

HELVETAS Swiss Intercooperation

Country Strategy 2011 – 2015



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List of Abbreviations

ADB	Asian Development Bank
AIN	Association of International Agencies
DDC	District Development Committee
DFID	Department for International Development
DoLIDAR	Department of Local Infrastructure Development and Agricultural Roads
GoN	Government of Nepal
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immune Deficiency Syndrome
ILO	International Labour Organisations
LGCDP	Local Governance and Community Development Programme
MDGs	Millennium Development Goals
NGO/INGO	Non-Governmental Organisation / International NGO
PACT	Project for Agricultural Commercialisation and Trade
PAF	Poverty Alleviation Fund
SDC	Swiss Agency for Development and Cooperation
SWAp	Sector Wide Approach
VDC	Village Development Committee
WB	World Bank

1. Executive Summary

Nepal is going through a historic process of transition. After more than two centuries of monarchy and a decade long armed conflict, the country has now been declared a 'republican, federal and secular' nation. However, political instability has continued with frequent changes of government and continuing stalemates between the leading political parties. Social justice, poverty, sluggish development and poor economic growth remain some of the main issues the country is facing.

In this context HELVETAS Swiss Intercooperation aims at contributing to improved living conditions of economically poor and socially discriminated men and women in Nepal. Addressing these needs HELVETAS Swiss Intercooperation Nepal follows the five working areas of the organisation at global level. Different projects are implemented under each of the working areas including water and infrastructure, rural economy, environment and climate, education and skills development, governance and peace. It will attempt to provide longterm continuity to the current projects through quality implementation, phase extensions with the same donors and the search for alternative funding after termination of project funding from the current donors. It will further seek opportunities to expand and increase the number of its projects under each of the working areas provided they fit into the strategic framework outlined in the Country Strategy.

In its role as an innovator, backstopper, monitor, trainer and coach, HELVETAS Swiss Intercooperation collaborates with government organisations, civil society and the private sector to support the primary stakeholders to adopt sustainable and diversified livelihoods, and local government and private/civil society organisations to deliver services effectively and in response to the rights of people. The initiatives target particularly disadvantaged people, i.e. the economically poor living on less than 3000 NRs monthly income per household member, or having less than six months food sufficiency, who also suffer from social discrimination based on gender, caste/ethnicity and regional identity.

HELVETAS Swiss Intercooperation will maintain its main focus on rural areas. First priority will continue to be given to hill areas, but activities will be expanded in the rural and peri-urban areas of the Tarai with now more than 50% of the population and an expanding rural non-farm economy. HELVETAS Swiss Intercooperation Nepal and the Swiss Agency for Development and Cooperation have agreed to continue to organize their common approach to capitalize on synergies and to risk and security management.

HELVETAS Swiss Intercooperation budgets between 15 and 16 Million Swiss Francs per year for the period between 2011 and 2015 for the implementation of the programme. This planned budget is challenged by increased competition from other international as well as national non-governmental organisations, changing approaches of the donors and the adverse attitude of some government organisations. However, the challenges will be met through continuous innovation, focus on core competencies and strengths, harmonization of approaches with other actors.

2. Introduction

This HELNETAS Swiss Intercooperation Country Strategy provides direction and steers interventions with regard to the programme's thematic orientation (including the content of the project portfolio), determines the main geographic intervention areas and provides guidelines about the allocation of funds.

The Country Strategy gives a brief description of the changing context (chapter 3), and then presents the future strategic direction (chapter 5) in order to define the future portfolio perspectives and an investment plan. Chapter 6 summarises the services provided by the five working areas and shows how the above-mentioned guidance function is to be fulfilled.

The second purpose of the Country Strategy is to inform the staff and partners about HELNETAS Swiss Intercooperation's interventions in the five working areas. An excerpt of this strategy will be converted into an easy-to-read brochure.

The Country Strategy 2011-2015 has been developed through a series of steps, in which a broad group of Helvetas and Intercooperation staff was involved. After agreeing on the process and the methodologies, the initial step was a series of workshops, during which representatives of the old working areas¹ of Helvetas Nepal carried out an assessment of its external environment, of strengths and weaknesses of Helvetas Nepal in general and their working area in specific, followed by a SWOT analysis for the working area and a summary of the lessons learnt from the past five years. A workshop was held as a next step with broad participation of the field staff to map out future strategic directions. In the wake of the upcoming merger between Helvetas and Intercooperation, the final workshop was run with participation of Helvetas Nepal senior programme staff, the Programme Coordinator at Helvetas in Zürich and staff of Intercooperation in Nepal. Feedback was obtained from the Swiss Agency for Development and Cooperation (SDC) Nepal and other stakeholders on an early draft.

3. Context

Politics, Conflict and Peace: Nepal is going through a historic process of transition, after emerging from a 10-year period of violent conflict and many decades of feudalistic rule. The conflict was driven, at least in part, by poverty and exclusion. A peace agreement was signed in November 2006. Elections for the Constituent Assembly were held in April 2008, and a Maoist-led coalition government was formed in August 2008. The newly elected assembly was tasked with drafting a new constitution. The Constituent Assembly is the most representative assembly so far in the Nepal's history, with a third of the members being women, and greatly increased representation from discriminated groups. Its first meeting abolished the 240 year-old monarchy, and declared Nepal a federal, democratic republic. However, political instability continues even after the Constituent Assembly elections owing to the frequent change of governments and a continuing stalemate between the major political parties. The fragility of the government(s) has led to an impasse, which has a wide impact on the country, including the development sector. Implementation of development projects is slow, and a large percentage of the development budget of the government cannot be spent. Impunity of human rights violations remains a major issue. Despite repeated commitments on the part of the major political parties, there has been no progress in holding the perpetrators of human rights violations accountable for their misdeeds. The Government of Nepal (GoN) has been pursuing a process of decentralizing power and resources to district and village government bodies within the framework of the Local Self-Governance Act. However, local governments (Village Development Committees (VDC), District Development Committees (DDC), municipalities) continue to be led and run by the civil servants appointed by the centre and not by the elected representatives, who would be accountable to their constituency.

Social justice continues to be the major issue in the context of Nepal's development. It is important to articulate and translate commitment for social security and social inclusion of the marginalized communities into development. The status of the majority of women has not changed, and new forms of exploitation are emerging while conventional ones have still not been tackled satisfactorily. In addition, very

¹ Infrastructure in Rural Areas, Sustainable Management of Natural Resources, Education and Culture, Civil Society and State

poor and marginalized communities are still far from being mainstreamed. The status of most Dalits has not changed. Conditions for the elderly, people with disabilities and the weak have not changed much either. The main tasks facing Nepal presently include: (i) Stabilize the political situation, including formulating a new constitution that embeds the recent transition of the country from a monarchy to a federal democratic republic and completes the peace process; (ii) Restructure the state (including translating the vision of federalism into a more practical reality) while increasing public trust in the government, and in that process, providing a peace dividend to the people; (iii) Re-energize the economy to capitalize on the more favourable political situation; (iv) Provide services in an inclusive manner so that the numerous disadvantaged groups can enter the economic and political mainstream of the national life.

Economy: Economic growth rates have remained between three and four percent during the past four years, which is well below the performance of Nepal's neighbours. The key constraints to growth² are political instability and insecurity, poor infrastructure and poor industrial relations. Industry's performance has been particularly limited by fuel and power shortages and frequent, sporadic labour tensions. The service sector, which seems less affected by political instability, has been the recent engine of growth. Tourism, telecommunication and social services were the main contributors. The construction sector, which is largely driven by remittance payments, also contributed significantly to the economic development and employment.

Employment: Only around four to five percent of young people report that they are unemployed. On the other hand, under-employment is very high: 63.3 percent of urban youths, and 36.3 percent of rural youth³ are reportedly under-employed. Current growth rates of the economy are not sufficient to absorb the 400,000 young women and men who enter the labour market every year. One of the main causes for the lack of productive employment lies in the low levels of education and skills young people bring with them as they compete in the labour markets. Less than 15 percent of those entering the labour market have acquired some kind of technical skills training.

Poverty: Nepal achieved remarkable progress in poverty reduction, as it declined from 42 percent in 1995/96 to 31 percent in 2003/04. Other socio-economic indicators also improved during this period, including access to roads, health services, schools and banks. An important factor contributing to reduced poverty has been migration and the income from remittances. The Human Development Report 2010 has acknowledged Nepal as one of the top ten movers in human development in the world with its current index at 0.428⁴. However, Nepal's economic growth and human development have not been inclusive, and the gap between rich and poor regions has widened. Urban poverty has declined to nine percent over the nine-year period, compared to 35 percent for rural areas. Poverty is particularly high at 45 percent in Mid-West Nepal. Poverty has been found to be closely linked with caste and gender. 46 percent of the Dalits, 44 percent of the Hill Janajatis, and 41 percent of Muslims live below the government-defined poverty line. As a further illustration: 85 percent of Madhesi Dalit women have no education, compared with less than two percent of Madhesi Brahmin/Chhetri men. Social exclusion remains the major cause for poverty, and was and is a key driver of conflict in Nepal.

Migration: Nearly one third of Nepal's male working population is estimated to be abroad, and India is the main destination. Though official figures do not exist, estimates of Nepalese working in India vary between one and two million. In addition, more than 300,000 workers leave Nepal annually for countries other than India. Malaysia, Qatar, Saudi Arabia, and the United Arab Emirates are some of the favourite destinations for Nepalese migrant workers. Officially recorded remittances rose to US\$ 2.7 billion (22 percent of GDP) in 2009 from US\$ 900 million (11 percent of GDP) in 2005. It is estimated that 30 percent of all households are receiving remittances. Growth rates of remittances were 39 percent between 2007 and 2009; this fell to 11 percent growth in 2010. The absence of a large number of young men from home impacts households and livelihoods. Details are not well understood; it is assumed that the workload of women in rural areas has increased, while labour input in food production and livestock rearing has fallen. In the absence of legal frameworks and legal support systems, migrants are vulnerable to fraud, exploitation and violence. Migrating women are particularly at risk.

² ADB, DFID, ILO (2009): Highlights Nepal: Critical Development Constraints

³ Nepal Labour Force Survey 2008

⁴ <http://hdrstats.undp.org/en/indicators/38406.html>

Agriculture: The contribution of agriculture to the national economy has been consistently falling over the past decades; for 2008, it has been reported to be 33 percent of the GDP. Yet, agriculture employs 78 percent of all informal sector employees, an indication for the low productivity of the sector. 82 percent of all young women and 61 percent of male youths find employment in agriculture. The main constraint to improving agricultural productivity has been a combination of factors in relation to subsistence agriculture: small landholdings, very limited and unequal access to irrigation (only 27 percent of the irrigable land is irrigated), insufficient technical support, and low investments. An increased market orientation of the sector is impeded in part by the factors just mentioned, as well as by the underdeveloped road network, and the limited knowledge that smallholder farmers have regarding the changing landscape of the market demands. The Government's expenditure on agriculture has fallen consistently over the years. In 2009, it was just six percent of the total budget (in 1970 it was 20 percent). The low government spending is a reflection of the donors' priorities over the past years: only around 3.5 percent of the total foreign aid between 2000 and 2006 was spent on the agricultural sector⁵. The long-term decline in agricultural investment has a severe impact on the ability of the sector to respond to increased demands for food.

Food Prices and Food Security: Food prices have remained high following significant rises at global level in 2008. Food prices increased on average by 17 percent in 2009, nearly double the country's inflation rate. In the areas with no access to the road network, food prices are 70 percent higher than in more accessible areas. About 29 percent of rural households are net buyers of food, and are particularly adversely affected by the food price increase. However, farm households, which are market-oriented and are net sellers of food, potentially benefit from the higher food prices. Supporting farmers to increase their productivity and adapt their farming to the erratic weather patterns must form key parts of future strategies for the development of the agricultural sector.

Forestry: Forests form an integral component of Nepal's natural environment and farming system. The national forest inventory estimates forest cover at 5.8 million ha (i.e. 39.6% of the country area). Community managed forests, especially in the mid hills, have made landmark achievements by greening degraded forest landscapes, securing the regenerative capacity of forests, and contributing to improved livelihoods of communities. Presently over 1.35 million ha of Nepali forests (around 25 percent of the total forest) are under community management, involving and benefitting approximately 10 million people (about 40 percent of the country's population). Well managed forests contribute to conserving soil and maintaining soil fertility, regulating climate and precipitation, managing watersheds and providing clean water, preventing or reducing landslides, erosion, floods, and drought. They supply a wide range of non-timber forest products. To harness these potentials, the government needs to provide enabling environment for local communities for secured tenure rights so that they continue to take a key role in forest protection and management. The private sector, including the finance sector, needs to strengthen its role in promoting a commercial and responsible management of forests.

Climate Change: Nepal will be disproportionately affected by climate change as the Himalayan ice caps and glaciers are melting. The increase in temperature due to global warming is double at high altitudes. Nepal is likely to experience more intense monsoons and dry seasons. If current climate trends persist, crop yields are expected to fall significantly. Farmers need to adapt to more erratic weather patterns, and adjust the way they produce crops: water management, selection of appropriate seed varieties, cultivation technologies, balancing the interface between livestock, forest and farm will be key aspects for maintaining farm livelihoods. Water resources need to be managed in an integrated way to reduce the risks and impacts of floods in summer and the impacts of drought during the dry season. There will be opportunities as well as risks: already, farmers are changing their crop selection, and are replanting orchards, where apples are not receiving the necessary chilling factor due to temperature increases.

Infrastructure: Power, transport and communication infrastructure remain severe constraints to economic development. During the past years, significant progress has been made towards providing better access to the road network for rural people. About 62 percent of the people have access to the nearest all weather road within 4 hours in hills/mountains and 2 hours in the Tarai. However, many of these roads were built with limited technical expertise, and a lack of financial provision for future maintenance.

⁵ USAID (2008): Nepal Economic Growth Assessment: Agriculture

The Government's National Development Strategy Paper gives a high priority to the management of the national transportation network.

Development Policy Environment and Actors: The policy environment for development initiatives is largely favourable. Overall development policies and plans [e.g. *National Development Strategy Paper* (NDSP), the *Local Self Governance Act of 1999*, the *Agricultural Perspective Plan (APP 1995 to 2015*, Nepal's *foreign aid policy etc.*] are guided by poverty reduction, inclusion and social justice. The Interim Constitution and laws require that overall governance is more inclusive, participatory and decentralized. Poverty monitoring and effective implementation of plans and programmes have been emphasized with the introduction of the Medium-Term Expenditure Framework and the Results-Based Development Management. The *Three Year Plan (2010/11-2012/13)* is being finalized.

Nepal is considered as one of the donor priority countries with some 40 multilateral, bilateral and UN agencies having their sizable presence in Nepal. The defined partnership between the government and donors is in line with the principle of aid effectiveness committed and reaffirmed through the Paris Declaration 2005 and the Accra Agenda for Action 2008. The donor community has expressed the following major concerns with the government: lack of ownership of donor funded development projects and programmes, poor governance, weak accountability and fragile political environment. As a response to these concerns, donors are sometimes working directly with local bodies, civil society organizations and community groups or are engaging INGOs and their consulting agencies. However, most of the donors realized that there is no alternative to strengthening the GoN systems and enhancing the institutional capacity of the government to make aid effective. There are some 200 INGOs of different sizes and priorities, which implement development projects. It is estimated that some 15,000 NGOs are registered and work with international donor's money, most of the time as implementing partners of INGOs, contractors, consulting firms and private companies. GoN is increasingly raising the issue of transparency, accountability and effectiveness of INGOs, NGOs and contractors. GoN plans to enforce various measures to streamline the aid channelled through INGOs. The national NGO community and GoN are very critical about INGOs' direct implementation role.

Swiss Development Cooperation has its focus set on two areas:

Inclusive local development:

- Access to income and opportunities through rural infrastructure;
- Use of natural resources with emphasis on value chains and marketing;
- Improve access to and performance of health services in the rural areas;
- Improve access to occupational skill development and employment;
- Support awareness building on issues of mobility and migration and HIV/AIDS.

Improving local governance:

- Strengthen accountability mechanisms of the local government;
- Support the management of planning, resource generation and allocation by local government bodies;
- Strengthen effective service delivery of local government;
- Strengthen internal democratic mechanisms and practices of political parties at the local level, and
- Make people aware of their rights and responsibilities towards the state.

DFID⁶ has set its focus on the following thematic areas:

- Support to the peace process and help improve public security
- Governance and an enabling environment for the private sector
- Growth and jobs
- Basic services (health)
- Education and support to skills
- Climate Change

⁶ DFID (2009): The UK Government's programme of work to fight poverty in Nepal

Nepal's progress towards achieving the Millennium Development Goals (MDG)⁷: Despite the decade-long conflict, Nepal has made considerable progress for a number of MDGs. They include the targets related to income and poverty, reducing under five mortality by two-thirds, reduce the maternal mortality ratio by three quarters, halt and reverse the spread of HIV/AIDS, halt and reverse the incidence of malaria and other major diseases and halve the proportion of the population without sustainable access to improved water source. Recently, the GoN received an award from the United Nations for its achievements related to MDG V, i.e. Improved Maternal Health. However, the country is lagging behind concerning the other MDGs. It is unlikely to achieve the goal on universal primary education. The hunger target is unlikely to be achieved. Nepal will probably not meet the targets of achieving full and productive employment and decent work for all and achieving universal access to reproductive health. The Human Development Report 2010 also recommends a greater focus on reviving agriculture with investments in rural infrastructure and public works, create a better environment for private-sector investment, reduce trade imbalances with major trading partners, and better utilization of foreign aid.

Assessing Development Funds: Donors increasingly award project funds to implementing organisations through competitive bidding. In some cases these processes are restricted to contenders located in Nepal, others are global. The financial volume and the complexity of development projects/programmes designed by the major donors have been increasing. Many of the large projects tendered for implementation invite bids for technical assistance, while the implementation is done through government structures. Strong management capacities, technical experience and strong teams for implementation are required to compete successfully for such projects. In many cases consortiums need to be formed. HELVETAS Swiss Intercooperation Nepal will, in future, participate in such tenders after careful selection, based on the competencies and capacities in the respective area, the relevance of the tendered projects to the Country Strategy, and the approach and principles proposed in the tender. HELVETAS Swiss Intercooperation Nepal will identify smaller donors (e.g. foundations) and maintain relations with them, to obtain funds for projects/programmes which enable it to further evolve the approaches, methods and innovate to enhance the benefits for disadvantaged people through its development interventions. Large projects/programmes implemented for instance by the GoN offer opportunities for collaboration and partial funding of its own projects (directly or indirectly for its primary stakeholders). Examples are PACT⁸ and PAF⁹. HELVETAS Swiss Intercooperation Nepal will carefully monitor opportunities for collaboration and funding, emerging from donors and their projects in Nepal and globally. Another trend to be observed is that national NGOs are getting stronger in terms of their managerial capacities and technical competencies. HELVETAS Swiss Intercooperation Nepal considers this development as positive and will continue supporting capacity building of NGOs also in future. However, the challenge will be to continuously innovate and evolve its work further, and offer exceptional services and competencies, which cannot be covered by national NGOs.

Opportunities and Challenges

In the current context as outlined above, new **opportunities** are emerging for HELVETAS Swiss Intercooperation Nepal to support disadvantaged people¹⁰ in their strive to improve their livelihoods, which are *inter alia*:

- There are large demands for: Rural infrastructure for an overall impact on development; clean water and sanitation to protect the health of the poor and discriminated people; natural resource management with particular focus on agriculture, irrigation and forestry for livelihood improvement; technical skill development and enterprising for employment, income hence livelihood improvement; access to markets and fair trade to increase income of farmers; enhancing communities' capacities to adapt to climate change and claiming their tenure and other rights; and abolish pervasive gender, caste, ethnicity and class based discrimination.

⁷ <http://www.undp.org.np/mdg/>

⁸ PACT: Project for Agricultural Commercialisation and Trade

⁹ PAF: Poverty Alleviation Fund

¹⁰ Disadvantaged people are those which are economically poor (have <six months food security or per capita income of less than 3'000 NRs (~1.25 US \$) per month) and socially discriminated (women, Dalits, Janajatis)

- The development policy environment in the country is favourable for development interventions by organisations like HELVETAS Swiss Intercooperation. Through the Local Self Governance Act, the government has expressed its commitment for devolution of power and resources from central to districts and village level government authorities. This has created more opportunities for citizens living in rural areas, including for disadvantaged people to actively participate in development initiatives. Devolution will also bring opportunities for right holders to hold duty bearers, service providers, politicians and development organisations accountable for what they promise and plan to do. HELVETAS Swiss Intercooperation Nepal will be able to make use of its experience in social mobilisation, facilitating local planning and empowering processes, as well as in facilitating the use of accountability systems.
- Donors move increasingly from scattered individual projects to a harmonized delivery system, aligning with the government system. Sector-wide approaches are operating for trail bridges, education and health. SWAPs are planned for rural roads and rural water supply and sanitation. A harmonised approach is practiced for employment-oriented skills development. With HELVETAS Swiss Intercooperation's long and in-depth experience in some of these sectors, opportunities will emerge for providing technical assistance and support for developing SWAPs and providing technical assistance during their implementation.
- Some sectors of the economy are growing, particularly services and construction. The demand for skilled people has been increasing. Young women and men from disadvantaged families have opportunities for gainful employment if they have acquired the skills that are in demand in labour markets. Foreign labour markets demand skilled labour, and in particular young men have opportunities to generate significant incomes.
- Erratic food prices, changing climatic patterns and a stagnating agricultural sector have shifted food security high on the development agenda of the country. The government has identified market orientation of the agricultural sector as a major thrust area in its NDSP¹¹. Innovative and integrated approaches are required to enable in particular those who are disadvantaged to improve their food security sustainably through enhancing agricultural productivity and strengthening other sources of household income for instance from skilled labour.
- Significant changes in livelihood patterns have increased the demand for food products in consumer markets in Nepal. Small farmers can benefit from this development as long as they can manage risk factors, such as knowledge about markets and market development, irrigation, technical know-how and linkages with markets.
- Conservation and management of forests will be high on the development agenda of Nepal during the coming decades, particularly in the context of shifting climate patterns. HELVETAS Swiss Intercooperation Nepal has a long experience in working with community forestry, with a particular focus on governance of community forests, sustainable forest management, forest based value chains and facilitating the development of a policy enabling environment.

HELVETAS Swiss Intercooperation Nepal will face the following **challenges** in its country programme 2011 – 2015:

- HELVETAS Swiss Intercooperation Nepal is one among many development actors in Nepal. It will continue focusing on its core competencies and strengths while harmonizing its approaches with other actors. For that it will maintain and expand its credibility with government, donors, national and local NGO partners, private sector agencies and communities.
- Implementation of development initiatives will continue to be challenging due to political instability and the absence of elected local government bodies. These local bodies are virtually dysfunctional.
- The attitude of GoN as well as the general public towards INGOs and development aid flow mechanism is becoming more critical and the government is thinking to enforce various measures to streamline the aid channelled through INGO.
- HELVETAS Swiss Intercooperation Nepal implements its country programme in an environment that carries many different types of conflict. The programme management must be conflict sensitive, understand and work on the conflicts, while acting impartially.

¹¹ NPC (2009). National Development Strategy Paper

4. Learning from Past Engagements

HELVETAS Swiss Intercooperation has been operating as an active development organisation in Nepal since 1956. Since then, the organization has implemented more than thirty mostly long-term projects in collaboration with governmental, non-governmental and private sector organisations. Some projects have lasted for more than thirty years, continuously adjusting to changing contexts, and have shaped working modalities and policies in the entire sectors (e.g. trail bridge sector). Many projects were and still are mandate projects of or co-financed by the Swiss Government.

The organization has gained extensive experience in the field of rural infrastructure, e.g. trail bridges, green roads, water resources management, rural water supply and sanitation and farmer managed irrigation systems. Its engagement in technical education, vocational training, enterprise development and employment has been a focus sector from the very beginning of its work in Nepal. With several years of encouraging achievements, it is continuing its interventions in promoting sustainable soil management techniques and decentralised agricultural extension, promoting production and marketing of coffee and the utilization of sandy riverbeds for vegetable production. It has further developed strengths and capacities in the fields of community forestry, in the area of governance of natural resources and on issues related to climate change mitigation and adaptation. It also has a proven track record in formulating different plans for different levels and sectors, e.g. district transport master plans, water use master plans, VDC periodic plans. It supports demand responsive funding mechanisms and works predominantly through local service providers in different field sites. Good governance is a cross-cutting theme and ensures downward accountability in all of its projects.

The organization invested about CHF 65 million to achieve the outputs and outcomes of the five-year country strategy 2006–2010. The main achievements can be summarised as follows:

- More than 80,000 people have access to safe drinking water, 60 percent of which have access to hygienic sanitation facilities; leading to better health and time gains for productive activities;
- More than 60,000 small farmers have access to water for irrigation; enhancing production;
- More than 2,000,000 people have directly benefited from new/maintained trail bridges, access to roads and foot trails; providing safe access to social infrastructure (health services, education, etc.);
- More than 200,000 people were directly involved in agriculture and forestry related projects; resulting in diversified and improved livelihoods;
- More than 170,000 people were directly involved in agriculture, forestry, processing, trading of products, producers and retailers of agriculture inputs; increasing their income;
- More than 40,000 people enhanced their technical and entrepreneurial skills; providing better incomes;
- More than 150,000 people benefited from awareness training programmes on good local governance, peace building, conflict management, trauma management, gender and HIV/AIDS.

Learning from the last Country Strategy 2006-2010:

The five year period of the last Country Strategy from 2006 to 2010 was characterised by a high degree of uncertainty and fragility. However, the period also saw new opportunities evolving: an increased assertiveness of poor people, a greater role of media in civil society, and central government striving to decentralize power and resources. The long presence of HELVETAS Swiss Intercooperation at the grass roots in the country, its image as a reliable and impartial partner operating with a low profile, and in close association with SDC helped maintaining adequate space for development in the field. Other important factors through which the organization could secure and widen its space for development were practicing a conflict sensitive approach to project management and its clear concentration on working with disadvantaged communities.

Working area specific lessons learnt:

- Community forestry was able to stop and reverse forest degradation. Community forestry required support in the areas of good governance, sustainable forest management, operating forest based

enterprises, equity and pro-poor livelihood. Local and central government needed to ensure enabling policies.

- The use of local resources – both natural and human - is essential for the success of project/programmes related to natural resources management.
- Special efforts are required to reach disadvantaged households, who often reside in remote locations and have low risk taking capacities.
- A step-wise, structured approach in infrastructure development helped communicating with the primary stakeholders.
- Disadvantaged people can generate a sustainable and significant income from selling agricultural produce in markets, provided they apply a business and market approach and establish partnerships with private sector investors and financial institutions.
- A differential incentive system and outcome-based payment provide a strong motivation for private sector training and employment service providers to include a large number of disadvantaged people in skills training and link them to gainful employment.

5. Strategic Orientation of HELKETAS Swiss Intercooperation 2011 - 2015

HELKETAS Swiss Intercooperation's Global Mission:

We support poor and disadvantaged people and communities in developing and transition countries who actively strive to improve their living conditions.

We consider sustainable development as societal process. Therefore, we render concrete assistance and, at the same time, contribute to overcome the causes of poverty in a sustainable manner.

Together with our partners, we engage in the protection of economic, social, political and cultural rights.

In Switzerland, we contribute to awareness-raising of challenges and processes in development policy, and speak up for a foreign policy characterised by solidarity.

HELKETAS Swiss Intercooperation's Global Basic Values:

We act on the basis of human rights.

We are committed to social justice, gender equality as well as equal rights of all human beings, independent of origin, language, religion, political conviction and sexual orientation.

We work in a collaborative manner on the basis of common aims and value systems.

We strengthen the self-reliance of our partners and other actors and respect their cultural identity.

We conversely expect respect for our own fundamental values.

Geographical Focus of HELKETAS Swiss Intercooperation Nepal

HELKETAS Swiss Intercooperation Nepal will maintain its main focus on the rural areas where more than 80% of the population resides. First priority will be given to hill areas where more than 40% of the population lives. Activities will be expanded in the rural and peri-urban areas of the Tarai which is now home to more than 50% of the population and the laboratory for an expanding rural non-farm economy.

HELKETAS Swiss Intercooperation Nepal and SDC have agreed to continue with the cluster approach and have a common approach to risk and security management. SDC takes the lead in the central/eastern cluster, while HELKETAS Swiss Intercooperation takes the lead in the mid/far western cluster. In terms of programme implementation, HELKETAS Swiss Intercooperation follows three different approaches, i.e.:

- *Districts with programmatic approach:* Achham, Dailekh, Kalikot and Jajarkot (mid/far western cluster led by HELKETAS Swiss Intercooperation); Ramechhap, Okhaldhunga and Khotang (central/eastern cluster led by SDC).

- *Districts with project presence (residential and non-residential):* Kanchanpur, Kailali, Bardiya, Banke, Bara, Parsa, Rautahat and Sarlahi. CoPP is currently supporting activities in nine districts, where coffee is considered to be a suitable crop for further promotion. Their district coverage is flexible and follows an internal phasing in and out modality.
- *National coverage:* Sector projects provide sector specific support on a national level. TBSU will continue its support to all 75 districts. The Employment Fund will work with service providers in a large number of districts in line with employment opportunities.

HELNETAS Swiss Intercooperation Nepal's geographic coverage is shown in Annex 1. The organization may add other working districts considering the high incidence of social exclusion and poverty, low concentration of development projects, long term funding possibilities and its own institutional competency.

Theory of Change

HELNETAS Swiss Intercooperation Nepal's interventions contribute to improved livelihoods of disadvantaged people in remote rural areas and some selected urban and peri-urban areas in Nepal.

Despite the poverty reduction achieved during the past 15 years, evidence suggests that recent economic growth is far from being inclusive. Poverty is still very high among certain groups of Janajatis, Dalits and minority groups such as Muslim communities. Hill and High-Hill areas, particularly from the mid and far-west are far from the benefits of development initiatives. Gender is also a significant poverty factor. Women lag behind men in most aspects (economic, social, political and legal) and at all levels of society.

The logical framework (see Annex 2) for the overall country programme quantifies and qualifies the outputs and outcomes to be achieved to address the development challenges of Nepal. Relevant indicators to measure success of the implementation are listed. The framework draws from the specific logical frameworks applicable for each project and provides an overall umbrella to the country programme.

The logical framework capitalizes on the learning over the past years. The reasoning is based on the 'Livelihood and Social Inclusion Concept'¹² with three Domains of Change:

- *Assets and Access to Services:* Tangible benefits for people in terms of infrastructure, food production, income, collectiveness, capacity, access to services, reduced vulnerability, etc.
- *Rules, Regulations and Institutions:* Factors which determine people's rights for increased access and their role in decision making and benefit sharing; in particular the rules and regulations that determine involvement of socially and economically disadvantaged.
- *Voice and Influence:* Capacity and strength of people, in particular disadvantaged people, to raise their voice, defend their rights and influence decision taking and benefit sharing

All three domains will be addressed for socially inclusive and sustainable development. They are reflected in the two expected outcomes for the Country Strategy.

Alignment

The Country Strategy 2011 - 2015 is aligned with GoN's development policies (refer to chapter 3 *Context*) and with the UN's **Millennium Development Goals**. The Country Strategy will contribute in particular and directly to MDGs 1, 3 and 7 (see also Annex 3):

MDG 1: Eradicate extreme poverty and hunger through improving access, better services, increased income from market-oriented agriculture, increased income from gainful employment outside agriculture and increased food sufficiency from improved on-farm practices. An explicit focus will be set on social inclusion.

¹² Livelihood Forestry Programme 2007

MDG 3: Promote gender equality and empower women through increased representation, by equity and gender, in all decision-making bodies at local levels, increased income through skill training and linking with gainful employment.

MDG 7: Ensure environmental sustainability through sustainable agricultural practices, community land management, integrated water resource management, drinking water and sanitation promotion.

HELNETAS Swiss Intercooperation Nepal's programme is aligned with the Swiss Cooperation Strategy for Nepal 2009-2012. It is sharing the guiding principles of SDC and will contribute to SDC's programme component 2: **contribution to inclusive connected local development.**

Development Goal and Expected Outcomes

Goal: Economically poor and socially discriminated men and women in Nepal have improved their living conditions.

Outcome 1: Economically poor and socially discriminated people adopt sustainable and diversified livelihoods.

Outcome 2: Local government and private/civil society organisations deliver services (effectively) in response to the rights of people, especially those who are economically poor and socially discriminated.

Credo of HELNETAS Swiss Intercooperation's Development Engagement in Nepal

All staff of HELNETAS Swiss Intercooperation Nepal adhere to a principled approach to development. It is best reflected in concrete terms through our attitude, respect and values in our daily work:

- Go to the people
- Live among them
- Learn from them
- Plan with them
- Work with them
- Start with what they know
- Build with what they have
- Teach by showing, learn by doing
- Not a showcase, but a pattern
- Not odds and ends but a system
- Not piecemeal but integrated approach
- Not to conform but to transform
- Not relief but release

HELNETAS Swiss Intercooperation Nepal and its staff have adopted this credo from James Yen, the founder of the Global Rural Reconstruction Movement, and bring it into their daily work.

Implementation Environment

- Unstable political situation likely to continue;
- Slow economic growth expected;
- Food insecurity is likely to increase;
- Increasing gaps in economic development between regions, and among castes and gender;
- Developing markets provide new opportunities for disadvantaged people provided that policies are enabling;
- Climate change will have negative effect to farming households.

Geographic Area

- Swiss supported clusters in Central and Mid-Western regions;
- Mid-Western region and Central Tarai;
- Districts for coffee promotion in Western and Central Hills;
- National coverage for selected sector support programmes.

Population

Disadvantaged people: economically poor people, i.e. living on less than 3000 NRs monthly income per household member, or having less than six months food sufficiency, who also suffer from social discrimination based on gender or caste/ethnicity.

Conflict sensitive programme management

- Staff safety as priority
- Basic Operating Guidelines
- Cluster approach for safe and effective development work
- Impartial, independent work
- Community-based, social inclusion focus, transparency

Mission

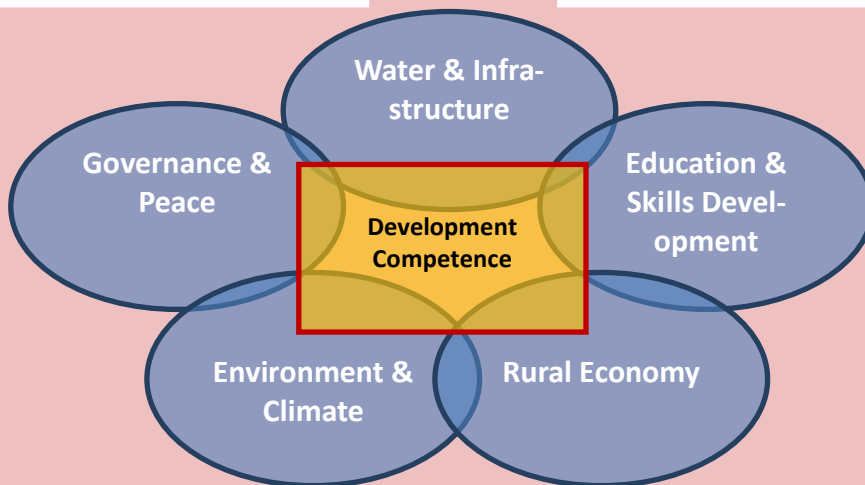
We support poor and disadvantaged people and communities in developing and transition countries who actively strive to improve their living conditions;

We consider sustainable development as societal process; Therefore, we render concrete assistance and, at the same time, contribute to overcome the causes of poverty in a sustainable manner. Together with our partners, we engage in the protection of economic, social, political and cultural rights. In Switzerland, we contribute to awareness-raising of challenges and processes in development policy, and speak up for a foreign policy characterised by solidarity.

Development Goal

Economically poor and socially discriminated men and women in Nepal have improved their living conditions.

Outcomes	Outputs
<p>1. Economically poor and socially discriminated people adopt sustainable and diversified livelihoods.</p>	<p>a. Improved access to infrastructure</p> <p>b. Sustainable management of natural resources</p> <p>c. Access to drinking water and sanitation</p> <p>c. Skill development for employment</p> <p>d. Enterprise development</p> <p>e. Climate change adaptation and mitigation</p>
<p>2. Local government and private/civil society organisations deliver effective services in response to the needs and rights of people, especially those who are economically poor and socially discriminated.</p>	<p>a. Transparency and Accountability</p> <p>b. Inclusive Planning</p> <p>c. Demand responsive service delivery</p> <p>d. Gender, Equity and Social Inclusion</p> <p>e. Policy dialogue</p>



HELVETAS Swiss Intercooperation Nepal implements projects and programmes in the five working areas. A list of the current projects and programmes is compiled in chapter 6.

6. Working Areas and Projects

HELVETAS Swiss Intercooperation concentrates on five working or technical focus areas. In these five areas, the organization offers competent cooperation as well as consulting services and provides specialised know-how based on long-term experience, networking, and a modern knowledge management system. Currently, the organization implements different projects under each of the five working areas as described below. Furthermore, the organization attempts to provide long-term continuity to these projects through quality implementation, phase extensions with the same donors and the search for alternative funding after termination of project funding from the current donors. In addition, the organization will further seek opportunities to expand and increase the number of its projects under each of the working areas provided they fit into the strategic framework outlined in this Country Strategy 2011 – 2015.

Water and Infrastructure

A major constraint for people living in the hill areas is the lack of infrastructure inhibiting their access to water for agriculture and human consumption, sanitation and hygiene to protect people's health, bridges, trails and roads to facilitate their access to ideas, services and markets.

HELVETAS Swiss Intercooperation will support GoN in implementing compliance monitoring of its policies on water and sanitation and local infrastructure development, which make the provision to devolve planning, implementation and maintenance of local infrastructures to local bodies and enhance their capacities in local infrastructure development. In line with these policies, the organization envisages to strengthen the role of local communities in the development of local infrastructures through its programmes.

Projects	Outcome 1	Outcome 2
Trail Bridge Support Unit (TBSU) <i>Coverage: Country-wide</i> <i>Funding source: SDC</i> <i>Period: 2011-2014</i>	<ul style="list-style-type: none"> Rural people have safe and improved access to health services, schools, markets, etc. 	<ul style="list-style-type: none"> GoN/educational institutions/private sector/communities have enhanced capacity Sub-sector is managed transparently
Rural Access Programme (RAP) (in Partnership with WSP) <i>Coverage: Terathum, Bhojpur, Sankhusabha, Khotang, Dailekh, Achham, Doti</i> <i>Funding Source: DFID</i> <i>Period: 2008-2013</i>	<ul style="list-style-type: none"> Rural people reduce poverty through road building, increased access, income generating activities, savings, and credit schemes, enhanced awareness 	<ul style="list-style-type: none"> Institutional capacity at central level (DoLIDAR), DDCs, VDCs and community level is developed Road construction, maintenance procedures, SWAp
Water Resources Management Programme (WARM-P) <i>Coverage: HELVETAS Swiss Intercooperation-led cluster</i> <i>Funding source: Own funds</i> <i>Period: 2010-2012</i>	<ul style="list-style-type: none"> Rural population has improved access to water, sanitation and hygiene 	<ul style="list-style-type: none"> Local organisations and local bodies have strengthened capacity to sustain demand driven service delivery Local capacity built to develop, update and implement Water Use Master Plans

Education and Skills Development

The high level of youth un-/underemployment is seen as one of the main reasons for discontent and unrest. The lack of opportunities for skill enhancement and employment are negatively affecting the attitude of young women and men. Training young people to acquire technical skills that are in demand in labour markets as well as in the areas of agriculture, forestry and craft for self-employment (entrepreneurship development and actually expanding the existing or starting new micro-enterprises) will significantly enhance their skills to enter into employment, which pays wages that help them to get above the poverty line.

HELVETAS Swiss Intercooperation Nepal will work with governmental, non-governmental organisations and the private sector for skills training including development and/or improvement of curricula and training materials, linking training with employment, market studies and for implementing safer and beneficial migration strategies.

Projects	Outcome 1	Outcome 2
Employment Fund (EF) Coverage: Country-wide Funding sources: DFID, World Bank, SDC Period: 2011-2014	<ul style="list-style-type: none"> Disadvantaged youths have an increased income from gainful employment 	<ul style="list-style-type: none"> Service providers are able to identify and deliver market relevant skills training
Skill Development & Employment in the Informal Sector (SEIS) Coverage: Kailali, Kanchanpur, Bardiya, Banke, Bara, Parsa, Sarlahi, Rautahat Funding source: EuropeAid/Own funds Period: 2011-2013	<ul style="list-style-type: none"> Disadvantaged youths have an increased income from gainful employment Skill graduates entering self-employment establish and operate viable businesses 	<ul style="list-style-type: none"> Training providers are able to link skills graduates with gainful employment opportunities
Elam Coverage: Parsa, Bara, Rautahat and Sarlahi Funding sources: Own funds Period: 2011-2013	<ul style="list-style-type: none"> Entrepreneurs in the informal sector enhance their business, resulting in higher turnover, increased income, more employment 	<ul style="list-style-type: none"> Micro-entrepreneurs have access to coaching, counselling and consultancy services locally through qualified enterprise service providers and micro-enterprise development fund
Elam Plus Coverage: Banke, Bardiya, Kailali, Kanchanpur Funding sources: Own funds Period: 2011-2013	<ul style="list-style-type: none"> Disadvantaged men and women in Kailali, Kanchanpur, Banke and Bardiya districts generate regular and reliable increased cash income through off-farm and farm enterprising activities 	<ul style="list-style-type: none"> Micro-entrepreneurs have access to support structures for social inclusive local planning, demand-responsive funding mechanism and sub-sector development of specific commodities at local level through MEDF

Rural Economy

Over 70 percent of the population of Nepal have their livelihood based at least in part on rural economies, particularly on agriculture. Lack of appropriate technologies for sustainable agriculture and forest management, efficient irrigation for food production and access to markets and affordable credit facilities are some of the main constraints of rural economies in Nepal.

HELVETAS Swiss Intercooperation Nepal will work with local government authorities, communities and single households to enhance the productivity through improved and ecologically sound production

technologies including irrigation and soil management. Smallholder farmers will be linked to markets based on an inclusive value chain approach. More innovations will be initiated with the 'Market Works for the Poor' approach. Organic agriculture will be developed as a niche for selected commodities and pocket areas and the experiences will be used in policy dialogue. It supports the institutionalization of local service provider systems, through which disadvantaged people can obtain technical extension services. In the Tarai there is a focus on providing access to land resources for landless and land-poor farmers through riverbed farming.

Projects	Outcome 1	Outcome 2
<p>Local Infrastructure for Livelihood Improvement (LILI) Coverage: <i>Swiss clusters</i> Funding source: <i>SDC</i> Period: <i>2009-2013</i></p>	<ul style="list-style-type: none"> • Small farmers and disadvantaged groups manage and maintain farmer-managed irrigation systems and derive benefits in an equitable way 	<ul style="list-style-type: none"> • DDCs/VDCs, Local Service Providers and Local Resource Persons respond to priority needs for farmer managed irrigation systems
<p>Riverbed Farming for Landless and Land-Poor (Rbf) Coverage: <i>Kailali, Kanchanpur, Banke, Bardyia</i> Funding source: <i>Worldbank/Own funds</i> Period: <i>2011-2013</i></p>	<ul style="list-style-type: none"> • Landless and land-poor have a better income from sales of produce cultivated in riverbeds 	<ul style="list-style-type: none"> • DDCs and VDCs support landless and land-poor to gain ensured access to riverbed land for cultivation
<p>Coffee Promotion Programme (CoPP) Coverage: <i>Palpa, Parbat, Gulmi, Syangja, Kavre, Sindhupalchowk, Lalitpur, Kaski and Nuwakot</i> Funding source: <i>Own funds, PACT</i> Period: <i>2011-2013</i></p>	<ul style="list-style-type: none"> • Smallholder coffee farmers obtain a reliable and significant income from the sale of coffee 	<ul style="list-style-type: none"> • Groups (cooperatives) have been capacitated to operate their internal control system (ICS) and trade directly with fair trade partners • The cultivation of organic coffee ensures that groups of smallholders occupy a profitable market niche
<p>Sustainable Soil Management Programme (SSMP) Coverage: <i>Swiss Clusters</i> Funding source: <i>SDC</i> Period: <i>2011-2014</i></p>	<ul style="list-style-type: none"> • Smallholders and disadvantaged households benefit from sustainable soil management practices linked with improved production technologies and have seized new production opportunities 	<ul style="list-style-type: none"> • Government institutions (VDCs, line agencies like DADO) institutionalized decentralized agricultural extension to bring agricultural services to smallholders and disadvantaged groups

Environment and Climate

Natural resources build the backbone of Nepal’s economy and their sustainable management and use is a prerequisite for sustainable growth. Improved governance of forestry resources and clearly defined and secured local communities’ tenure rights will be instrumental for this, as well as for disadvantaged people to benefit from sustainable harvesting and sale of forest products in an equitable way. Nepal is expected to be negatively affected by the impacts of climate change, for which the communities need to actively increase their resilience and preparedness through strengthened climate change adaptation capacity; and also climate change mitigation remains an issue of high importance.

HELVETAS Swiss Intercooperation Nepal continues to support community forestry to safeguard tenure rights of forest dependent local communities, good forest governance and sustainable forest management as well as the sustainable harvesting and marketing of non-timber forest products. The organization tests new approaches to climate change adaptation at community level for later up-scaling. For this purpose, its intra-organizational capacity in the field of climate change adaptation and mitigation is being developed through better understanding of the issue at organisational level, through pilot implementation of activities in the field and through involvement in the policy dialogue.

At present HELVETAS Swiss Intercooperation Nepal implements a pilot project related to environmental education and adaptation planning of school children and community forestry user groups, but will make further efforts to develop a strong portfolio within the duration of this Country Strategy based on upcoming project opportunities and technical assistance as well as through the development of innovative ideas and approaches and their implementation in the working area.

Governance and Peace

Lack of good governance in almost every sector and level has had a negative impact on development and human dignity. HELVETAS Swiss Intercooperation Nepal considers the interaction between the state, specifically local government bodies, and its citizens as a crucial building block of democracy. Democratic governance is held up by the principles of inclusion, equality and diversity. Safe labour migration to other countries for employment is another important concern.

HELVETAS Swiss Intercooperation Nepal will contribute to reducing exclusion and inequalities through better governance structures and practices, which includes civic education and local service systems. It will further build up self-confidence and a feeling of responsibility among those excluded for conflict transformation and peace building at local level and create more of an enabling environment for those trapped in poverty through inclusive local level planning, pro-poor budgeting and resource allocation. HELVETAS Swiss Intercooperation Nepal addresses the issues through all the projects/programmes as a cross-cutting issue and devotes a special focus on the issue through a dedicated governance project. Issues related to overseas labour migration and seasonal migration to India will be addressed by dedicated projects.

Projects	Outcome 1	Outcome 2
<p>Linking Smallholders with Local Institutions and Markets (LINK) <i>Coverage: HELVETAS Swiss Intercooperation-led Cluster</i> <i>Funding source: Own funds</i> <i>Period: 2011-2013</i></p>	<ul style="list-style-type: none"> Local governments implement annual plans based on the requirements of the citizens, particularly the requirements from disadvantaged people. 	<ul style="list-style-type: none"> Disadvantaged people are dynamic actors in agricultural and non-timber forest product value chains.
<p>Safer Migration Initiative Nepal (SaMi) <i>Coverage: Khotang, Sarlahi</i> <i>Funding source: SDC</i> <i>Period: 2011-2012</i></p>	<ul style="list-style-type: none"> Women and men from Khotang make informed decisions about their foreign employment migration 	<ul style="list-style-type: none"> The MoLTM and other key stakeholders act on priorities to improve the implementation of foreign employment policies

7. Implementation Approaches

Role of HELVETAS Swiss Intercooperation Nepal

HELVETAS Swiss Intercooperation Nepal is mandated with the implementation of the Nepal country programme. The actual, field-based implementation is mostly done by the local partners (local authorities, civil society organisations, and private enterprises). The organization takes on the role of a backstopper, monitor, trainer and coach, **innovator** and for quality assurance and to ensure optimal implementation of its programmes. The organization develops new tools, instruments, approaches and methods that contribute to a better and more effective achievement of goals and outcomes, and which will be field tested, piloted, and shared with partners and stakeholders for wider implementation.

HELVETAS Swiss Intercooperation Nepal has gained experience in managing development funds for specific tasks, for instance for financing technical skills development and linking them with employment. It has also developed processes and procedures, training and support modules and payment modalities to ensure the effective use of such funds.

HELVETAS Swiss Intercooperation Nepal has assumed the role as a technical advisor to the government for the implementation of its projects in the infrastructure sector and it contemplates to expand these roles in future.

Approaches / transversal themes

HELVETAS Swiss Intercooperation Nepal has defined approaches and transversal themes for its overall programme. They help to take into practice the overall HELVETAS Swiss Intercooperation “Principles for Development Engagement”. The **working approaches** listed below are not exhaustive, capitalize on previous learning and highlight the main focus over the next years:

- ***Poverty Orientation, Gender and Social inclusion:*** HELVETAS Swiss Intercooperation Nepal will further strengthen its focus on socially discriminated and economically poor people under its defined disadvantaged people approach. The collection of disaggregated data by socio-economic cohort (poverty, gender, caste) will be integrated into all the development work with local partners. Additionally, investments and benefit flows will be assessed by socio-economic cohort. These innovations in social inclusion monitoring will be done in close coordination with other organizations at local and national level.
- ***Human Rights Based Approach:*** HELVETAS Swiss Intercooperation integrates human rights principles in project design, implementation and monitoring of its policies, programmes and projects, particularly the principles of equality and non-discrimination, participation and empowerment, accountability and the rule of law and indivisibility and universality. It commits itself to *empower the rights holders* (citizens, with particular priorities on poor and marginalized groups) to realize their rights and to *strengthen the duty bearers* (mainly state, sometimes private sector) to comply with their rights and duties.
- ***Demand-led service provision and funding:*** Funding mechanisms will be promoted for the procurement of services by communities in line with their priority needs and demands. Modalities will be developed for pro-poor service delivery with safeguards in place to ensure that the poorest are not further disadvantaged but are involved as full participants in development activities (e.g. by piloting voucher systems for the socially disadvantaged). Local funding mechanisms will be coordinated with a broad forum of local stakeholders until widely accepted, elected local bodies of government are in place to take the lead hence giving an opportunity to the organization to capitalize on its experiences with local extension funds, decentralization of trail bridge funding, and outcome-based payment modalities for training and employment.
- Responding to the fragile political and socio-economic context, HELVETAS Swiss Intercooperation Nepal will implement its programme through a ***Conflict Sensitive Programme Management*** approach. Transparency in all operations and budgets, compliance with the Basic Operating Guidelines, communication with all local actors, coordination among development agencies, social inclusion, reaching remote areas and focus on tangible benefits form integral parts of its development work at local level. The organization will increase its efforts to make constructive contributions to lo-

cal peace building and to integrate these into its operations and programmes. A large part of conflict sensitive programme management and peace building are closely linked to best development practice and must become integral parts of our work rather than add-ons. Above all, staff and partner safety is given the highest priority.

- *Programmatic approach at local level:* Sector-specific development work will be linked to cross-sector coherent planning, monitoring and implementation. This will be done at village and district level through coherent planning, implementation and evaluation in partnership with local development actors (e.g. civil society organizations, private enterprise, projects, and elected bodies of government). Coordination will be done with district level bodies of government while wider implementation with and through local bodies of government will only be initiated once widely accepted, elected bodies of government are in place. The programmatic approach, in particular at local level, is a core element of the engagement in supporting decentralization and local governance with an effective linkage between civil society, the state and the private sector.
- *Sector-wide coordination:* The main partners, SDC and DFID, support the harmonization among development agencies and projects through coherent sector-wide programmes and/or coordination at national level. HELNETAS Swiss Intercooperation, at international level and in Nepal, recognizes the need and potential benefits from aid harmonization while it argues for a case-by-case assessment of its added value and risks. The sector/sub-sector projects in the sectors of trail bridges, drinking water and sanitation, agricultural extension, commodity development (e.g. coffee), and vocational skill training will contribute to harmonization among sector initiatives. However, HELNETAS Swiss Intercooperation will strongly advocate for and emphasize in its work the coherence of national sector strategies with the need for decentralization of services, devolution of authority and local fund management in line with local self-governance objectives. It will continue its efforts towards strengthening local NGOs and private local service providers as demand-led implementers of development, while supporting governmental agencies as facilitators at central and local level.

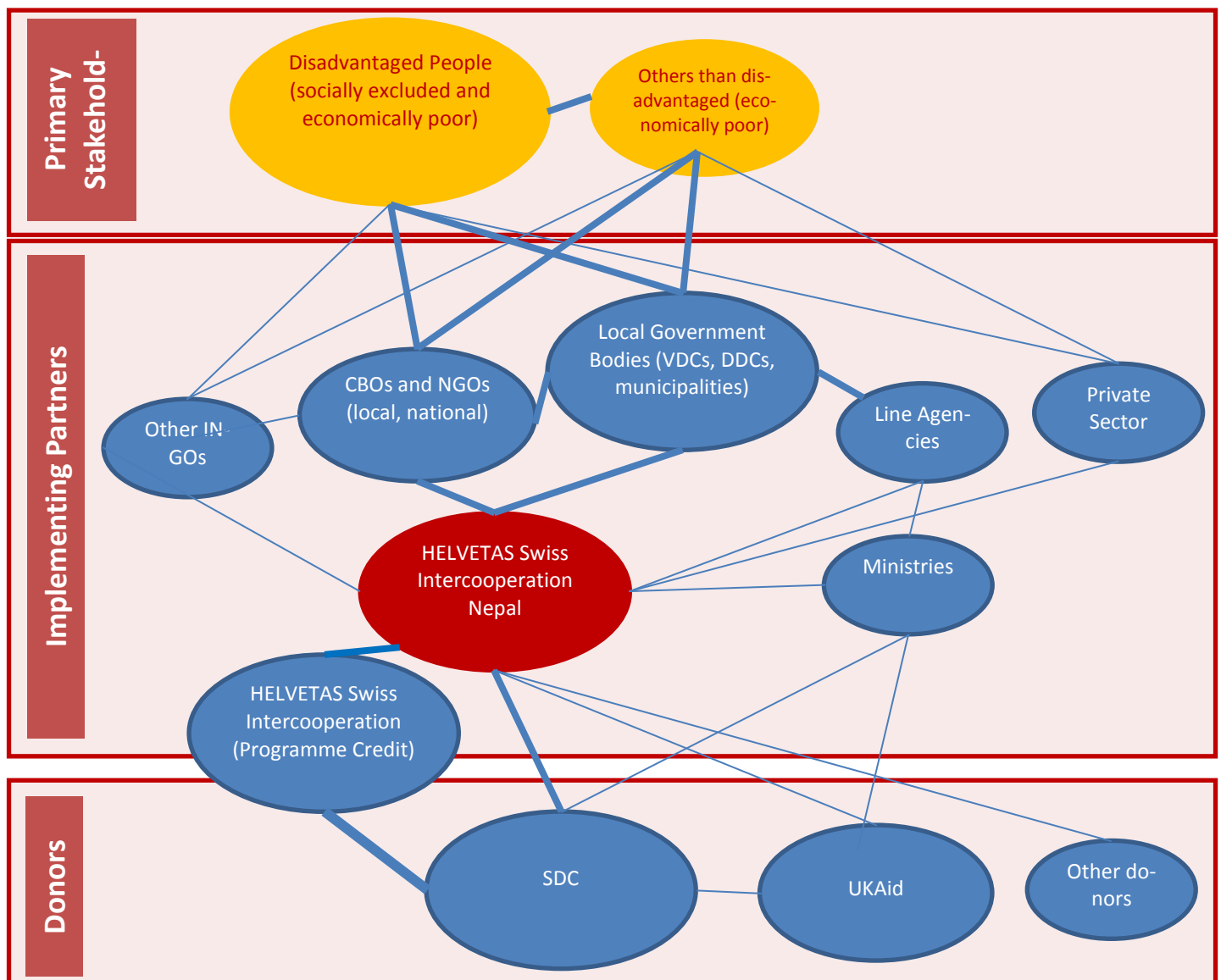
Transversal themes:

- *Equality between men and women:* HELNETAS Swiss Intercooperation Nepal will strive towards reaching equality between men and women within the organization and within the context of the development work it is doing. It is pursuing this theme by enhancing the gender balance within the programme team, setting a target of at least 30 percent of all leadership positions to be taken up by women by the end of 2015. It will take affirmative action in staff selection process. Further, it will operate an internship programme to expose young people from disadvantaged backgrounds to the development work and retain them whenever possible through schemes and instruments that still need to be developed. It will promote women within the organization through its human resource development plan and we will update and implement the Gender Equality and Social Inclusion Guidelines within the organization and in projects. It will continue to support a policy of ensuring a proportional representation of women in local management and decision making groups.
- *Knowledge sharing and innovations:* HELNETAS Swiss Intercooperation Nepal recognizes the importance of knowledge sharing within the organization, with partners and stakeholders, and the wider development community. Development work is a complex task, involving not only technical expertise but a sophisticated appreciation of the social, ecological, economic and political environments, within which development work takes place. This is all the more important in the current fluid situation in Nepal. Knowledge sharing provides the base for learning and development within the organization. It strengthens the organization's on-going work along with the capacities of the organization and partners to work together in promoting and supporting self-determination of poor and marginalized groups. It will establish capacities within the Programme Coordination Office to strengthen knowledge sharing and learning processes among projects, with partner organizations and stakeholders and the wider development community. Methods and tools will be further refined and used in close collaboration with the knowledge manager at its head-office in Zurich. It will provide a conducive framework to foster and encourage innovations within the programme. Innovative ideas will be considered; promising methods and approaches will be actively supported.

- **Advocacy and downward accountability:** Many of HELVETAS Swiss Intercooperation’s projects already practice public audits, public hearing and public review with communities. Methodologies have been developed, which are documented in manuals. It will further refine its tools for downward accounting and use them consistently in all projects. Development partners, including the Government will be invited to participate in these public audit events. It will lobby with local and central government to adopt this practice on a wider scale.
- **Policy dialogue:** A particular strength of HELVETAS Swiss Intercooperation Nepal has been its long involvement in specific thematic areas in Nepal, its presence and involvement at the field level and its strong partnerships with local organizations. It has been considered a serious and competent dialogue partner by policy making institutions at the local and central level. In thematic areas common to the SDC, it will seek the participation in policy dialogue through or in close coordination with SDC and will provide its field experience to SDC and DFID for their advocacy work.

8. Stakeholders and Partners

HELVETAS Swiss Intercooperation Nepal works with multiple partners to achieve maximum impact at the level of the primary stakeholder groups, the disadvantaged people of Nepal. The figure below presents an overview of its development partners in relation to the primary stakeholders.



Right Holders or Primary Stakeholders

Poverty in Nepal has its roots mostly in social exclusion, gender discrimination and remoteness. Poverty is concentrated in specific ethnic, caste and minority groups, particularly those of the so called “lowest caste” (Dalits) and some indigenous peoples. Gender is also a significant factor in poverty. Women lag behind men in most aspects (economic, social, political and legal) and at all levels of society.

The HELKETAS Swiss Intercooperation Nepal Country Programme will focus on basic human rights and livelihoods to ensure equitable access for women and men, in particular disadvantaged people. In this context our primary stakeholders are defined as follows:

Disadvantaged people are the economically poor people (living on less than 3'000 NRs monthly income per household member, or having less than six months food sufficiency), who also suffer from social discrimination based on gender, caste/ethnicity and regional identity¹³.

HELKETAS Swiss Intercooperation ensures that people living in poverty in the working areas are also included in the programme activities. It is estimated that about 60 percent of the primary stakeholders belong to the economically poor and socially discriminated (disadvantaged) groups, while the remaining 40 percent are economically poor.

HELKETAS Swiss Intercooperation Nepal generally works with these right holders through local level community-based people's organizations as the base for demand-led development. These organizations may be founded on social relation (e.g. by gender, caste, age), economic interest (e.g. ginger, coffee), common property (e.g. forest, drinking water) or other common interest. Traditional power relations often dominate the dynamics in community-based organizations and processes. Thus, HELKETAS Swiss Intercooperation supports the emergence of new or the transformation of existing local organizations, which advocate for social inclusion, economic development and social justice.

Duty bearers and implementation partners

HELKETAS Swiss Intercooperation Nepal believes that government institutions need to practice their role as duty bearers, while civil society organisations need to take their role in supporting communities to implement development initiatives. HELKETAS Swiss Intercooperation Nepal supports these development partners and contributes to building their capacities so that they can fulfil these roles competently and effectively. It links and collaborates with partners from the public, civil society and the private sector in order to achieve the expected goal and outcomes of the programme and to create sustainable impacts. Partnerships are being forged not just for implementation, but also for creating complementarities and synergies between the organisations and in order to enable HELKETAS Swiss Intercooperation Nepal, which collaborates with partners on the basis of mutual accountability, transparency and joint learning, to upscale its concepts, models and approaches.

An increasing role will be taken over by the local government institutions in implementation, in review and monitoring and with regard to resource contribution. All HELKETAS Swiss Intercooperation Nepal projects maintain collaborative linkages with national and/or local bodies of government for coordination and overall sector development. All projects are implemented under Agreements with the Ministry of Finance and have Steering Committees in coordination with the responsible sector ministries for monitoring and guiding the projects. Local bodies of government will remain the main partners for facilitation and coordination of all district-level initiatives. The relationship will be strengthened through the district-level programmatic approach.

HELKETAS Swiss Intercooperation Nepal works in partnership with national NGOs in three areas: (1) As resource organizations to support the development of local capacities (e.g. expert NGOs on vegetable production or social organization), (2) As development partner with the purpose of joint learning on gender and economic development; on advocacy and local services for the most disadvantaged; on

¹³ Regional identity denotes people's origin, i.e. 'mountain-people', 'hill-people' or 'Tarai/Madhesh-people'

saving and credit for poverty alleviation and self-reliance; on programmatic development approach by NGOs, and (3) As national advocates (e.g. on human rights, social equity). The rights-based approach to development will be further strengthened in collaboration with such national organizations.

HELVETAS Swiss Intercooperation Nepal considers the private sector as an important and competent actor in market-oriented production. Experiences indicate that private enterprises may be better positioned to organize marketing channels and to sell produce than farmer organizations (producer cooperatives), in particular in case of perishable products with wide price fluctuations (e.g. vegetables). Development projects may strengthen marketing linkages between actors for demand and supply matching, fair pricing or related concerns. HELVETAS Swiss Intercooperation Nepal will explore possibilities of partnerships with other big projects (e.g. LGCDP, PAF, PACT) as found appropriate.

HELVETAS Swiss Intercooperation will continue to work in partnership with Rights and Resource Initiatives (RRI). It supports networking among INGOs through the Association of INGOs in Nepal (AIN) with the objectives of (1) Common response to development issues, (2) Co-ordination of development work and approaches among organizations, and (3) Joint advocacy for the independence of civil society organizations in the country.

Partnership with donors

HELVETAS Swiss Intercooperation Nepal considers its donors not just as institutions providing funds, but as partners in the development dialogue. It will seek the dialogue with donors to exchange on thematic areas to benefit from the experience of the donor. Through a joint dialogue and debate complex issues can be advanced and resolved. The main donors are SDC, DFID, bilateral and multilateral organisations and development banks. HELVETAS Swiss Intercooperation Nepal intends to focus its collaboration with SDC over the next years on the following: (1) Maintain the common cluster approach; (2) Take the long experiences in trail bridge building and forestry towards an effective, multi-donor sub-sector approach; (3) Integrate the experiences gained in soil and crop management and in agricultural extension and irrigation into the agricultural sector; (4) Contribute to a more effective vocational training sector based on concrete experiences from the Employment Fund; and (5) Piloting initiatives to make foreign migration safer and rewarding. Other opportunities to jointly implement initiatives of common interest will be further explored. HELVETAS Swiss Intercooperation will strengthen the partnership with DFID to contribute more effectively in the areas of vocational training, employment and in other appropriate sectors of common interests.

In addition, HELVETAS Swiss Intercooperation Nepal will continue to explore possibilities of partnership with other donors, small or large, with whom the purpose, value and principles match and a partnership allows innovations.

9. Resources and Management

Human Resources

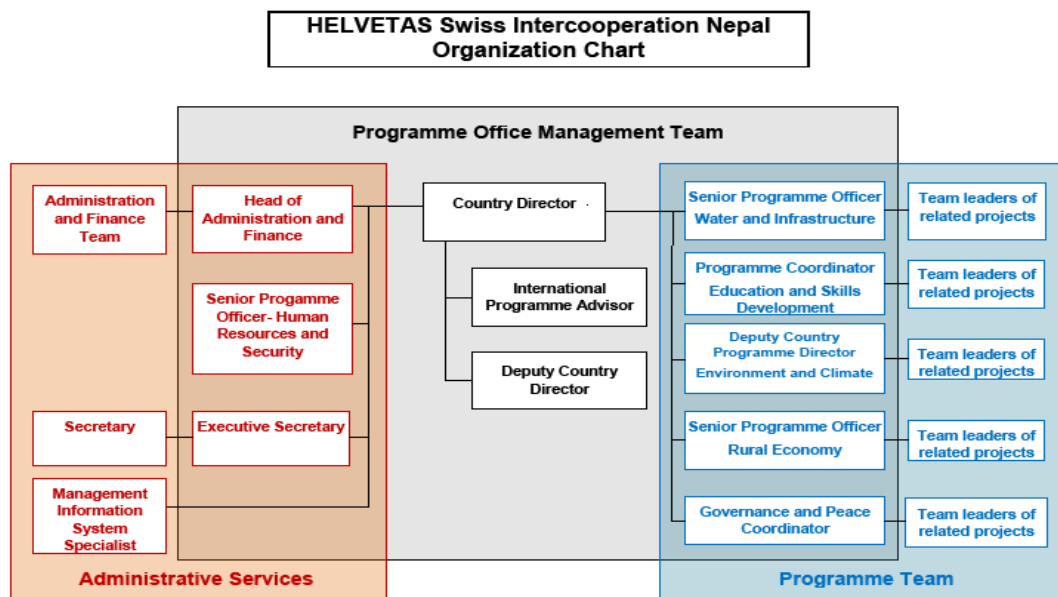
The experience, dedication and development vision of staff working with HELVETAS Swiss Intercooperation Nepal are the basis of the organisation's recognition in Nepal. A team of Nepalese staff together with a few international advisors will implement the country programme 2011 - 2015. The management will analyse and monitor requirements for staff and specific expertise and encourage staff to enhance their qualifications according to the evolving needs of the country programme.

Although HELVETAS Swiss Intercooperation Nepal has one of the highest proportions of Dalit and Janajati staff among its employees (based on a comparison among international agencies), it has yet to bring a proportionate number of Dalit, Janajati and women into senior positions in the organization. Thus, explicit efforts will be made to hire and promote persons from socially discriminated groups through the workforce diversity approach practiced by all SDC mandated projects and HELVETAS Swiss Intercooperation Nepal. Additionally, provisions for internships will be expanded to promote the entry of young professionals from socially discriminated groups into the organization.

Apart from the overall organisation's management, HELVETAS Swiss Intercooperation Nepal expects technical support to working areas, support in acquisition and fund-raising, and support for transversal themes such as knowledge management from the Head Office in Zurich.

Programme Structure

The overall structure of HELVETAS Swiss Intercooperation Nepal is outlined in the figure below.



Programme Management Team = Programme Office Management Team + Project Team Leaders

Strategic matter in the Programme Office will be discussed by a team consisting of the Country Director, the Deputy Country Director and the International Programme Advisor. For working area specific strategic matters the respective Programme Coordinator or Senior Programme Officer will be included in the discussion process.

Financial Resources

The overall budget for HELVETAS Swiss Intercooperation Nepal will be around CHF 15 million per annum over the next three years and is expected to remain at that level during the period of this Country Strategy (see table below). For details see Annex 4.

HELVETAS Swiss Intercooperation Nepal Budget Overview (2011-2015)					
	2011	2012	2013	2014	2015
Total Swiss Francs	15,376,000	14,799,500	15,997,500	14,229,000	15,150,000
Working Areas					
Water and Infrastructure	19.7%	18.6%	19.2%	24.3%	25.4%
Education and Skill Development	41.6%	41.1%	37.2%	18.3%	18.5%
Rural Economy	31.5%	29.8%	29.7%	34.4%	34.7%
Environment and Climate	0.1%	2.0%	3.8%	10.5%	9.9%
Governance and Peace	6.6%	7.8%	9.7%	11.6%	10.9%
Programme Office and Small Projects	0.5%	0.6%	0.4%	0.8%	0.7%

10. Monitoring and Evaluation

The HELVETAS Swiss Intercooperation Nepal Country Strategy provides a framework for the period of January 2011 to December 2015. The logical framework, including performance indicators, is presented in Annex 2. **Monitoring** will be conducted with the set indicators as presented in the framework. The implemented projects will have to contribute to the programme outcomes and outputs. The values for the indicators defined here will be collected by projects as part of their annual and half annual progress reporting on outcomes and compiled and analysed separately in the Programme Coordination Office. A suitable system for monitoring is currently being evaluated and adapted to the realities of HELVETAS Swiss Intercooperation Nepal. In addition HELVETAS Swiss Intercooperation Nepal reports performance indicators as set by HELVETAS Swiss Intercooperation in Zurich.

The indicators and the logical framework will be revisited in 2013 as part of a **mid-term review** of the programme achievements, the situation in the country, and the understanding with SDC and DFID, the two main funding partners.

HELVETAS Swiss Intercooperation Nepal will undergo a **Strategic Controlling** by two board members in 2012.

Projects prepare Yearly Plans of Operations and Half-annual as well as Annual Progress Reports, on the basis of which the Programme Coordination Office prepares the overall Yearly Plan of Operations and the Annual Progress Report for the HELVETAS Swiss Intercooperation Nepal country programme. The Programme Office is currently updating the guidelines for the Yearly Plan of Operations and the progress reports.

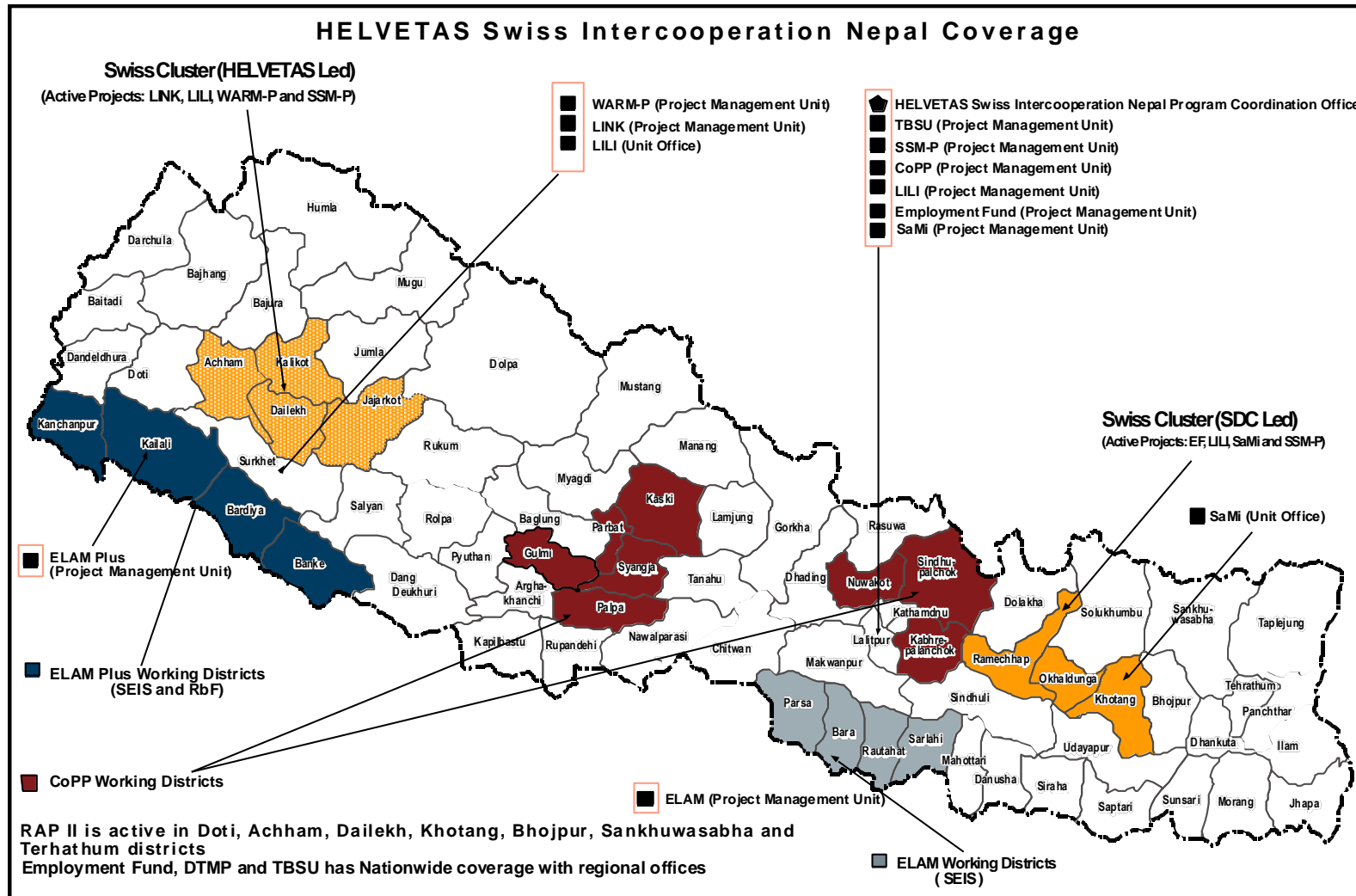
Outcome monitoring, quarterly review and planning will be continued by all projects with the attendance of the Programme Coordination Office. Project reviews or evaluations will be implemented as outlined in each project document or as agreed with the respective donors.

All financial transactions of HELVETAS Swiss Intercooperation in Nepal will be audited by a class 'A' auditing firm appointed by its head-quarter in Zurich on an annual basis. The same will be recognized as statutory audit by the GoN. In addition, its finance section will conduct internal audits of all its projects at least once a year with the purpose to ensure compliance with organizational policy and procedure and effective utilization of funds. HELVETAS Swiss Intercooperation Nepal will conduct or facilitate additional audits as required by any specific donor funding.

For security and risk management context, monitoring will be conducted every three months, in addition to the monthly local risk assessments in the Swiss cluster areas. Programme adaptations may follow in consequence.

HELVETAS Swiss Intercooperation Nepal will investigate the possibility of conducting a **peer review** by another HELVETAS Swiss Intercooperation country office in late 2014 or early 2015.

Annex 1: Map showing HELVETAS Swiss Intercooperation Nepal's working districts



Annex 2: Logical Framework of HELVETAS Swiss Intercooperation Nepal Country Strategy 2011 – 2015

Development Goal	Verifiable Indicators	Means of Verification	Assumptions and Risks
<p>Economically poor and socially discriminated men and women in Nepal have improved their living conditions.</p>	<p>In the Western cluster working districts of HELVETAS Swiss Intercooperation the under 5 mortality rate has reduced by 5% in 2015 (baseline 2011).</p>	<p>District statistics</p>	<p>The peace process moves toward a new constitution and federalization without the public security situation deteriorating further, and development space is secured.</p>
	<p>By 2015, in working VDCs of HELVETAS Swiss Intercooperation the expenditure of VDC block grants reaches at least the provision of the Government regulations, particularly with respect to the provisions for disadvantaged groups.</p>	<p>Project reports</p>	
	<p>The percentage of people below poverty line (i.e. whose income is less than \$1 a day) reduced by 5% in 2015 in the districts where HELVETAS Swiss Intercooperation has three or more than three residential project interventions (baseline 2011).</p>	<p>Baseline</p>	
	<p>50,000 individuals generate at least minimum income as defined by the Government of Nepal after skills development.</p>		
	<p>400,000 people in 80,000 households involved in value chains supported by HELVETAS Swiss Intercooperation are able to make an additional income or increase in food security and are above poverty line as defined by the Government of Nepal.</p>		
	<p>The number of climate change related hazard affected people in project VDCs does not increase over the period of this programme.</p>		
	<p>The public and the media perceive district government line agencies and local authorities (VDCs and DDCs) related to HELVETAS Swiss Intercooperation as service oriented and transparent.</p>		
	<p>The learning of HELVETAS Swiss Intercooperation projects and programmes is reflected in relevant policies of the Government of Nepal at central or local level.</p>		

Outcome 1	Verifiable Indicators	Means of Verification	Assumptions and Risks
<p>Economically poor and socially discriminated people adopt sustainable and diversified livelihoods.</p>	<p>20,000 farmers operate new farmer managed irrigation schemes fed by different water sources covering 2,800 ha of irrigated land.</p>	<p>Project reports</p>	<p>Safe access to all working areas in target districts and respect for Basic Operating Guidelines</p> <p>Communities are able to provide their contributions according to the guidelines</p>
	<p>40,000 people in 8,000 households maintain direct access to water sources from 200 new water projects.</p>		
	<p>40,000 people in 8,000 households maintain access to sanitary facilities.</p>		
	<p>30,000 households market non-timber forest products and cash crops including vegetables according to a group business plan benefitting 150,000 people.</p>		
	<p>10,000 landless/land poor households affiliated in 500 community groups produce vegetables on riverbeds.</p>		
	<p>4500 people in 1100 households reduce their vulnerability from negative impacts of climate change plan climate change adaptation according to a newly developed approach.</p>		
	<p>10,000 farmers maintain organically certified production systems.</p>		
	<p>80% of 60,000 skill training graduates are in gainful employment or have started their own business.</p>		
	<p>3,000 potential migrants and returnees have access to in-depth information about protection from deception and fraud.</p>		

Outcome 2	Verifiable Indicators	Means of Verification	Assumptions and Risks
<p>Local government and private / civil society organisations deliver services (effectively) in response to the rights of people, especially those who are economically poor and socially discriminated.</p>	<p>40 % of the VDCs in the HELVETAS Swiss Intercooperation led cluster implement annual plans based on their periodic plans and allocate money according to at least the national provisions.</p>	<p>Project reports</p>	<p>VDCs continue to receive block grants.</p>
	<p>300 VDCs allocated resources through Agriculture, Forestry and Environment Committees to undertake agricultural extension for the promotion of sustainable agriculture.</p>	<p>Workforce diversity report</p>	
	<p>20 VDCs implement Water Use Master Plans developed partly with their own resources.</p>	<p>Partner review report</p>	<p>The Local Self Governance Act remains valid.</p>
	<p>All partnering civil society organizations (including HELVETAS Swiss Intercooperation itself) implement a gender and social inclusion policy with the target to reach proportionate representation of social groups and in terms of gender.</p>		
	<p>33% of all leadership positions (e.g. team leader, senior project/programme officers) in HELVETAS Swiss Intercooperation projects are taken up by women.</p>		
	<p>33% women representation is maintained in all user groups supported by HELVETAS Swiss Intercooperation.</p>		
	<p>Each group supported by HELVETAS Swiss Intercooperation included at least one member from discriminated groups in a key group position.</p>		
	<p>All projects and partner organisations (including VDC and DDC) conduct annual public hearing/audit or other relevant measures to foster transparency and accountability</p>		
	<p>Trail bridge technical, social as well as managerial norms as defined in the National Policy „Trail Bridge Strategy auxiliary to the Local Infrastructure Development Policy“ are adhered to by all DDCs.</p>		
	<p>The Government of Nepal ensures secured tenure rights of resource dependent communities through the implementation of appropriate policies and legal framework</p>		

Annex 3: Millennium Development Goals: Contributions by HELVETAS Swiss Intercooperation Nepal

The table below presents an assessment of the present status (MDG Report 2010, UNDP/GoN) and outlines contributions of the HELVETAS Swiss Intercooperation Nepal country programme towards the achievements of the MDGs. Some of HELVETAS Swiss Intercooperation Nepal's interventions go beyond the MDGs and are not included in this table.

Resolutions under MDG		Assessment of Contributions
#	Targets under the MDG for 2015 (Status as of 2010 Nepal MDG-Report)	Main contributions to MDGs
1	Eradicate extreme poverty and hunger	Major direct focus; to be tackled through improving access, better services, improved technologies and skills with explicit focus on social inclusion and the development of local service providers
1.A	Halve the proportion of people whose income is less than \$1 a day (Status: Likely going to be achieved; supportive environment fair)	<ul style="list-style-type: none"> ❑ 48'000 individuals generate at least a minimum income as defined by the GoN after skills development ❑ 400'000 people in 80'000 households involved in value chains supported by HELVETAS Swiss Intercooperation are able to make an additional income or increase in food security and step above the poverty line as defined by GoN
1.B	Achieve full and productive employment, and decent work for all (Status: Unlikely to be achieved; supportive environment weak)	<ul style="list-style-type: none"> ❑ 18'000 farmers operate 350 small irrigation schemes, covering 2'500ha of irrigated land ❑ 30'000 households market cash crops including vegetables according to a group business plan benefiting 150'000 people ❑ 10'000 farmers maintain organically certified production systems
1.C	Halve the proportion of people who suffer from hunger (Status: Potential to be reached; supportive environment fair)	<ul style="list-style-type: none"> ❑ 40'000 people in 8'000 households maintain direct access to water sources from 200 new water projects ❑ 40'000 people in 8'000 households maintain access to sanitary facilities ❑ 10'000 landless/land-poor households affiliated in 500 community groups produce vegetables on riverbeds ❑ 80% of 60'000 skill training graduates are in gainful employment or have started their own business
2	Achieve universal primary education Ensure that children, boys and girls alike, will be able to complete a full course of primary schooling (Status: Likely to be achieved; supportive environment strong)	<i>Not a direct focus</i> Other projects and agencies focus directly on primary schooling. <ul style="list-style-type: none"> ❑ Indirect contributions are made through better access to schools through trail bridges and rural infrastructure, increased incomes in remote areas and social mobilization to remove non-physical barriers for socially disadvantaged people
3	Promote gender equality and empower women	Integral focus under various projects Tackled through specific initiatives linked to social mobilization, skills development and through mainstreaming a gender approach in all activities. Support to various local advocacy organizations.
3.1	Eliminate gender disparity in all levels of education	<ul style="list-style-type: none"> ❑ Migration due to poverty and conflict in HELVETAS Swiss Intercooperation-led cluster districts reduced by 10%

	<i>(Status: Potential to be reached; supportive environment fair)</i>	<ul style="list-style-type: none"> ❑ All partner civil society organizations (including HELVETAS Swiss Intercooperation itself) implement a gender and social inclusion policy with the target to reach proportionate representation of social groups and in terms of gender ❑ 33% of all leadership positions (e.g. team leader, senior project/programme officers) in HELVETAS Swiss Intercooperation projects are taken up by women ❑ 33% women representation in all user groups supported by HELVETAS Swiss Intercooperation ❑ Each group supported by HELVETAS Swiss Intercooperation has included at least one member from discriminated groups in a key group position
4	Reduce child mortality Reduce by two-thirds the 1990 under-five mortality rate <i>(Status: Likely to be achieved; supportive environment strong)</i>	<i>Not a direct focus</i> Other projects and agencies focus directly on child mortality. <ul style="list-style-type: none"> ❑ Children mortality through water borne diseases reduced by 75% in HELVETAS Swiss Intercooperation led Swiss cluster districts.
5	Improve maternal health Reduce by three-quarters the maternal mortality rate. <i>(Status: Potentially can be reached; supportive environment weak but improving)</i>	<i>Not a direct focus</i> Other projects and agencies focus directly on maternal mortality <ul style="list-style-type: none"> ❑ Support is provided for advocacy on awareness on women's reproductive health issues, better access to health posts through trail bridges and rural roads, reduced work load through better access to water and improved agricultural practices
6	Combat HIV/AIDS, malaria and other illnesses	<i>Not a direct focus but integral part of various activities</i> <ul style="list-style-type: none"> ❑ Contributions are made on HIV/AIDS through training, awareness raising and prevention campaigns as an integral part of various projects (e.g. water and sanitation, rural infrastructure, skill training for employment, etc.)
6.A	Have halted and begun to reverse the spread of HIV/AIDS. <i>(Status: Likely to be reached; supportive environment strong)</i>	
6.B	Have halted and begun to reverse the spread of malaria and other major diseases. <i>(Status: Potential to be reached; supportive environment weak, improving)</i>	
7	Ensure environmental sustainability	Major direct focus <ul style="list-style-type: none"> ❑ Tackled through sustainable agricultural practices, community forest and land management, integrated water resource management, drinking water and sanitation promotion and bio-engineering in road construction
7.A	Integrate the principles of sustainable development into country policies and programs, and reverse the loss of environmental resources.	<ul style="list-style-type: none"> ❑ The number of climate change related hazard affected people in project VDCs does not increase over the period of this programme. ❑ 1100 households plan climate change adaptation according to a newly developed approach. ❑ 240 VDCs allocated resources through Agriculture,

7.C1	<p>(Status: Lack of data; supportive environment weak)</p> <p>Halve the proportion of people without sustainable access to safe drinking water.</p>	<p>Forestry and Environment Committees to undertake agricultural extension for the promotion of sustainable agriculture</p> <ul style="list-style-type: none"> □ 20 VDCs have developed Water Use Master Plans partly with their own resources
7.D	<p>(Status: Likely to be reached; supportive environment fair)</p> <p>Improve lives of slum dwellers</p> <p>(Status: Lack of data; supportive environment weak)</p>	
8	Develop a global partnership for development	Integral focus of some activities
8.1	Develop further an open, rule-based, predictable, non-discriminatory trading and financial system.	<p><i>Not a direct focus</i></p> <p>Supported through other initiatives in Nepal</p>
8.2	Address the special needs of the least developed countries.	
8.3	Address the special needs of land-locked countries and small island developing states.	
8.4	Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term	<p><i>Not a direct focus</i></p> <p>Addressed through dialogue under the Nepal Development Forum</p>
8.5	In cooperation with developing countries, develop and implement strategies for decent and productive work for youth	<ul style="list-style-type: none"> □ 3,000 potential migrants and returnees have access to in-depth information about protection from deception and fraud □ Youth going for overseas employment have improved skills and achieve better working conditions and higher income □ Accredited skills training agencies in Nepal available which develop in collaboration with employment agencies manpower
8.6	In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries	<p><i>Not a direct focus</i></p> <p>Supported through other initiatives in Nepal</p>
8.7	In cooperation with the private sector, make available the benefits of new technologies, especially information and communications technologies	

Annex 4: Budget overview Country Strategy 2011 - 2015

HELNETAS Swiss Intercooperation Nepal Budget Overview (2011-2015)						
Projects		2011	2012	2013	2014	2015
Water and Infrastructure						
Trail Bridge Sub-sector Project	(TBSU)	1,600,000	1,800,000	1,800,000	1,759,000	2,000,000
Water Resources Mgmt.Prog.	(WARM-P)	410,000	700,000	800,000	1,000,000	1,000,000
Rural Access Programme	(RAP)	817,000	-	-	-	-
District Transport Master Plan	(DTMP)	173,000	-	-	-	-
South South Cooperation Unit	(SSCU)	28,000	50,000	75,000	100,000	50,000
New project		-	200,000	400,000	600,000	800,000
Subtotal		3,028,000	2,750,000	3,075,000	3,459,000	3,850,000
Education & Skill Development						
Elam	(Elam)	55,000	70,000	75,000	300,000	300,000
Skill Dev.& Empl.for the Informal Sector	(SKILL/EU)	589,000	590,000	500,000	-	-
Elam plus	(Elam plus)	66,000	75,000	75,000	300,000	300,000
Skill & Know-how at Local Level	SKILL	52,000	-	-	-	-
Employment Fund/SDC	(EF)	966,000	1,000,000	1,000,000	1,500,000	1,500,000
Employment Fund/DFID	(EF)	3,967,000	3,500,000	4,000,000	-	-
Employment Fund/WB	(EF)	695,000	700,000	-	-	-
New projects		-	150,000	300,000	500,000	700,000
Subtotal		6,390,000	6,085,000	5,950,000	2,600,000	2,800,000
Rural Economy						
Sustainable Soil Mgmt. Project	(SSM-P)	2,125,000	1,600,000	1,635,000	1,650,000	1,700,000
Coffee Promotion Programme	(CoPP)	277,000	300,000	300,000	350,000	350,000
Local Infra.Struc.for Livelihood Improv.	(LILI)	2,298,000	2,067,500	2,117,500	2,000,000	2,000,000
RbF- Riverbed Farming for Landless	(RbF)	151,000	300,000	400,000	400,000	500,000
New Projects		0	150,000	300,000	500,000	700,000
Subtotal		4,851,000	4,417,500	4,752,500	4,900,000	5,250,000
Environment and Climate Change						
New Projects		20,000	300,000	600,000	1,500,000	1,500,000
Subtotal		20,000	300,000	600,000	1,500,000	1,500,000
Governance and Peace						
Linking Small holders with Market	(Link/PC)	362,000	350,000	350,000	350,000	350,000
New Projects		47,000	200,000	200,000	300,000	300,000
Safer Migration Project	(SaMi)	601,000	607,000	1,000,000	1,000,000	1,000,000
Subtotal		1,010,000	1,157,000	1,550,000	1,650,000	1,650,000
Programme Office and Small Projects						
PO and Small Projects	(SP)	77,000	90,000	70,000	120,000	100,000
Subtotal		77,000	90,000	70,000	120,000	100,000
Total Swiss Francs		15,376,000	14,799,500	15,997,500	14,229,000	15,150,000
■ Agreement Signed or in Process ■ Some Investment from Programme Credit until donor fund raised ■ Funds to be raised and New Donors						
Sources of Funds						
mandate:	SDC	49.4%	47.8%	47.2%	45.0%	44.2%
	DFID	26.9%	23.6%	25.0%	20.0%	20.0%
	European Union	2.9%	3.0%	2.8%	5.0%	5.0%
	World Bank	5.1%	4.7%	0.0%	0.0%	0.0%
	HELNETAS Swiss Intercooperation Nepal (including Programme Credit)	15.8%	14.4%	16.0%	15.6%	14.8%
	Other Donors	0.0%	6.5%	9.1%	14.4%	15.9%
Working Area wise Investment Allocation						
	Water and Infrastructure	19.7%	18.6%	19.2%	24.3%	25.4%
	Education and Skill Development	41.6%	41.1%	37.2%	18.3%	18.5%
	Rural Economy	31.5%	29.8%	29.7%	34.4%	34.7%
	Environment and Climate Change	0.1%	2.0%	3.8%	10.5%	9.9%
	Governance and Peace	6.6%	7.8%	9.7%	11.6%	10.9%