively impacting the environment. The Poverty Environment Initiative (PEI) is a three year programme that began in 2010 to integrate pro-poor climate and environment concerns into national and local level planning and decision making. It is being implemented in Nepal through the local governance (LGCDP) and the strengthening the NPC (SNPC) projects. It is one of nine such programmes being rolled out across the Asia-Pacific region by the United Nations Environment Programme and UNDP.

A key result of the Nepal programme in 2010 was the increased emphasis put on poverty-environment linkages in the Approach Paper for the new three year national development plan within:

- poverty alleviation working policy 5.3: "Poverty and environmental promotion/motivation related programmes will be launched"
- rural infrastructure working policy 10.2: "Special attention will be paid to poverty and environment while developing rural infrastructures"; and
- six of the strategies for irrigation and water induced disaster prevention and for environment and climate change stipulating that developments shall be pro-poor, environment-friendly and disaster risk-resilient.

A PEI-sponsored workshop in November in Kathmandu informed high level government officials and civil society activists about work in Nepal that is reducing poverty without damaging the environment. The participants also learned about the findings of a PEI study on the environmental and economic impacts of rural road construction. A very large amount of unregulated road building has been going on in Nepal in recent years. The study compared the costs and benefits of roads built by mechanical digger and human labour and concluded that roads built using machinery are neither environment-friendly nor pro-poor. It found that the late release of budgets to local bodies and reductions in the cost of hiring heavy equipment favoured mechanically built roads. The study recommends that feasibility and environmental assessments are carried out before roads

are built and that the use of labour based technology should be encouraged as it leads to less environmental damage and more benefits to the poor.

In 2011

- **Rural energy:** KiND will end in 2011 after supplying its targeted 3,750 households with electricity. REDP will also end and will be followed by the Renewable Energy for Rural Livelihood project (RERL). This project will be run in partnership with the World Bank to consolidate the best practices developed under REDP, to scale-up energy access through decentralized energy systems and foster enterprise development. Three million dollars of new funding mobilised by the Government in 2010 through AEPC from the World Bank will provide parallel funding for micro-hydro installation.
- **The Western Terai project (WTLCP)** will continue to promote integrated landscape planning and corridor management and will strengthen the government's Landscape Support Unit as a hub for policy discussion and for guidance on landscape level conservation.
- **The wetlands project (CSUWN)** will help the integration of wetland conservation into sectoral and national planning by strengthening the National Wetland Committee and supporting the implementation of the revised National Wetland Policy. The project will also promote the use of knowledge-based tools for wetland management and conservation, which were developed in 2010.
- **Protected area management** — A new project on strengthening protected area management system in Nepal will be developed for submission to the Global Environment Facility (GEF).
- **Climate change** — A new project is being developed for funding by the Least Developed Country Fund to address two of the NAPA's priority areas: community-based disaster management and glacial lake outburst flood monitoring.
- **The Poverty Environment Initiative (PEI)** will promote environmentally friendly development by identifying new performance measure and minimum condition indicators for local bodies, supporting the incorporation of poverty-environment concerns in the sectoral papers of the new national plan and studying revenue generation from natural resources by local bodies.

7.Reducing risks from natural hazards

“Nepal is a hotspot for geophysical and climatic hazards. The country is ranked very high in terms of vulnerability to natural calamities (earthquakes, floods and landslides). The risks are increasing rapidly mainly due to rapid population growth in Nepal’s unplanned urban areas. Another major factor for the increasing risk is the lack of a favourable policy and legal environment commensurate with the situation, needs, opportunities and resource availability”

Adapted from National Strategy for Disaster Risk Management in Nepal

“We acknowledge that disaster risk reduction and increasing resilience to all types of natural hazards... can have multiplier effects and accelerate achievement of the Millennium Development Goals.”

2010 MDG summit outcome document

UNDP’s response

In recent years UNDP’s support has helped the Nepalese authorities shift from a focus on responding to natural disasters to a more proactive risk reduction and preparedness approach. In 2009 UNDP was closely involved in two landmark achievements for disaster risk reduction in Nepal: the finalisation of the National Strategy for Disaster Risk Management and the formation of the Nepal Risk Reduction Consortium. The consortium brought together the government, Nepal’s bilateral and multilateral development partners, the United Nations and civil society organisations to prepare five flagship programmes as a prioritised action plan for implementing the national strategy.

In 2010, UNDP Nepal made important contributions through the projects in Table 7.1 to flagship programme 4 on community disaster risk reduction and management and flagship programme 5 on policy and institutional support. The four UNDP supported projects have helped reduce the serious risks natural hazards pose to lives, livelihoods and property and have supported the government, civil society and communities to be better prepared to cope. UNDP views this support as very important both to protect the country’s development gains and for reducing poverty as it is poor people who are most often affected by natural disasters. Alongside the three disaster risk reduction projects, the Koshi Early Recovery Project helped re-establish the livelihoods of hundreds of flood victims.

Table 7.1: UNDP supported projects to reduce risks from natural disasters, 2010

| Project | Duration - all phases (implementor) | 2010 expenditure (donors) | Status/focus |
|---|-------------------------------------|--|--|
| Disaster Risk Reduction in Nepal (DRRN) | Feb 08–Mar 11 (UNDP) | \$669,500 (UNDP-BCPR, European Commission, AusAID, OCHA) | Mainstreaming disaster risk reduction and preparedness into national planning systems and supporting other national and community risk reduction work. Website: www.undp.org.np/drm |
| Koshi Early Recovery Project (KERP) | Sep 09–Jul 11 (UNDP) | \$565,595 (UNDP, BCPR) | Helping coordinate the support provided to rehabilitate the livelihoods of victims of the 2008 Koshi flood and providing livelihoods support. Website: www.undp.org.np/drm |
| Earthquake Risk Reduction and Recovery Preparedness Programme (ERRRP) | Oct 07–Dec 10 (MoPPW) | \$351,444 (Japan, UNDP) | This regional programme helped the government and five municipalities develop strategies and train personnel to make buildings resilient to earthquakes. Website: www.errrp.org.np/ |
| Regional Climate Risk Reduction Project in the Himalayas (RCRRP) | Oct 09–Dec 10 (UNDP) | c. \$200,000 (BCPR-UNDP) | This Nepal part of a regional programme has helped seven communities in Nepal's mountains be better prepared to deal with natural disasters. Website: http://managingclimaterisk.org/rcrrp |

National disaster preparedness

The main achievement of the [Disaster Risk Reduction in Nepal](#) (DRRN) project in 2010 was the establishment of the National Emergency Operation Centre. It was officially opened on 17 December 2010. Such a well-equipped centre is a priority of the national strategy as it is crucial for a coherent and efficient response to emergencies. The centre has been set up under the Disaster Management Section of the Ministry of Home Affairs to direct and coordinate the response to man-made and natural disasters. During emergencies it will collect, compile and disseminate information to disaster risk reduction stakeholders, whilst during normal times it will collect information, stock-take resources and conduct training courses.

In 2009–2010 the project supported the construction of the earthquake proof building that houses the centre and equipped it with information technology, communication and other equipment. The centre began work prior to the official opening by developing its operating procedures and links with the army and other emergency actors. It will start full fledged operation in 2011 by establishing early warning systems and integrated information systems with the police, army and armed police.



A training for government officials and security force personnel at the National Emergency Operation Centre

Also in 2010 the DRRN project supported the production of district development plans (see Box 7.1), ran a training to enable officials to maintain the functioning of Nepal's international airport during emergencies (Box 7.2), helped several communities be better prepared for floods and other natural hazards (see below) and continued its advocacy and policy support work.

The advocacy and policy work led to a further 14 agencies (ministries, departments, municipalities and the three security agencies) establishing disaster risk reduction focal desks at their own initiative. This brought the number of such focal desks to 26. Most of these desks held regular meetings in 2010 to discuss capacity building needs and the implementation of the national strategy.

Box 7.1: District disaster plans



In 2010 DRRN and other UN agencies supported the district disaster relief committees (DDRC) of 11 disaster-prone districts to develop district disaster preparedness and contingency plans.

At the same time DRRN supported the Ministry of Local Development to share its draft standard guidelines for disaster risk management planning with local body and municipal officials across Nepal.

Box 7.2: Airport disaster preparedness



The smooth operation of Nepal's only international airport at Kathmandu is essential to facilitate emergency relief during major emergencies for bringing in supplies and expert personnel.

In October DRRN trained 22 officials from the Ministry of Tourism and Civil Aviation (MoTCA), the Civil Aviation Authority of Nepal (CAAN) and the Nepal Red Cross on keeping the airport operating and the handling of supplies during emergencies. A capacity assessment of Nepal's four major airports was carried out during the training.

Box 7.3: Vulnerability assessment of mobile phone towers



An assessment carried out with support from the ERRRP project found that many of the mobile phone towers in the Kathmandu Valley would collapse during a major earthquake. The assessment was carried out in collaboration with telecommunication companies and provided a series of recommendations on making the towers safer both to prevent injury

and damage from falling debris and more importantly to keep the phone network up and running after an earthquake.

Community disaster preparedness

In 2010, the DRRN project signed a memorandum of understanding with the Department of Water Induced Disaster Management (DWIDP) and the Department of Soil Conservation and Watershed Management (DSCWM) to pilot sub-watershed level disaster mitigation activities in areas of Bara and Nawalparasi districts. This approach sees upstream communities carrying out soil conservation works that lead to less erosion and flooding for the benefit of downstream communities. In 2010 users group were formed, meetings held with local communities and cost estimates prepared in preparation for going ahead with the work in 2011.

Also in 2010 the project supported the preparation of emergency response action plans and the installation of flood early warning systems (sirens and hand mikes) in four flood-prone VDCs in Sunsari district and the building of flood mitigation structures and emergency shelters in 11 flood-prone communities in Sunsari, Sarlahi and Banke districts.

Earthquake resistant buildings

A large earthquake is likely to occur in Nepal within the next few decades. The last major quake that badly affected Kathmandu was in 1934 when about sixty percent of all buildings were damaged by an 8.4 Richter scale earthquake. The rapid unplanned urbanisation since then and the low building standards mean that many more deaths than the estimated 10,000 in 1934 are expected from the next major earthquake.

In 2010, the [Earthquake Risk Reduction and Recovery Preparedness Programme for Nepal \(ERRRP\)](#) ended after promoting earthquake-resistant buildings in Biratnagar, Hetauda, Pokhara, Birendranagar and Dhangadhi municipalities.

Building codes — Over its three years the programme trained partner municipality personnel on earthquake resilient design and building construction. In 2010 a further 153 builders were trained. In the course of the training programmes, guidelines and manuals have been prepared to standardize the training curricula for builders on earthquake resistant construction and for government officials on earthquake resistant design and the national building code. Draft versions of these

were finalised in 2010 including lesson plans and other teaching materials.

This work and the demonstration retrofitting of a building in all five partner municipalities (see Box 7.4) has led to all five municipalities starting to implement the building code to at least the mandatory rule of thumb level (minimum acceptable level). Pokhara and Birendranagar municipalities have incorporated checklists in application forms for building permission as per the National Building Code whilst Hetauda municipality will soon start to implement the code. The project also published a very practical illustrated guideline in Nepali on building earthquake-safe residential buildings.

Several important policy developments took place in 2010 as a result of project advocacy and support. UNDP supported the government to form a national level steering committee to monitor the implementation of the national building code and finalise guidelines for building earthquake-safe buildings. Another positive result was the government allocating NR 7.5 million (\$100,000) for retrofitting public buildings and NR 1.5 million for revising the National Building Code.

Box 7.4: Demonstrating retrofitting to withstand earthquakes



In 2010 ERRRP finished retrofitting Pokhara fire brigade's building (see above photo), Shree Krishna High School Birendranagar, Trinagar High School Dhangadhi, a ward office in Biratnagar and the Pushpa Lal Memorial Library in Hetauda. These buildings have been strengthened by fitting lintel, sill and corner bands and by strengthening columns slabs for seismic resilience. This work was carried out by local builders and observed by municipal engineers. The retrofitted buildings were handed over at ceremonies to publicise the importance of the seismic retrofitting of unsafe public buildings.

Awareness raising — An earthquake safety and awareness programme in 14 schools and the carrying out of an assessment of the resilience of mobile phone towers to earthquakes (Box 7.3) also raised awareness about seismic risks.

Supporting early recovery from the Koshi flood

On 18 August 2008, the Koshi River breached its embankment flooding large areas of Sunsari district and displacing 42,800 people. The flood destroyed many houses, large areas of farmland and the local infrastructure. Over the following year the emergency response provided temporary shelter and support to enable most of the 7,653 displaced households to return home by mid-2009. The [Koshi Early Recovery Project](#) (KERP) began in September 2009 and has provided valuable support for coordinating the early recovery of affected communities and for helping restore local livelihoods.

Coordinating early recovery — Throughout 2010 the project supported the district and national level coordination of the many organisations involved in the humanitarian and early recovery response. KERP supported the operations of the body responsible for district-level coordination — the Sunsari District Disaster Relief Committee (DDRC) by helping it run monthly coordination meetings of the more than 20 organisations involved in the response and to maintain its database of flood survivors for the proper distribution of the compensation packages (land, crops, shelter and cash) to the 7,500 eligible households. The project also assisted central level information sharing by contributing to the meetings of the Inter Agency Standing Committee and its Early Recovery Network, which was established in 2010. The project maintained close coordination with the Emergency Flood Damage Rehabilitation Project of the Asian Development Bank.

Rebuilding livelihoods — The bulk of the project's work has been on supporting the restoration of livelihoods and the infrastructure in the areas most affected by the flood — Shripur, Haripur and Paschim Kusaha VDCs. In 2010, KERP provided grants for 41 community level projects ranging in size from \$500 to \$50,000. These projects were identified by local communities according to their needs with public audits held at the end of each one.

These grants:

- improved the community infrastructure of 29,000 people by rehabilitating and building local roads, fish ponds, tubewells, agricultural markets and other infrastructure whilst providing more than 22,000 days of paid employment to poor people, youths, women;
- trained 505 flood victims and local youth on vocational skills including farming techniques with 64% of trainees women (including the women featured in Box 7.5), 29% Dalits and 25% Muslims;
- trained 230 flood victims on group management, leadership and other personal development skills;
- provided direct income generating support to 47 households; and
- funded nine business plans and market surveys on off-farm income earning opportunities.

Some of the support was channelled through the wetlands project (CSUWN), which works with wetland dependent communities. This included skill training and equipment support that helped establish a fledgling business for local women to produce handicrafts from locally occurring wetland plants (see Box 6.5 in the previous chapter).

The restored community infrastructure, income generating support, other skills training, paid employment and new housing (see Box 7.6) has gone a long ways towards helping affected communities rebuild their livelihoods and engage in new income earning activities.

Box 7.5: Livelihood recovery support for flood victims



The Koshi flood destroyed the small house where Poko Devi Majhi lived with her husband and six children. It also wiped out the surrounding farmer's fields where she worked as a daily wage labourer. She returned home with her family after staying for three months in a camp and receiving a compensation package. KERP has helped her set up a small chicken farm. She earned 11,000 rupees in the first three months and by February 2010 had 50 chickens and was expanding her enterprise.

Box 7.6: New homes for flood-displaced families



In November 2010, the first families moved into the 235 low cost housing units built for Koshi flood victims at Haripur VDC. KERP financed and UN Habitat supervised construction. The houses and a small area of land were put into the joint ownership of husbands and wives whose homes had been destroyed by the 2008 flood. Beneficiary families were selected for being poor and landless.

Disaster risk management in Dolakha and Sindhupalchok

At the end of 2010 the Nepal part of the [Regional Climate Risk Reduction Project in the Himalayas](#) (RCRRP) project came to an end after helping reduce the vulnerability of seven communities in Sindhupalchok and Dolakha districts to flash floods, glacial lake outburst floods (GLOFs) and landslides.

The project first of all facilitated the formation of climate risk management committees in these communities and lodged seed money in their bank accounts. It then worked with them to:

- plan for reducing risk, by preparing disaster preparedness and response plans, a climate risk-sensitive land use plan and a map of hazards and landslides;
- raise awareness, through risk reduction messages on hoarding boards, posters and T-shirts and by forming environmental conservation clubs in nine schools;
- reduce vulnerability, by training and equipping committees and community members and local body staff on early warning systems, search and rescue, first aid and contingency planning; and
- reduce vulnerability directly, by establishing tree nurseries and supporting land stabilisation measures in several places.



Two scenes from the 12-day disaster risk management training course run by RCRRP for project communities, district officials and the media

The project's Dolakha communities lie in the track of an outburst flood from Tsho Rolpa glacial lake. The project carried out a hazard vulnerability and risk assessment of downstream communities and helped establish a community-based early warning system for upstream communities to let downstream communities know when a flood occurs.

Other project activities have led to the district authorities and journalists becoming more aware of the threats posed by landslides and floods. The project's community-based disaster risk management trainings brought line agency officials and community members together for 12 days and led to the officials becoming much more aware about community needs. As a result Dolakha district council incorporated risk reduction measures in its district development plan for 2011/12 and the line agencies have committed to work together for disaster risk reduction whilst the district soil conservation offices of both districts have committed to stabilising landslides in project communities.

The project increased awareness on hydro-meteorological induced disasters amongst the general public, key decision makers and the media:

- through its twice-weekly information bulletins on disaster risk reduction broadcast on more than 100 community FM radio stations;
- through programmes on flood and disaster preparedness broadcast on 135 FM stations in the period before the onset of the monsoon; and
- by distributing disaster risk reduction toolkits to Constituent Assembly members and holding workshops for national and local journalists.

In 2011

CDRMP: The Comprehensive Disaster Risk Management Programme was launched in February 2011 to continue the work of DRRN and ERRRP. It will focus on policy and institutional strengthening in line with the National Strategy for Disaster Risk Management. The new project will also support the establishment of 11 district and regional level emergency operation centres with equipment and training, support the implementation of the national building code, and help integrate disaster risk reduction into planning mechanisms.

KERP has been extended to July 2011 to handover the coordination of recovery activities to Sunsari DDC.

8. Halting and reversing the spread of HIV/AIDS

Most of the estimated 65,000 Nepalis who are living with HIV are labour migrants, injecting drug users, female sex workers or men who have sex with men. Until now infection has mostly been transmitted by unprotected sex amongst these and other at-risk groups and via injecting drug use. Infection is, however, becoming more common amongst the wives of men in the high risk categories. The fact that only 15,000 HIV cases have been officially reported indicates the continuing large-scale lack of awareness about HIV amongst individuals and within Nepal's health system and the need to scale-up the response as an average of 175 new HIV cases are officially reported each month.

UNDP's response

Since 2005 UNDP has played a key role in supporting the implementation of Nepal's National HIV/AIDS Programme. The progress made means that Nepal is now on track towards achieving MDG 6 of having halted by 2015 and begun to reverse the spread of HIV/AIDS. UNDP's HIV Programme Management Unit administers approximately one third of all HIV monies in Nepal through the two programmes in Table 8.1.

In 2010:

- With DFID funding, the [Support to the National Programme on HIV/AIDS](#) programme continued to roll out a comprehensive HIV/AIDS prevention and care programme for the groups most at-risk of contracting HIV.
- UNDP's management of Nepal's [Round 7 Phase 1 HIV grant](#) of \$6.7 million from the Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM), made good progress on scaling-up testing, care and treatment services and strengthening the national capacity to respond to Nepal's concentrated HIV epidemic.

Table 8.1: UNDP support to HIV/AIDS in 2010

| Project | Duration - all phases (implementor) | 2010 expenditure | Status/focus |
|---|-------------------------------------|-------------------------------------|--|
| Support to the National Programme on HIV/AIDS | Feb 05–Mar 11 (UNDP) | \$5,478,396 (DFID, UNDP) | Rolling out a large HIV/AIDS prevention and care programme for most-at-risk populations through NGOs and developing the capacity of government and civil society organizations to respond to HIV/AIDS. |
| Scaling Up Access to HIV Prevention, Treatment and Care | Jan 09–Feb 11 (UNDP) | \$2,478,384 (GFATM Round 7 Phase 1) | Expanding testing, care and treatment services through the Ministry of Health and Population and strengthening the national capacity to monitor and manage the response to HIV/AIDS. |

Reaching key affected populations

In 2010, UNDP continued to roll out a prevention and treatment programme for people living with HIV (PLHIV) and for three of the groups of people that are most-at-risk of contracting HIV (migrants and their families, men who have sex with men and injecting drug users). It also supported a safe blood programme. Altogether this programme was implemented across 61 of Nepal's districts by 39 NGOs and community based organisations. The migrant programme was delivered by 20 NGOs in 20 districts and the MSM programme by the Blue Diamond Society. The IDU and PLHIV programmes were implemented by community-led networks including Recovering Nepal (IDUs) and the National Association of People Living with HIV (PLHIV) and by major national NGOs including the Richmond Fellowship (IDUs) and Nava Kiran Plus (PLHIV).

Migrants — An estimated 30% of people living with HIV (PLHIV) in Nepal are from amongst Nepal's 1.5 million seasonal labour migrants whilst over 25% of PLHIV are the wives and partners of migrants. It is the many poor and less educated migrants who live away from their families who are most vulnerable to HIV infection. The wives of migrants living with HIV are particularly vulnerable. A recent survey found that whilst 0.8% of them had HIV, 22.5% of widow respondents had HIV, suggesting that many of their husbands had died of AIDS.

In 2010, 447,293 migrants and their family members (mostly wives) were newly reached and 440,089 re-reached with HIV prevention packages including the



An NGO giving pre-HIV test counselling and advice on sexually transmitted infections and HIV to the wives of migrant workers

couple featured in Box 8.1. These people initially came into contact with peer educators who provided them with information about HIV, behaviour change messages and referrals for testing and treatment. Amongst those reached 25,889 migrants and their wives were counselled and tested for HIV, of which 191 people (1.1%) tested HIV positive whilst 35,597 migrants and their wives were diagnosed and treated for STIs. In 2010, 56% of the clients reached with HIV prevention were women — almost all the wives of migrants. The great challenge remains of reaching more male labour migrants as they spend most of their time outside Nepal.

Injecting drug users — HIV prevalence among Nepal's injecting drug users has been steadily declining from 68% infection in the Kathmandu Valley in 2002 to 21% in 2009. This reduction is largely attributable to safer injecting behaviour (use of clean injecting equipment, and not sharing injecting equipment). There is still however a large need to continue reaching out to this group to support ex-IDUs and reach new IDUs.



A therapeutic meditation exercise underway at an NGO-run centre for rehabilitating drug users

In 2010, 3,855 IDUs received harm reduction services and 1,328 detoxification and rehabilitation services. One of the main challenges here is to reach female IDUs as only 1,344 (2%) of the 110,833 needles and syringes that were distributed for harm reduction went to women when significantly more than 2% of IDUs are women. However, there was a steady growth of women being admitted into the programme-supported care and rehabilitation centres, as they accounted for 81 of the 946 clients admitted in 2010 (9%). Note that in 2010 the DFID-funded harm reduction programme was implemented by the UN Office on Drugs and Crime.

Men who have sex with men — Men who have sex with men (gays, bisexuals, transgenders and others — referred to in South Asia as the Third Gender) are stigmatised and discriminated against by Nepali society. They are very vulnerable to contracting HIV as unprotected anal sex has a higher probability of HIV transmission than unprotected vaginal sex, they are rejected by society and their families, have little access to information and are more likely to have multiple concurrent partners without using condoms. The latest survey (2009) reports that 3.8% of MSM are HIV positive. Male sex workers are a particularly vulnerable sub-group and are also targeted by the programme.

In 2010, 31,887 MSM and male sex workers were reached for the first time by peer educators and outreach educators with safe sex and other HIV prevention messages and support including informing them and referring them to HIV testing and STI treatment services. A further 70,662 MSM and male sex workers were 're-reached'.

People living with HIV — Most PLHIV face severe health, psychological and livelihood challenges. The weakness of their immune systems means that they have increased vulnerability to many infections and diseases, whilst their medical problems and discrimination make it hard for them to earn a living. All these problems combine to undermine their self-confidence and often cause depression.

In 2010, 2,786 people living with HIV, including Ram Bahadur (see Box 8.1), received care, treatment and other forms of support through 22 community-based care homes run by PLHIV-led NGOs. These homes provide their clients with a range of medical and psychological support. Also, in 2010, 350 PLHIV and ex-injecting drug users established small enterprises as a result of support received in 2009 from the programme. This has enabled them to support their families and maintain their standard of living.

Box 8.1: DFID-supported NGOs provide valuable services to migrants, their wives, people living with HIV and injecting drug users

STI cure transforms a couple's fortunes — Mohammad is a peer educator with the Student Awareness Forum (BIJAM). This NGO was supported by UNDP/DFID to raise awareness about HIV amongst actual and potential labour migrants in Parsa district. One man he met in the course of his work told him that his son had failed a medical test for having a sexually transmitted infection (STI) and so had been rejected for a job abroad. At the father's request Mohammad saw the son and tried to talk about HIV and STIs; but the young man would not listen. Mohammad then met the son's wife with the father and talked to her about STIs. As a result she recognized she also had an STI and requested treatment and was advised to encourage her husband to seek treatment. Soon after her husband came to see Mohammad who referred him to Narayani Sub-Regional Hospital. They were subsequently cured and soon after the husband was accepted to work abroad.

Multiple support for an unfortunate young man — Ram Bahadur of Sindhupalchowk left home at seven years old and grew up on Kathmandu's streets. He started using drugs and became HIV positive from sharing needles and syringes. The following support from the NGO Youth Vision has helped him maintain a reasonable state of health whilst living with HIV.

In March 2008, he was admitted to Youth Vision's HIV Care and Support Centre and put on antiretroviral therapy (ART). As he suffered no serious side-effects he was discharged a month later. With support from the centre he continued his ART regimen, but after one year contracted TB. The centre helped Ram complete the full course of medicines and he was cured. Later he was referred to an income generating programme where he learned to drive. Further support went to treat his opportunistic infections and importantly to go and meet his family after many years. He overcame many of his fears and happily remade contact with his family and at the same time got hold of his citizenship certificate — a necessity for completing official procedures in Nepal.

Increasing access to services

Support provided under the current (Round 7) and previous (Round 2) Global Fund HIV grants has greatly improved access to HIV-related services in Nepal's public health system by establishing new HIV-related service centres, helping run existing centres, training staff and procuring HIV and STI supplies and equipment. The support has led to an increase from 53,198 to 140,905 in the number of HIV tests carried out over the course of the Round 7 HIV programme (late 2008 to mid-2010), whilst the number of people receiving ART has more than doubled over the same period (see Figure 8.1). Note that almost all ART and opportunistic infection drugs in Nepal are paid for by the Global Fund.

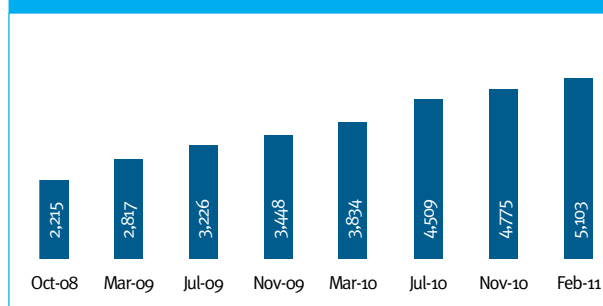
In 2010:

- New HIV testing centres were opened in Okhaldhunga, Sarlahi, Humla and Darchula hospitals. These centres also treat the STIs that are prevalent amongst people at risk of contracting HIV. The programme also paid for the running costs of all 61 centres and provided technical support and on-the-job training to service providers.
- New antiretroviral service centres were established in Tanahun and Dailekh hospitals and ART sub-centres in 8 hospitals thus bringing to 35 the number of ART centres and sub-centres under the public health system. Fifteen of the existing centres were refurbished. The sub-centres provide fewer services but make it easier for many patients to get their monthly supplies of antiretroviral drugs (see Box 8.2).
- 516 counsellors, laboratory technicians and other health staff were trained on HIV testing and counselling, treating STIs, and managing ART.
- The Nepal Red Cross Society was supported to ensure safe blood supplies in 50 districts (DFID support).

Box 8.2: A poor woman gets easier access to antiretroviral therapy

Maya contracted HIV from her husband who had become HIV positive whilst working in India. Her 10 year old daughter is also HIV positive. She started taking antiretrovirals and her daughter was put on cotrimoxazole. However, Maya found it a great burden to have to travel the long way to Bheri Zonal Hospital every month to get her drugs. The opening of an ART sub-centre in her district in March 2010 (in Bardiya District Hospital) means that she now has to spend much less time on her monthly visits and to get advice. The expense, frequent strikes and long distances make travelling difficult for poor people in rural Nepal. The opening of the new sub-centre has also taken a significant patient load from Bheri hospital allowing it to provide a better level of services.

Figure 8.1 | Number of people with advanced HIV infection receiving antiretroviral treatment (2008-2011)



In 2010, with the aim of upgrading the level of services provided by the government health system, 905 health managers, health workers and district AIDS committee coordinators (32% women) were trained on HIV programme management, skills for testing for HIV, treating STIs, and managing ART, HIV M&E and store management. The programme's support for developing, upgrading and translating treatment protocols, operating manuals and guidelines on the HIV/AIDS response, including the national guidelines on VCT and ART, into Nepali is important for assuring the quality of services.

UNDP also played a key role in 2010 in procuring medicines and other health commodities for the VCT and ART centres. It managed the procurement of \$1.4 million worth of drugs for treating AIDS, STIs and opportunistic infections; HIV test kits; condoms; needles and syringes and other medical commodities. Alongside this, 36 store managers were trained on forecasting drug supplies and managing ART supplies.

Strengthening the national health system

NCASC — Support from DFID was instrumental in building up the capacity of the National Centre for AIDS and STD Control (NCASC) — the government agency that leads the health sector response to HIV — towards it assuming the management role for major donor funding for HIV. This donor funding is principally from the Global Fund and the new Government-led prevention, care and support programme with pooled donor funding (Nepal Health Sector Programme — NHSP 2). This support produced an accelerated capacity development plan for NCASC, which was finalised in May 2010. The plan was then rolled out by the Indian

NGO SWASTI. SWASTI reviewed NCASC's institutional structure, developed new financial and administrative guidelines for NCASC, and carried out a training needs assessment on the basis of which training modules were developed on programme and sub-recipient management, monitoring and evaluation and financial management. Thirty-five key NCASC staff were then trained on these topics. These efforts led to NCASC being assessed for the first time as capable and eligible to be the principal recipient of the Phase 2 Global Fund Round 7 HIV grant.

Monitoring — Two initiatives funded by the Global Fund were completed in 2010 to improve the monitoring of the national response to HIV. The establishment of a database at NCASC and the HIV/AIDS Control Board allows for the systematic compilation of service delivery and other HIV related data across the country. The system's initiation happened alongside the revision of the reporting formats and the training of 295 district health staff on data entry. Also in 2010, the national curriculum on HIV/AIDS monitoring and evaluation was

finalised and rolled out at national and district levels by creating a team of trainers who trained 320 health staff at the regional and district levels.

In 2011

UNDP's HIV Programme Management Unit was due to scale-down its operations in March 2011 as the DFID grant ended and NCASC successfully passed the GFATM assessment for becoming a principal recipient. However, delays in the new pooled donor funded programme (NHSP 2) issuing contracts to NGOs led to DFID funding the unit to continue supporting the NGOs to run the comprehensive HIV support packages until mid-July 2011. The unit is maintaining responsibility for procuring equipment and medical commodities under the Global Fund Round 7 Phase 2 grant and for building the capacity of the Ministry of Health and Population's Logistics Management Division to taken on the procurement and supply chain management role for future Global Fund grants.

9. Gender equality and women's empowerment

The latest MDG progress report for Nepal shows the great progress made towards gender equality in the last twenty years (Table 9.1) with a greatly increased proportion of girls going to school, increased literacy amongst women and the large proportion of women members of the current Parliament. This progress has been matched by improvements in the legal and policy framework.

However, Nepali women still lag behind men on many development indicators. Women only have a limited role in decision making in many domains and especially in higher level positions. Nepal remains a largely male-dominated society especially in the more conservative parts of the country and amongst certain caste and religious groups. Gender-based violence and the lack of independent incomes (see bottom indicator in Table 9.1) remain as serious constraints. There is also the major challenge of implementing the new laws and policies especially in terms of the large attitudinal changes needed to bring this about.

Progress on gender equality MDG
Table 9.1: (MDG Progress Report, 2010)

| Indicators | Status | |
|--|--------|-------|
| | 1990 | 2010 |
| Ratio of girls to boys in primary education | 0.56 | 1.0 |
| Ratio of literate women to men aged 15–24 yrs old | 0.48 | 0.83 |
| Proportion of seats held by women in national parliament | 3.4% | 32.8% |
| Share of women in wage employment in non-agricultural sector | 18.9% | 19.9% |

UNDP recognises that gender equality and women's social, economic and political empowerment are essential for Nepal's economic and social development and the achievement of all the MDGs. This write-up shows how UNDP acts for gender equality across its projects and highlights the major achievements in 2010 on reducing violence against women and incorporating women's viewpoints and rights into the new constitution.

Affirmative action for women

UNDP Nepal requires all its programmes to strive to reach women and reduce gender inequalities and, in many cases, to advocate for gender equality to be mainstreamed into government policies (see Box 9.1). The following eight projects made particularly notable contributions in 2010.

- Increased access to financial services** — The central objective of the Enhancing Access to Financial Services project (EAFS) is to provide financial services to rural women, most of whom have up to now been unable to access formal credit and saving services. Almost all the 97,880 new micro-finance clients reached by the partner financial institutions in 2010 were women.
- Enhanced role in local decision making** — The promotion of gender equality and social inclusion is at the core of how the Livelihood Recovery for Peace (LRP) project is being rolled out. Ninety-two percent of the members of the 350 community groups formed under LRP in 2010 were women and 87% of decision making positions in these groups were held by women. Also, the project insists that its partner NGOs hire women and members of excluded groups to provide opportunities to these people. Thus, amongst the project's field workers, 59% of youth volunteers and 42% of facilitators are women. Under the wetlands project (CSUWN), project advocacy led to the number of female chairpersons of project user groups increasing from 7 in 2009 to 17 in 2010.

- **Promoting women entrepreneurs** — The Micro Enterprise Development Programme (MEDEP) has helped many thousands of women develop independent incomes with 70% of the 5,416 new micro-enterprises created since 1998 being run by women. These include most of the soap and allo businesses featured in Box 5.2. In 2010, women made up three-quarters of the 8,385 potential entrepreneurs who completed MEDEP's entrepreneurship development course and the same proportion of the project's 5,078 technical skill

Box 9.1: Mainstreaming gender at the policy level

A key rationale behind many UNDP-supported interventions is to foster improved policies. In 2010, the strengthening the National Planning Commission (SNPC), QIPSI, and NAPA projects made the following contributions to more women-friendly policies:

Information for policy makers — Unlike previous versions, the MDG Progress Report, 2010 analyzed progress towards the MDGs from the gender equality perspective by including more disaggregated data by sex, by analyzing policies and programmes from the gender perspective under each goal and by suggesting policy interventions to address gender equality. The NPC project also supported the preparation of gender and social inclusion-responsive training materials for enumerators for the 2011 census.

Local governance — Lessons learned from implementing QIPSI have led to the government's blended block grant guidelines specifying that women must be included on local project user committees and supervision and monitoring committees.

Climate change — The findings of a study on the impacts of climate change from the gender and social inclusion perspectives were used to finalize the thematic assessments and final programme of action on climate change. Subsequently key recommendations of the NAPA action plan include ensuring the involvement of women and excluded groups in decision making processes at all levels and protecting women's rights during and after disasters.

trainees. Also, all the 72 enterprise development facilitators trained as enterprise trainers were women from poor families.

- **Increased participation in the electoral process** — The strengthening the Election Commission project (ESP) is promoting women's participation at all stages of the election process. Almost half the enumerators hired to carry out voter registration in 2010 were women whilst a project commissioned study made recommendations on how the commission could employ more women and encourage more women to vote at elections.
- **Protecting women from HIV** — Many of the wives of Nepal's more than 1.5 million labour migrants are at risk of contracting HIV during their husband's home visits. In 2010, 56% of the 447,293 migrants and their family members (mostly wives) reached with comprehensive HIV prevention packages were women. The DFID funded HIV project made substantial efforts to reach out to the previously neglected group of female injecting drug users, with 9% of all IDU clients admitted to care and rehabilitation homes being women.
- **Rehabilitating female ex-combatants** — As 30% of the 4,008 ex-combatants discharged in early 2010 were women, the UN Interagency Rehabilitation Programme (UNIRP) provided childcare and nutritional support for the many women discharges who had young children and took the rehabilitation packages. Amongst the four rehabilitation packages, 143 (57%) of the 252 ex-combatants who completed the micro-enterprise packages and 39% of the ex-combatants who took the health and education packages in 2010 were women.
- **Equal ownership for flood victims** — In 2010 the Koshi Early Recovery Project (KERP) handed over 235 new housing units to landless flood victims. These houses and the land they stand on were handed over to the joint ownership of husbands and wives (see Box 7.6), a large deviation from the usual practice in Nepal of only registering property in husbands' names.

Mainstreaming gender justice

Many Nepalese women suffer domestic violence, workplace harassment, early marriage, dowry-related violence, menstrual confinement, trafficking and other abuses. In 2010, the Enhancing Access to Justice for Consolidation of Peace in Nepal (A2J) project helped bring about a more women-friendly legal system and supported mechanisms to improve women's access to justice. The following activities

were implemented in partnership with UN Women, the Ministry of Women, Children and Social Welfare and the Nepal Police.

- Towards making Nepal's male-dominated legal system more receptive to women's legal needs, 125 judges and lawyers were trained on gender based violence and gender justice and 93 women law graduates were given coaching support that enabled them to pass the Bar and Public Service Commission exams (see Box 9.2).
- Legal aid desks established in 2009 with project support in Banke, Kaski, Kathmandu and Morang district police offices, have led to more women reporting gender-based violence cases to the police. In 2010, 29 police and female legal aid lawyers were trained on gender justice to enable them to run the desks, which provided counselling and legal assistance to 869 people (mostly women) on domestic violence cases.
- The 18 mobile legal clinics held in Sarlahi, Mahottari and Rautahat districts provided free legal counselling to 1,524 poor rural people, 80% of whom were women (see Box 4.3).
- The training of 120 civil society activists (mostly women) from 4 districts on transitional and gender justice has set the stage for them to form a network to support the many women victims of the 1996–2006 conflict.

To further raise the profile of the damaging effects of violence against women, the A2J project supported the Office of the Prime Minister and the Council of Ministers to organise a public awareness event and provide awareness raising materials for the 16-days of Activism Against Gender Based Violence, which was held from 25 November to 10 December 2010.

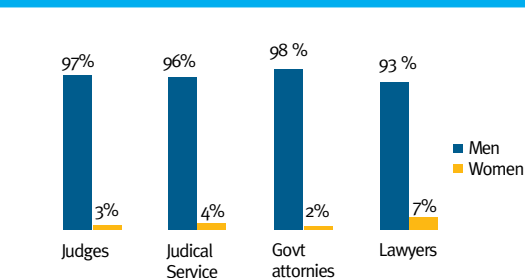
At the same time, the Nepal part of BCPR's *Advancing Gender Equality and Women's Empowerment in Crisis Countries* programme began. In 2010 this initiative organised an international seminar in Kathmandu that provided a valuable opportunity for sharing and learning on police responses to gender issues amongst police forces and activists from the Asia-Pacific region. This seminar has significantly opened up a space for female police officers to speak out on gender issues and advocate for better workplaces for women police officers. This initiative also supported the Nepal Police Academy to develop a curriculum on gender issues in regular police training

courses and trained 35 police trainers on teaching the curriculum. These trainers went on to teach 150 police officers from the women and children's service centres in police stations on this subject.

Other UNDP-supported projects also made progress on creating mechanisms to protect women from violence:

- Women's rights forums were set up in all LRP's 71 VDCs in Mahottari and Sarlahi. In 2010, 213 forum members were trained on preventing gender based violence and supporting victims. They started work in 2010, and in 2011 will team up with UNDP's access

Figure 9.1 Proportion of men and women in Nepal's legal system, 2010



Box 9.2: Increasing the number of women legal professionals



Nepal's legal system is male-dominated with less than one in ten court officials and lawyers being women (see Figure 9.1). One of the best ways of encouraging Nepal's legal system to be more sensitive and proactive for protecting women's rights is to encourage more women to become legal professionals. In 2010 the access to justice project provided one month's extra coaching to 23 women law graduates to take the Bar Council exam, all of whom passed, and to 70 women law graduates to take the Public Service Commission's final law and judicial service exams. This will enable them to enter the legal and judicial professions.

to justice project and UNICEF's mediation project to prevent gender-based violence and protect women victims.

- Advocacy by the human rights project (SCNHRC) led to the National Human Rights Commission setting up a gender and social inclusion division that began in 2010 to train commission staff on these issues, to review Nepal's implementation of the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and to provide legal advice on gender and social inclusion.



International seminar in Kathmandu on Gender-Responsive Policing in Post-Conflict Settings

Promoting the women's agenda in the Constituent Assembly

In 2009–2010 the Support to Participatory Constitution Building in Nepal project (SPCBN) made a major contribution to increasing the extent to which women's issues are being considered and women's voices heard in the drafting of the new constitution. In 2010, support to four networks of women's civil society organisations led to the production of a consolidated position on women's issues in the new constitution. These networks include women's organisations from 64 of Nepal's 75 districts.

Firstly the project supported two indigenous women's networks (NNIW and NIWF), a campaigning network (WomenAct) and a network of women politicians (WDN) to review the 11 thematic committee reports of the Constituent Assembly. Eleven workshops, 26 formal meetings and many more informal consultations examined 700 provisions related to women's rights. These reviews subsequently identified 144 areas of the 11 reports that either needed changing or were missing. These 144 points and the accompanying 100 justifications were published in early 2011 along with

a 16 point Women's Agenda for the constitution. This agenda provides a single focus for influencing the new constitution for women's rights including the points in Box 9.3.

The support to the Indigenous People's Caucus (see Chapter 3) and women's civil society networks were complementary as the indigenous caucus agreed to address indigenous women's issues in their analysis and recommendations. The reviews and sharing and compilation exercises helped overcome misconceptions on women's issues between indigenous and non-indigenous women and led to them agreeing on the Women's Agenda.

In 2010, SPCBN also:

- supported the cross-party Women's Caucus to prepare position papers on their priority agenda and run a workshop that improved the understanding of 64 parliamentary journalists on the role of the caucus and the importance of introducing provisions in the new constitution to safeguard women's rights; and
- trained 346 women assembly members and civil society activists on constitutional issues and skills for constitution building.

Box 9.3: Some of the main points from the Women's 16 Point Agenda

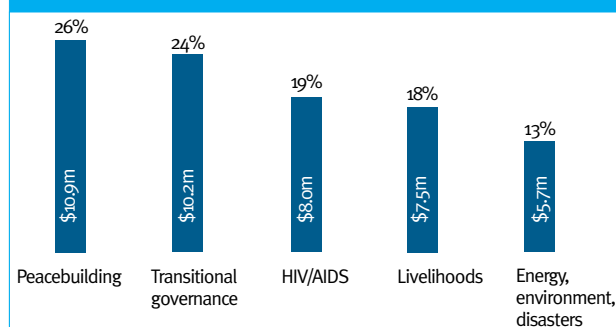
2. Women have equal rights to confer citizenship to their children
8. Women have equal rights to access, control and use of resources.
9. The state should ensure 50 percent participation/representation respecting women's identity and diversity.
11. The state shall recognize all forms of discrimination (racial, economic and social); and sexual violence and harassment towards women and children shall be defined as a crime and must be penalized and the state should organize a national campaign to end these practices.
13. The state shall stop discriminatory practices towards women, including witch-hunting, child marriage, unmatched marriage, dowry, Devaki, Badi and Kamlahari, as soon as possible.
15. The state should provide economic and social security to single women and women with disabilities.

10. Resources and partnerships

Expenditure trends

In 2010, the 35 projects supported by UNDP in Nepal spent a total of \$42,383,541 — a 15% increase on the previous year's expenditure of \$36.8 million (Figure 1.1). The highest proportion of expenditure went on the peacebuilding and transitional democratic governance projects (Figure 10.1). The highest spending projects were the election support project (ESP), which accounted for 15% of total expenditure (\$6.7 million), the DFID funded HIV/AIDS programme (\$5.5 million) and the constitution building project (\$5.2 million). Of total expenditure, 7.8% went on administrative and central management costs, almost the same as the previous year.

Figure 10.1 | UNDP 2010 expenditure



Funding sources and partnerships

Of the \$42.4 million spent, 46% came from bilateral and multilateral agencies (see Figure 1.2) whilst 42% came from UNDP core funding and UNDP's Bureau of Crisis Prevention and Recovery (BCPR). The largest donor partner was DFID, which funded 23% of the 2010 programme providing major support to the rehabilitation, constitution building, aid, election, trade, NAPA and other projects.

In 2010 new funding partnerships were entered into for the election project with DFID (\$1.4 million), AusAID (\$1.1 million), Norway (\$2.1 million) and the Danish Embassy (\$2.1 million), altogether contributing \$6.6 million for buying the equipment for the biometric voter registration campaign. Other major new funding was:

- \$970,000 from Norway for the constitution building project;
- \$770,000 from DFID to extend the HIV prevention treatment and care project;
- \$500,000 from SDC for the human rights project; and

- \$300,000 from DFID for the Strengthening Planning and Monitoring Capacity of National Planning Commission project.

To keep up the impetus on acquiring funds from non-UNDP core sources, in 2010 UNDP Nepal developed its first ever resource mobilization strategy. Another significant development was the establishment in August 2010 of a Project Implementation Support Unit (PISU). This office manages procurement and human resource processes for all UNDP implemented projects and the human resource processes of nationally executed projects. In addition the unit has successfully introduced new systems to assure compliance with UNDP's corporate guidelines and ensure value for money.

In 2010 the majority of the 35 projects (19 of them) were implemented by government and semi-government agencies whilst 15 were managed directly by UNDP and one by UNOPS. Joint programming with other UN agencies was expanded as UN Women joined the UN Joint Programme in support of LGCDP and also entered into a partnership with UNDP to address gender-based

violence under the access to justice project (A2)). The new Conflict Prevention Programme (CPP) saw UNDP joining with UNICEF and the UN Resident and Humanitarian Coordinator's Office to mainstream conflict sensitivity into their programmes. UNDP also facilitated the work of the UN Capital Development Fund (UNCDF) in Nepal for improved local governance under the Joint Programme for LGCDP and for the Enhancing Access to Financial Services Project (EAFS). It also continued

its partnership with the Global Environment Facility by supporting it to run its Small Grants Programme. GEF is also an important donor as it funded three UNDP-supported environment projects (WTLCF, CSUWN and NAPA).

The range of UNDP's partners, from community user groups to government ministries, bilateral and multilateral donors, are listed in Table 10.1 by thematic area.

Table 10.1: UNDP Nepal's donor and implementing partners in 2010

| Thematic area | Partners |
|--|---|
| 1. Peacebuilding | Government of Nepal, Austria, British Embassy, the Constituent Assembly, Denmark, DFID, ILO, MoPR, Norway, RCHO, UNPFN, UNICEF. |
| 2. Transitional democratic governance | Government of Nepal, ADB, AusAID, British Embassy, Danida, DFID, ECN, Finland, JICA, MoF, MoLD, Netherlands, NHRC, NPC, SDC, the Supreme Court, UNFPA, UNCDF, UNICEF, UNV, UN Women, user groups, 5 municipalities. |
| 3. Livelihoods | Government of Nepal, AusAID, DFID, Finland, HPL, MoCS, MoI, NRB, UNCDF. |
| 4. Energy and Environment | Government of Nepal, AEPC, DFID, Denmark, FAO, GEF, HPL, MoAC, MoEST, MoFSC, MoLD, MoI, MPU, NPC, UNEP, UNOPS, user groups. |
| 5. Reducing risks from natural hazards | Government of Nepal, AusAID, European Commission, DHL, Japan, MoHP, MoPPW, OCHA. |
| 6. Slowing the spread of HIV/AIDS | Government of Nepal, DFID, GFATM, HSCB, NCASC, MoHP. |

United Nations Volunteers

The United Nations Volunteers (UNV) programme is administered by UNDP and has provided operational and programmatic support to UN agencies in Nepal since 1974. In 2010 the UNV Country Office, under UNDP, continued to manage the UNV programme in Nepal and to facilitate the recruitment of Nepalese nationals to serve as international volunteers. A separate programme supporting UNMIN's peacekeeping mission in Nepal since 2007 was managed by a UNV Support Unit within UNMIN and involved 24 international UNV volunteers in 2010. UNV's engagement in UNMIN was scaled down during the year towards the end of UNMIN's mandate in January 2011.

The UNV Nepal Country Office is continuously expanding its activities with 2010 seeing a 35% increase in the number of volunteers assigned in Nepal compared to 2009, bringing the number of serving volunteers to 84 (59 international and 27 national). They were assigned to 10 UN organizations (UNDP, UNHCR, OHCHR, UNFPA, UNICEF, FAO, UNODA, IOM, UNOCHA and WFP).

Meanwhile, 119 Nepali nationals were serving as international UNV volunteers in 25 countries mostly in Africa and Asia.

In 2010 UNDP was the largest host agency in Nepal for UNVs:

- Ten female national volunteers assisted the partner municipalities of the Public Private Partnership for Urban Environment (PPPUE) project to enhance service delivery and private sector participation in delivering services. In 2011 a further 15 volunteers will be recruited for this project.
- Three national volunteers assisted the UN Joint Programme for LGCDP to support the government's National Development Volunteer Service (NDVS) to place national volunteers in 48 DDCs and 52 municipalities. These NDVS volunteers are working with the local bodies, citizens, communities and marginalized groups to make the local bodies more accountable for providing quality services on time.
- Fourteen international volunteers worked on peacebuilding, environment, disaster management, HIV/AIDS prevention and support for the UN Resident Coordinator's Office.

Annex 1: UNDP supported projects and programmes, 2010

| S.No. | Programme/project | Implemented by | Duration (all phases) | Funding contributed/committed (current phase) | | | 2010 expenditure |
|---|--|----------------|-----------------------|---|---|---|------------------|
| | | | | Project-wise | Donor(s) | Donor US\$ | Total |
| Peace building (6) | | | | | | | |
| 1. | Conflict Prevention Programme (CPP) | UNDP | Sept 10-Dec 15 | \$1,937,074 | UNDP BCPR | \$1,189,522 \$747,552 | \$223,708 |
| 2. | UN Interagency Rehabilitation Programme (UNIRP) | UNDP | Jun 10-May 12 | \$5,713,202 | UNPFN (only UNDP) BCPR UNICEF UNFPA ILO | \$5,020,440 \$692,762 via UNPFN via UNPFN via UNPFN | \$2,218,183 |
| 3 | Support to Participatory Constitution Building in Nepal (SPCBN) | UNDP | May 08-June 11 | \$15,444,538 | UNDP Denmark DFID British Embassy Norway BCPR Austria | \$6,299,806 \$2,600,000 \$2,757,930 \$1,005,748 \$1,731,696 \$770,418 \$278,940 | \$5,165,519 |
| 4 | Crisis Prevention and Recovery Support to Nepal (CPRSN) | UNDP | May 08-Dec 12 | \$2,631,019 | BCPR UNDP | \$2,358,078 \$272,941 | \$583,233 |
| 5 | Assistance to the Peace Process in Nepal (APPN) | UNDP | Jan 07-Jun 11 | \$8,034,700 | UNPFN UNDP DFID BCPR Norway | \$5,404,574 \$1,587,487 \$787,521 \$177,737 \$77,381 | \$1,422,739 |
| 6 | Support to Nepal's Transition through Improved UN Coherence | UNDP/RCHO | Nov 09-Oct 11 | \$4,102,809 | DFID BCPR Swiss/SDC AusAID UNPFN UNDP | \$1,984,624 \$750,000 \$643,276 \$419,463 \$200,000 \$84,000 | \$1,295,836 |
| Democratic transitional governance (10) | | | | | | | |
| 7 | Advancing Gender Equality and Women's Empowerment in Crisis Countries | UNDP | Aug 09-Aug 11 | | BCPR | Not thru UNDP Nepal | |
| 8 | Strengthening Planning and Monitoring Capacity of NPC (SNPC) | NPC | Oct 09-Sep 12 | \$754,651 | UNDP DFID | \$448,841 \$305,810 | \$274,759 |
| 9 | Strengthening the Capacity of National Human Rights Commission (SCNHRC) | NHRC | Aug 09-Dec 11 | \$1,596,874 | Finland Danida British Embassy SDC UNDP | \$560,709 \$393,700 \$323,188 \$186,754 \$132,523 | \$473,772 |
| 10 | UN Joint Programme for the Local Governance and Community Development Programme (LGCDP-JP) | MoLD | Apr 09-Dec 11 | \$2,948,977 | MDTF (DFID, Denmark) UNDP UNICEF UNFPA UNCDF UN Women UNV | \$2,077,842 \$871,135 Not thru UNDP Not thru UNDP Not thru UNDP Not thru UNDP Not thru UNDP | \$852,136 |

| S.No. | Programme/project | Implemented by | Duration (all phases) | Funding contributed/committed (current phase) | | | 2010 expenditure Total |
|-----------------------------------|---|-------------------|-----------------------|---|---|---|------------------------|
| | | | | Project-wise | Donor(s) | Donor US\$ | |
| 11 | Developing Capacities for Effective Aid Management and Coordination (Aid) | MoF | Jan 09–Dec 11 | \$982,392 | UNDP DFID | \$742,392 \$240,000 | \$504,394 |
| 12 | Institutional Strengthening and Professional Development Support for the Election Commission of Nepal (ESP) | UNDP | Aug 08–Jul 11 | \$8,761,556 | Norway Denmark DFID UNDP AusAid JICA | \$2,142,739 \$2,100,000 \$1,452,905 \$1,881,093 \$1,090,604 \$94,215 | \$6,173,115 |
| 13 | Enhancing Access to Justice for Consolidation of Peace in Nepal (A2J) | The Supreme Court | Aug 08–Dec 12 | \$2,715,171 | BCPR UNDP | \$1,600,000 \$1,115,171 | \$1,031,320 |
| 14 | Quick Impact for Peace Support Initiative (QIPSI) Phase 3 | UNDP | Oct 07–Dec 10 | | | Thru DLGSP | Thru DLGSP |
| 15 | Decentralized Local Governance Support Programme (DLGSP) | MoLD | Apr 04–Dec 10 | \$22,467,175 | UNDP Norway | \$11,936,954 \$10,530,221 | \$322,594 |
| 16 | Public-Private Partnerships for Urban Environment (PPPUE) Phase 2 | MoLD | Mar 02–Dec 12 | \$2,960,024 | UNDP ADB Netherlands UNOPS | \$2,291,616 \$493,408 \$150,000 \$25,000 | \$559,113 |
| Livelihoods (4) | | | | | | | |
| 17 | Livelihood Recovery for Peace (LRP) | UNDP | Aug 09–Dec 14 | \$9,167,000 | BCPR UNDP | \$4,667,000 \$4,500,000 | \$2,275,507 |
| 18 | Enhancing Access to Financial Services (EAFS) | NRB | Nov 08–Dec 12 | \$1,500,000 | UNDP UNCDF | \$1,500,000 Not thru UNDP | \$426,171 |
| 19 | Enhancing Nepal's Trade Related Capacity (ENTREC) | MoCS | Jun 06–Dec 10 | \$1,240,606 | UNDP IFTF DFID Finland | \$611,010 \$420,000 \$159,236 \$50,360 | \$115,680 |
| 20 | Micro Enterprise Development Programme (MEDEP) Phase 3 | Mol | 1998–Dec 11 | \$10,520,971 | UNDP AusAID HPL | \$6,505,616 \$3,715,355 \$300,000 | \$4,667,713 |
| Energy and environment (9) | | | | | | | |
| 21 | Poverty-Environment Initiative (PEI) | NPC & MoLD | Feb 10–Dec 12 | | UNDP, UNEP | Thru JP-LGCDP & SNPC | |
| 22 | Enhancing Capacities for Climate Change Adaptation and Disaster Risk Management (ECCCA) | MoAC/FAO | Sep 09–Aug 11 | | UNDP FAO | \$252,555 Not thru UNDP | \$154,294 |
| 23 | National Adaptation Programme of Action to Climate Change (NAPA) | MoEST | Nov 08–Mar 11 | \$1,325,000 | DFID Denmark GEF UNDP | \$875,000 \$200,000 \$200,000 \$50,000 | \$688,203 |
| 24 | Terminal Phase-Out Management | MoICS | Sep 08–Dec 10 | \$75,000 | MPU | \$75,000 | \$74,181 |
| 25 | Khimti Neighbourhood Development Project (KIND) | AEPC | Jul 07–Jun 11 | \$4,351,866 | HPL UNDP | \$3,659,319 \$692,547 | \$1,012,119 |
| 26 | Conservation and Sustainable Use of Wetlands (CSUWN) | MoFSC | Mar 07–Feb 12 | \$2,470,377 | GEF UNDP | \$1,964,895 \$505,482 | \$557,710 |
| 27 | Western Terai Landscape Complex Project (WTLCP) | MoFSC | Aug 05–Dec 12 | \$5,044,017 | GEF UNDP | \$3,312,278 \$1,731,739 | \$694,937 |

| S.No. | Programme/project | Implemented by | Duration (all phases) | Funding contributed/committed (current phase) | | 2010 expenditure Total | |
|-----------------------------|---|----------------|-----------------------|---|---|--|--------------|
| | | | | Project-wise | Donor(s) | | Donor US\$ |
| Energy and environment (9) | | | | | | | |
| 28 | Rural Energy Development Programme (REDP) Phase 3 | MoEST | Sep 96–Mar 11 | \$3,256,117 | UNDP | \$3,256,117 | \$957,138 |
| 29 | GEF Small Grants Programme (SGP) Phase 3 | UNOPS | 1996–Jun 14 | | GEF | Not thru UNDP | |
| Disaster Risk Reduction (4) | | | | | | | |
| 30 | Regional Climate Risk Reduction Project in the Himalayas (RCRRP) | UNDP | Oct 09–Dec 10 | | UNDP | Not thru UNDP | |
| 31 | Koshi Early Recovery Project (KERP) | UNDP | Sep 09 –Jul 11 | \$1,007,000 | UNDP BCPR | \$507,000 \$500,000 | \$565,595 |
| 32 | Earthquake Risk Reduction and Recovery Preparedness Programme (ERRRP) | MoPPW | Oct 07–Mar 11 | \$960,607 | Japan UNDP | \$602,870 \$357,737 | \$351,444 |
| 33 | Disaster Risk Reduction in Nepal (DRRN) | UNDP | Feb 08–Mar 11 | \$2,183,111 | UNDP European Commission AusAID, BCPR OCHA | \$804,473 \$774,164 \$380,680 \$181,336 \$42,458 | \$669,500 |
| HIV/AIDS (2) | | | | | | | |
| 34 | Scaling up Access to HIV Prevention, Treatment and Care (GFATM 7) | UNDP | Jan 09–Feb 11 | \$6,734,717 | GFATM Rd 7 UNDP | \$6,734,717 0 | \$2,478,385 |
| 35 | Support to the National Programme on HIV/AIDS (DFID) | UNDP | Feb 05–Aug 11 | \$29,135,392 | DFID GFATM Rd 2 UNDP AusAID | \$23,131,645 \$5,433,083 \$559,571 \$11,093 | \$5,478,396 |
| Programme monitoring | | | | | | | |
| | Implementation Support to CPAP | UNDP | | \$617,843 | UNDP UNCDF | \$617,843 Not thru UNDP | \$116,149 |
| TOTAL | | | | \$156,536,977 | | \$156,536,977 | \$42,383,542 |

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