

INTEGRATED RURAL DEVELOPMENT PROJECTS IN NEPAL - A REVIEW -

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The front cover shows the Rice Plantation Lele, Lalitpur District

The views expressed are those of the author, and do not necessarily represent the views of ICIMOD.

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FOREWORD

The central concern of ICIMOD is with the promotion of the welfare of mountain communities throughout the vast Hindu Kush-Himalaya Range through both effective socio-economic development programmes and the sound resource management of their vulnerable mountain habitats. Its key method is the systematic exchange of professional knowledge directly relevant to this basic concern. And not just the mechanical exchange of knowledge but its careful evaluation through organised professional discussion and debate - in the search for the improved understanding needed for the design and implementation of more effective development programmes.

With this aim of both promoting the exchange of practical field experience and of stimulating discussion on its professional evaluation, ICIMOD has initiated an Occasional Paper Series. The first publication in this series appeared in August this year: Erosion and Sedimentation Processes in the Nepalese Himalaya by Brian Carson.

It is now being followed by this stimulating paper on the assessment of the key lessons of project experience in Nepal with integrated rural development, based - it must be strongly emphasised - on a review of available project documents rather than on actual field evaluative surveys. For all the obvious difficulties, this restriction to an analysis of project reports (including of course specific evaluation reports) was deliberate. The intention was to seek an initial synthesis of project experience, as revealed by these documents, as a basis for the organisation, from 1986 onwards, of a much more systematic exchange of knowledge with regard to multi-sectoral rural development projects - in mountain districts throughout the Region - from the Karakoram in the far west to the Hengduan Mountains in the far east (from this central location of Kathmandu).

The work, intended therefore very much as a beginning, has been very ably undertaken by Mr. B. B. Pradhan, well known for his earlier publications on rural development experience in Nepal. We are grateful to him, and to those who participated in this study (Dr. Philippe Alirol, Mrs. Ava Shrestha, Mr. M. B. Shrestha) for this shrewd and often provocative contribution to the better understanding of project experience as a whole in rural development in Nepal - and for getting us started on this subject for the wider Hindu Kush-Himalaya Region. We must also express our appreciation to SATA for suggesting in the first place that such a reflective assessment would be useful - and for joining in its financing.

Colin Rosser
Director

ACKNOWLEDGEMENTS

This review of Integrated Rural Development Projects in Nepal is intended to provide preliminary information on the status of existing rural development projects and to identify important issues, strengths and weaknesses in IRDPs. In the course of this short study, all available documents on the IRDPs and related projects particularly the Watershed Management Projects were collected and a bibliography was compiled. Comprehensive project summaries were prepared. Also detailed summaries of evaluation reports were made in a structured format. My colleagues in this undertaking, Dr. Phillippe Alirol, Mrs. Ava Shrestha, Mr. M. B. Shrestha and Mr. N. B. Jirel carried out this work which provided background information on which this report is prepared. I would like to express my gratitude to them for their valuable contribution and assistance.

Mr. Mukti P. Kafle, Secretary, and Mr. Y. N. Ojha, Additional Secretary of the Ministry of Panchayat and Local Development have been most helpful to me in this work. I offer my sincere gratitude to both of them.

It is not possible here to mention the names of all the persons who have been of help to me. All of them and particularly those who provided their valuable time and information in the course of my interviews (names listed in Appendix II) deserve sincere thanks.

I express my gratitude to Dr. Colin Rosser, Director, ICIMOD whose initiative and guidance has brought about this study. I am also grateful to Mr. A. Frischknecht, Director and Mr. B. Dolf, Deputy Director, SATA for their support to this project. I extend my sincere thanks to Dr. R. P. Yadav, Deputy Director, ICIMOD for taking great interest in the study and providing valuable suggestions. Finally, my special thanks are due to Ms. Lisa Rush for editing this text.

ABBREVIATIONS AND ACRONYMS

ADB	Asian Development Bank
ADB/N	Agriculture Development Bank of Nepal
ARDEC	Agriculture and Rural Development Consultancy
ASC	Agricultural Service Centre
ASP	Agricultural Service Post
CEDA	Centre for Economic Development and Administration
CDO	Chief District Officer
CIDA	Canadian International Development Agency
DDDP	Dhading District Development Project
DLAH	Department of Livestock and Animal Husbandry
DOA	Department of Agriculture
DSCWM	Dept. of Soil Conservation and Watershed Management
DRCG	Development Research and Communication Group
FAO	Food and Agriculture Organisation
GTZ	German Technical Cooperation
HADP	Hill Agriculture Development Project
HIDP	Hill Irrigation Development Project
HMG	His Majesty's Government
IDS	Integrated Development System
IFAD	International Fund for Agriculture Development
IHDP	Integrated Hill Development Project
IRD	Integrated Rural Development
IRDP	Integrated Rural Development Project
IRNR	Institute of Renewable Natural Resources
IVD	Integrated Village Development
JADP	Janakpur Agriculture Development Project
K-BIRD	Karnali-Bheri Integrated Rural Development

KHARDEP	Koshi Hill Area Rural Development Project
LDO	Local Development Officer
MPLD	Ministry of Panchayat and Local Development
NPC	National Planning Commission
PDLT	Panchayat Development Land Tax
PWMP	Phewatal Watershed Management Project
PWP	Phewa Watershed Project
RADP	Remote Areas Development Programme
RCUP	Resource Conservation and Utilisation Project
RD	Rural Development
R/NIRDP	Rasuwa -Nuwakot Integrated Rural Development Project
RSC	Rural Service Centre
SADP	Small Areas Development Programme
SATA	Swiss Association for Technical Assistance
SFDP	Small Farmer Development Project
STA	Senior Technical Advisor
TCO	Technical Cooperation Officer
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
WFP	World Food Programme
WMCEP	Watershed Management Conservation and Education Project
WMP	Watershed Management Project

A. INTRODUCTION

Rural development has been one of the principal components of Nepal's development plans. The Village Development Programme (VDP) initiated in 1952 constituted the first attempt. After almost ten years of operation it was terminated and a new programme called Panchayat Development was introduced. As the resource allocation for the programme was meagre, it was limited in scope. A few other projects were undertaken in this sector during the 1960s. However, a real push for rural development came in the late 1970s with the launching of a number of Integrated Rural Development Projects (IRDP) with substantial assistance from multilateral and bilateral aid agencies.

Eight IRDPs are in operation, covering twenty-three of the seventy-five districts of Nepal. They are: (1) Integrated Hill Development Project, (2) Rasuwa/Nuwakot IRDP, (3) Karnali-Bheri IRDP, (4) Rapti IRDP, (5) Koshi Hill Area Rural Development Project, (6) Mahakali Hills RDP, (7) Sagarmatha IRDP, and (8) Dhading District Development Project. A few of these projects have completed or are about to complete their present term and are slated for the next phase, while some of them are mid-way in implementation.

Performance of the IRDPs has been less than satisfactory; evaluation reports portray a bleak picture. With ten years of experience, HMG is still baffled by the implementation problem. Experimentation has been going on particularly with the coordination structure. The pace of implementation has not improved significantly. It is a matter of concern to both HMG and the donor agencies. Some donors are raising doubts about the project approach itself and even thinking of alternatives. HMG is however, convinced that it is the right approach, difficult as it is to implement. It is HMG's thinking that decentralisation efforts, presently being pursued seriously, will solve most of the problems. The donor agencies are also well disposed to this new development and are watching with cautious optimism. The rural development sector is at a critical juncture institutionally.

This study is opportune at the time. Existing evaluation studies of IRDPs are confined to particular projects, so a review of the overall situation is needed. This study is directed towards that end. Though essentially based on secondary information, it has taken note of current developments. Also the interviews with the concerned authorities constitute an important input to the study. The seminar held at ICIMOD on May 28, 1985, to discuss the draft report of this study provided valuable information and suggestions. In light of these facts and also the evaluation findings, the study attempts to address the important issues, the fundamental one being the very approach of IRDPs.

B. RURAL DEVELOPMENT

1. HISTORICAL BACKGROUND

The concept of rural development is not new, nor is its importance a recent realisation in Nepal. The first significant development programme, initiated before the launching of the First Five Year Plan (1956-60) was the Village Development Programme in 1953 by HMG with U.S. and Indian assistance. It was a well conceived, multi-sectoral programme embracing all important aspects of a village community and economy.

The First Plan pursued this programme with great zeal and accorded it high priority, as evidenced by this sector heading the list of sectoral programmes and receiving the third highest allocation of the Plan outlay next only to transport and power. The programme was divided into three levels: (i) the minimal level called "Nucleus Development" catered to the improvement of existing local infrastructures and facilities like school playgrounds, wells, and roads, (ii) the middle level called "Dehat Development" included provision of improved seeds and fertiliser, horticulture and livestock development, basic social services like primary school, first aid kits, and drinking water, and (iii) the intensive level called "Village Development" incorporated soil survey, propagation of scientific farming techniques, extension of health and maternity services, cottage industries, and co-operatives (Pradhan 1982).

The First Plan envisaged coverage of the whole country with the nucleus programme. Six Nucleus Development, thirty-four Dehat Development and twelve Village Development units were established, benefitting 2.25 million people in 3800 villages. Considering the constraints to transport and communications, and extremely limited administrative and technical manpower, the programme was both conceptually and operationally a great success. The evaluation study conducted in 1980/81 has noted: "The VDP was very popular in the villages. It also popularised chemical fertiliser, compost manure and improved seeds. Under the direction given by the VDWs (Village Development Worker), villagers adopted improved agricultural practices and techniques. Improvements appeared in different areas of rural health and hygiene, public works, adult literacy, rural education, youth welfare and cooperatives. It also went a little way in promoting village industries and bringing about some changes in the thinking of villagers." (Himalayan Studies Centre, 1981)

Other projects initiated having rural development focus were the Rapti Valley Multipurpose Project and the Settlement Programme in 1965. The former was undertaken as a pilot multi-sectoral project to develop the malaria-infested Chitwan District. The latter programme was to develop forest areas in different parts of the country into cultivable land for the migratory population of the hills to settle.

The Second Plan (1962-65), while acknowledging the fulfillment of a variety of targets under the VDP, ironically deplored the ineffectiveness of the programme attributed to: (i) limited coverage; (ii) lack of people's participation; and (iii) the dichotomy between the

U.S. and Indian-aided programmes. The new political institution, the Panchayat, was assigned the role of medium of local development and the VDP was deleted. The Panchayat programme was allocated Rs. 20 million (3.33 per cent of the plan outlay) whereas Rs. 45 million (13.6 per cent) had been allocated to the VDP in the First Plan. Rural development thus received a financial setback and a different approach.

While the VDP was multi-sectoral with the productive sector as one integral component, the Panchayat Development Programme, with a limited amount of resources spread over the entire country was confined to public works activities such as trails, foot bridges, drinking water projects, and school buildings. Another notable difference between the two programmes is that the VDP is administered by HMG agencies whereas the latter is managed by the Panchayats (local political institutions) themselves with technical support from HMG agencies. HMG grants and local contributions comprised the main resources of this programme unlike the VDP which was heavily supported with foreign aid.

The Third Plan (1965-70) upgraded the Panchayat programme to a full-fledged sector, distinct from the public and private sectors. Allocation for this sector from the government was Rs. 40 million (2.3 per cent of the public sector outlay), while an overly optimistic projection of Rs. 200 million in local resource generation (mostly labour) was made. The Panchayat Development Land Tax (PDLT) was introduced on an experimental basis in 12 village panchayats in Jhapa and Morang districts for generating local resources. As a pilot hill area development project Jiri Multi-purpose Development Project (JMDP) was initiated during this Plan period.

While the intention to further promote local development programmes was clearly spelled out, the Fourth Plan (1970-75) accorded low priority to this sector in terms of investment. The allocation for development grants was scaled down to Rs. 20 million which was 0.8 per cent of the total public sector outlay. Including the allocations for Jiri Multi-Purpose Development Project and Remote Areas Development Project the total allocation for the Panchayat sector was Rs. 41 million (only 1.7 per cent of the total outlay).

The Fifth Five Year Plan (1975-80) was a turning point in the development process in Nepal. Physical infrastructure which dominated the earlier plans was de-emphasised for the first time, with the agricultural and social sectors receiving first and second priority in investment allocation.

"People-oriented production, on the one hand, and the maximum utilisation of manpower, on the other, are the twin objectives", states the Plan. The policy of the Fifth Plan was "to integrate the development process with the Panchayat system." The scope of the Panchayat sector was thus expanded. The grant for local development was raised to Rs. 70 million. The Plan, besides continuing the Jiri Multi-purpose Development Project and the Remote Areas Development Programme, incorporated a new programme, Small Areas Development Programme (SADP) to develop eight to twenty locations, following the regional development strategy of the Fourth Plan.

In the mid-70s, following the lead taken by the World Bank, donor interest in assisting developing countries in rural development registered a dramatic increase. The first project in the form of Integrated Rural Development was the Integrated Hill Development Project in 1974 with Swiss assistance. The Rasuwa/Nuwakot IRDP in 1976, assisted by World Bank, was the second such project. In the late 1970s and early 1980s, a number of IRDPs (Sagarmatha IRDP, Mahakali IRDP, Koshi Hill Area Rural Development Project (KHARDEP), Rapti IRDP and Karnali-Bheri IRDP (K-BIRD) were launched with bilateral and multilateral assistance.

Rural development received special emphasis under the Sixth Five Year Plan (1980-85). Promotion of people's participation was adopted as a policy. "The Plan seeks to institutionalise the existing participation of the people through local leadership." Another important feature of the Plan was the emphasis on an integrated model of rural development. The main programmes envisaged under the Panchayat sector in the Plan are as follows:

- a. District Plan: Projects submitted by the local Panchayats to the National Planning Commission for local development grants were included in this programme. The outlay was projected at Rs. 1,800 million of which the government grant was Rs. 600 million with the balance to be generated from local resources.
- b. Local Development Programme: Ad hoc projects generated by the availability of aid from agencies like UNICEF, WFP, and ILO, fall in this category, including rural drinking water, hill transport development, labour-intensive minor irrigation, and roofing of school buildings. Rs. 207 million were allocated.
- c. Integrated Rural Development Programme: The Plan envisaged seven IRDPs already mentioned above including the Integrated Hill Development Project (IHDP).
- d. Remote Areas Development Programme (RADP): A provision of Rs. 32.7 million was made for this programme.

Besides the above programmes, a few other multi-sectoral programmes have a rural development focus: Watershed Management Projects, Small Farmers Development Programme, Community Forestry Project, Hill Food Production Project and Hill Irrigation Development Project. A brief note on these projects is given in Section 4.

2. INSTITUTIONAL DEVELOPMENT

Apart from being a multi-sectoral programme involving various institutions, rural development deals directly with the lives of the rural people. A conventional organisation hardly

meets the needs of rural development's complexities. Nepal has been searching for a special institutional structure.

The first organisation devised for the Village Development Programme in 1953 followed the Indian model of Block Development. Village Development Centres were established under the leadership of a generalist called a Block Development Officer with agency officials under him. The programme was administered by the Village Development Department. An inter-ministerial Village Development Board provided the overall guidance and supervision. Coordination was not much of a problem then, as the line ministries were comparatively weak.

With the establishment of the Panchayat system and the consequent change of the Village Development Programme to the Panchayat Development Programme, a new institutional structure was envisaged with emphasis on decentralisation. While the constitution of 1962 embraced this principle, the Second and Third Plans spelled out clearly the scope of local institutions in planning and implementation. The salient features of the new system were the division of the country into 14 zones and 75 districts and the constitution of three tiers of assemblies and Panchayats, besides the National Panchayat. Under the arrangement, the development-related district level activities were placed under the superintendence of the Chief District Officer (CDO) who, as secretary to the District Panchayat, was to work under the guidance of the District Panchayat and its chairman. This far-reaching move toward decentralisation did not materialise due to reluctance on the part of the ministries to devolve their authority and functions to the District Panchayats.

In order to make a breakthrough in decentralisation, HMG came out with what was called the District Administration Plan (DAP) in 1974. The main thrust of the Plan was to ensure the preparation of an integrated district development plan by each district and the creation of a unified district administration with the CDO as coordinator. The District Panchayat and the District Assembly were assigned important roles in the formulation and implementation of the district plan. However, the DAP could not be effective for the same reason outlined above - lack of preparedness on the part of the line ministries to entrust administrative control over their programmes to the CDO.

In 1978, another effort was made to bring about decentralisation of development administration. The Integrated Panchayat Development Design (IPDD) of a more comprehensive nature than the DAP was adopted. It envisaged, among other things, the establishment of a "Service Centre", to be a focal point for planning, implementation and supervision of the development programme at the local level. People's participation was an important aspect of this Design. It was another exercise in futility -- absolutely a non-starter.

Undaunted by persistent setbacks in decentralisation efforts, HMG set up in 1980 a separate Ministry of Local Development. The status of the Panchayat Development Officer (who took over the function of the District Panchayat Secretary from the CDO with the promulgation of the Local Administration Act, 1971) was raised and designated Local Development Officer (LDO). He was to function as the coordinator of the District Development Programme, the role hitherto assigned to the CDO. This move was ill-conceived. With the separation of the Home and Panchayat portfolios, this new ministry was an

ineffective institution. After one year HMG realised the mistake and the Ministry of Panchayat was merged with the Ministry of Local Development. Its mandate, quite elaborately worked out, included the function of interministerial coordination of rural development projects. Subsequently, an Integrated Rural Development Central Coordination Board with wider authorities was established under the chairmanship of the Minister of Panchayat and Local Development, with the Vice-Chairman of the NPC as Vice-Chairman, replacing the earlier Coordination Committees. All these attempts, however, had little impact on decentralisation and coordination issues.

It became evident that a strong push was required to make decentralisation work. His Majesty the King himself has now taken the initiative. Starting with the Constitution Day message on December 1981, in which he stressed the imperative need of decentralisation for the upliftment of the people, he has been continuously pursuing this matter, the latest effort being contained in His Majesty's address to the National Panchayat on June 1985.

The royal exhortations materialised in a Decentralisation Act in 1982 and the approval of Decentralisation By-laws in 1984. The principal aim of the Decentralisation Act is to give the responsibility and authority of development planning and implementation to the district, village and town Panchayats for their respective jurisdiction. Another objective is to encourage the generation of local resources for development, sustained operation and maintenance of the completed projects.

The salient feature of this Act with respect to organisational structure is that the district level offices of the agencies are to function as an integral section of the District Panchayat Secretariat. They will, however, continue to be under the technical guidance of their parent ministries. The provision of Service Centres at the sub-district level is another important feature. This is not a new concept - Agricultural Service Centres already exist in a few IRDP and Hill Food Production Project areas.

Detailed procedures for planning, implementation and supervision have been given in the Act and By-laws. The functions and responsibilities of central agencies also have been clearly spelled out. And the most important matter, the definition of district level activities, has also been specified. All these measures have been taken to ensure the commitment of the central agencies in the pursuit of decentralisation.

The Decentralisation Act came into effect on December 29, 1984. For this fiscal year 1984/95, the provisions relating to the planning process have only been operative; it came into full effect from the beginning of the next fiscal year (mid-July 1985). This has been done to avoid complications in accounting and auditing, apart from other logistic aspects.

In view of the substantial logistic support needed for the decentralisation programme, HMG has decided to implement it in an intensive way in one district in each zone, i.e. 14 districts in the Kingdom. These districts will be a demonstration to the others.

The decentralisation venture this time has been launched with greater preparedness. A great number of seminars, symposia and conferences were held at different levels and places to disseminate the concept among administrators as well as politicians. The planning cell has been set up in all the District Panchayats. A number of training programmes were carried out to train the district level officials including the LDOs and Planning Officers, and are being continued. The most important feature in the present decentralisation effort is the active involvement of the NPC. The UNDP is providing support to the NPC and the MPLD in this endeavour. The most encouraging aspect is the firm political support. A breakthrough in decentralisation efforts seems imminent.

3. COLLOQUIUM ON RURAL DEVELOPMENT

In this review, it would be appropriate to give some highlights of the Colloquium on Problems and Prospects of Rural Development in Nepal held in September 1982 and participated in by members of the National Planning Commission, secretaries of HMG's relevant ministries, departmental heads, IRD coordinators, donor representatives, and a number of local and foreign experts. The aim of the Colloquium was "to review the status of rural development in Nepal and identify ways and means for enhanced performance in future rural development efforts in the country."

The consensus arrived at during the Colloquium was that IRDP is the right policy strategy for rural development in Nepal. It was believed that a new institutional structure will evolve once the Decentralisation Bill is enacted. The need for clearly defining the functions, responsibilities, and relationships of the institutional structure and mechanisms was stressed.

The need for strengthening the capabilities - technically as well as administratively - of the local institutions was recognised. At the same time, need for strengthening the capabilities of the concerned sectoral agencies to deliver the required services, taken for granted in the formulation of IRDPs, was emphasised.

On the investment approach, it was suggested at the Colloquium that concentration of investment be in productive sectors. In regard to project periods, a time frame of 15 years divided into three parts -- preparatory phase, a development phase and a period for phasing out foreign resources following the IHDP mode -- was recommended. IRDPs should be primarily area-based, incorporating special target-group oriented programmes for small farmers, women and disadvantaged groups. One important recommendation was that revenue generation activities should be a part of project planning and programming.

On the subject of coordination, the consensus was that "the Local Development Officer (LDO) should be the coordinator at the district level and the coordinator should function at the zonal level from where he would facilitate the relation between the centre and the district as well as to coordinate and monitor IRDP inputs into the district development plans to provide logistic supports to district offices."

In the case of central level coordination, consensus could not be reached. Possible options for the location of the mechanism were the NPC, the chief Secretary's Office, and MPLD.

In regard to the role of foreign experts, it was suggested some amount of restraint should be exercised in their involvement in rural development projects. Three roles have been identified for experts - assisting in planning, monitoring and training. More use of volunteers has been suggested.

The Colloquium has also recommended research in the areas of revenue generation, traditional and non-governmental organisations, appropriate technology, people's participation and greater involvement of women in development.

C. ONGOING RURAL DEVELOPMENT PROJECTS

1. INTEGRATED RURAL DEVELOPMENT PROJECTS (IRDP)

Integrated Rural Development Projects presently constitute the most important programme in rural development. There are eight IRDPs, seven as envisaged in the Sixth Plan and the Dhading District Development Project, which is in a preparatory phase. They cover 23 districts (partially in the case of IHDP), and are in different phases of implementation. Profiles of these projects are given in Appendix I. A brief summary of each is given below.

a. Integrated Hill Development Project (IHDP)

With the conviction that "a road project without the overall concept of integrated development would make as little sense as an integrated development project without a road", the IHDP started in 1974 with Swiss assistance as a complementary project to the Lamosangu-Jiri Road consecutively started with Swiss assistance. Formal agreement for the project was signed in 1975. Covering Dolakha district of Janakpur Zone and part of Sindhupalchowk District of Bagmati Zone, the main object was to improve the living standards of the people in the project area through increase in food production and generation of off-farm employment. Restoring the ecological balance was one of the long-term objectives. Later the scope of the project was enlarged to embrace the health and education sectors.

The project envisaged gradual integration of project activities into the existing institutions at the local, district and national levels so the local people could carry on the activities. The Tuki System which uses progressive farmers in agricultural extension is its unique feature. The project has envisaged three phases: development phase, consolidation phase and phasing out of foreign assistance. The project has completed the first two phases and is about to enter the final phase. However, the project still has a long way to go to accomplish the objectives.

b. Rasuwa/Nuwakot Integrated Rural Development Project (R/NIRDP)

Though the second project of its nature, the R/NIRDP, supported by the World Bank and the UNDP, is considered to be the precursor of the IRDPs, giving a lead to other donors to follow suit. Initiated in 1976, the project covers Rasuwa and Nuwakot districts of the Bagmati Zone, with 29,000 total households. With the overall objectives of balancing economic growth with income distribution, ensuring more equitable regional development and making past investment in roads productive, the project is designed to increase agricultural and livestock production, provide health services and village water supplies, improve communications and develop cottage industries. The responsibility for implementation of specific components of the project rests with designated project officers

from the concerned ministries and agencies. The overall responsibility for coordination is vested in the Ministry of Panchayat and exercised by a Project Coordinating Committee (PCC). There have been several changes in the coordination structure, the latest innovation being the IRDP Coordination Board headed by the Minister for Panchayat and Local Development. This institutional arrangement applies to all the IRDPS. World Bank assistance to this project was terminated in 1983 after a seven-year period, two years beyond the stipulated time span. HMG is carrying on the project, with its own resources in a limited way. Negotiations are in final stages with the World Bank to undertake the second phase of the project.

c. Sagarmatha Rural Development Project

Sagarmatha IRDP, begun in 1979 with assistance from the Asian Development Bank, IFAD and EEC, covers Sirha, Saptari and Udaypur districts of the Sagarmatha Zone with a population of 847,900. Strengthening the production, employment and income generating base in the project area are its objectives, and the project includes almost all the components of the rural economy, infrastructure, productive sector and social services. Though situated in a comparatively good location - the major area is in the plains - the project had start-up problems and implementation delays. Real work started in 1980/81 only. The scope of the project was revised in 1984 and the closing date of assistance which was due on 31 March 1985, has been extended to December 1987.

d. Mahakali Hills Rural Development Project

Mahakali IRDP, started in 1979 with the World Bank and UNDP assistance, covers Baitadi, Darchula and Dadeldhura districts of Mahakali Zone with a total number of 53,000 households. With the principal objective of raising agricultural production to levels whereby farmers could fully meet family subsistence needs, the project, while comprising almost all components of the rural economy, has given less emphasis to physical infrastructure than the Sagarmatha IRDP. Situated in an inaccessible hilly region, the project suffers from communication difficulties. Implementation has been slow. The project has been revised and the closing date of assistance has been extended to February 1986, about two years beyond the stipulated date.

e. Karnali-Bheri Integrated Rural Development Project (K-BIRD)

The K-BIRD Project with Canadian assistance was started in 1981. It covers three districts - Jumla, Dailekh and Surkhet - in Karnali and Bheri Zones with a population of 384,405. Promoting integrated self-sustaining development projects and activities which will contribute towards the economic and social betterment of the residents are its objectives. The project has stressed the institutional aspect as much as its hardware components, which embrace all the important sectors of

the rural economy. One special feature of this project is the demarcation of the village, district and trans-district components of the programme.

The Integrated Village Development (IVD) component** is considered the "cornerstone" of the project. The pre-project activities are another notable feature. Realising that "the time lapse between planning and implementation of rural development can frequently cause loss of critical political support and lack of confidence", interim projects were identified during planning work and implemented through the local Panchayat. The project assistance period was limited to three years. Faced with the common problem of implementation delays, the project was extended by one year to July 1985. Agreement is underway to launch the second phase of the project with the same donor. This is in conformity with the stipulation made in the original plan of operation which pointed out the need "for further funding of the 15 to 20 years programme seen as the minimum sustained effort required to achieve the goal."

f. Rapti Integrated Rural Development Project (Rapti IRDP)

Rapti IRDP was started in fiscal year 1980/81 with USAID assistance. It covers all five districts of Rapti Zone, with a population of 850,000. With the objective of improving the quality of life, including income, productivity, employment, nutrition, control of population growth and education of the rural poor, the project is comprised of programmes to improve farming systems, renewable resource management, small rural works, employment and skills development and institutional development at the local level. It has been recognised during the formulation of the project that "five years of proposed activity must be part of a longer 15-20 year intensive development effort". Acknowledging that rural development is a "political-economic process", the project has stressed the need to increase and broaden local participation in the planning, implementation and enjoyment of the benefits of development." Like other IRDPs, it has had its share of start-up difficulties. USAID involvement in the project has been extended by one year up to September 1986. A second evaluation is planned for the near future. The future of this project is now dependent on its findings and recommendations.

g. Koshi Hills Area Development Project (KHARDEP)

The KHARDEP, started in the last year of the Fifth Plan 1980 with British assistance, covers four districts of Koshi Zone:

** The objective of IVD is to offer immediate improvements in the management of Panchayat affairs, in village services such as drinking water, irrigation, and trails, and in crop production and animal care, while at the same time creating the basis for the longer run welfare of the Panchayat. The responsibility for implementing this programme would go to the District Secretariat.

Terathum, Sankhuwasabha, Bhojpur and and Dhankuta. The project has the objective of strengthening local services and promoting balanced economic and social development of Koshi Hills area. To deriving maximum benefit from the Dharan-Dhankuta road and its extension, under construction with British assistance, was the principal aim. The project, like other IRDPs, is multi-sectoral involving nearly all components of the rural economy. The project has the advantage of getting support from another British-aided project -- Pakhribas Agricultural Centre -- located in the project area. During the two-year period of investigation and preparation of the project (1977-79), a few small projects largely in irrigation, drinking water supply and trail improvement were undertaken. They were implemented through the local institutions under the direction of the MPLD. This provided some valuable experience for the project. The project completed its stipulated period of British assistance in 1983/84, and was extended by one year to July 1985. Negotiations are going on to take up another phase of the project.



Wooden Bridge constructed in Dhading -
A Confidence Building Project Financed by the
DDDP and local contributions.

h. Dhading District Development Project (DDDP)

The DDDP, in any real sense, is yet to start. However, it was assumed to have started in 1983, because pre-project activ-

ities were undertaken during the project preparation phase. During the two years which constituted this period, 450 small projects -- so-called confidence-building projects -- covering every ward of 50 Village Panchayats within the district were implemented through the local Panchayats with the support from the project. The agreement for the implementation of the full-scale project is expected to be signed shortly between HMG and the government of the Federal Republic of Germany, and the project will begin this year, the beginning of the Seventh Plan. Its coverage is limited to one district, Dhading (population 250,000) adjoining the R/NIRDP area in the east. With the long-term objective of improving the living conditions of the population and the ecological rehabilitation in the district, the project has set the immediate objective of increasing the capabilities of the local institutions in planning, making decisions, implementing and maintaining development activities with the active participation of the beneficiaries. The project is more process-oriented than project-oriented. As such it does not specify the programme objectives beyond general categories like ward-level projects, development supportive infrastructure, credit, and alternative sources of income. Significant provision has been made for institutional support and human resources development. The institutional aspect of this project is unique - "DDDP does not intend to establish its own separate project infrastructure as is common in IRDPs. Instead DDDP will establish a supporting system integrated in, and working through existing structures in line with rules and regulations of the Decentralisation Act, 1982" (DDDP - Programme for 1985-90, MPLD April 1985). Another notable feature is its flexibility. The programme report notes, "since the proposed programme is mainly a support of a process of interaction, and this process itself will change over time, the programme must be flexible enough to allow for adaption and change". The project, on the whole, looks pragmatic.

i. IRDP Comparison and Contrast

The IRDPs come under the overall administration of the MPLD. However, with each component being implemented more or less independently by the respective sectoral agency, the MPLD has at best a coordinating role. For this purpose there is an IRDP Central Coordination Board and a Project Coordinator for each project.

While the principal goal of all the IRDPs is to raise the income and living standards of the people in the project area, there is noticeable variation in specific objectives. Some of them have set the limited objectives of raising production and generating employment (Mahakali IRDP, Sagarmatha IRDP). Some have more comprehensive objectives such as assisting the local population and institutions in their efforts to improve their living conditions and to re-establish ecological equilibrium on a sustainable basis (IHDP). The K-BIRD has set the objective of increasing the capacity to implement a series of integrated self-sustaining development projects and activ-

ities which will contribute towards the economic and social betterment of the area residents. Getting maximum benefit from the roads also constitutes a major objective for KHARDEP, IHDP, and R/NIRDP.



Well under construction in Rapti IRDP

Despite variation in scope and emphasis on objectives, project content among all IRDPs includes agriculture, livestock, irrigation, village and cottage industries, forest, soil conservation, drinking water, education, rural works and local institution development. Wide variation in financial allocation among different sub-sectors exists (see Table 3.1).

The difference in project implementation process is prominent. The process being adopted in the Dhading Project is at one extreme, in terms of association with local institutions. Following the Decentralisation Act and Rules, the DDDP has located the project office at the office of the District Panchayat and the DDDP team works in close cooperation with District Panchayat and District Administration. People's participation is well practised in this project though it is still in the preparatory and formulation phase, with confidence-building activities already in operation. Whether this approach will be maintained during the full-scale implementation of the project has yet to be seen. At the other extreme are the KHARDEP and IHDP in which the association

Table 3.1: Financial Breakdown (Source: MPLD)

	IHDP	R/N	K-BIRD	Rapti	KHARDEP	Mahakali	Sagarmatha	Dhading
Total investment (10.6 NC)	77.73	135.99	156	478.17	170.59	161.4	450.12	9.4
Actual expenditure upto 2040/41 (%)	76.3	119	20	20	67.4	31.1	49	23.9
Agriculture development		11.04	5.2	13.7	9.7	7.6	3.4	-
Livestock development		4.5	4	4.4	?	4.5	4.1	-
Irrigation		11.05	0.69	12.9	0.6?	8.2	34.3	-
Co-operative - Rural Market - Credit AIC		9.6	5.5	4.6	3.7	6.3	1.9	-
Forestry		3.9	2.7	11.9	.1	?	2.8	-
Erosion control		7.8	1.3	?	?	3.5	8.7	-
Cottage industries	2.4	1.1	1.8	4	6.3	2.4	3.9	-
Trail and tracks, roads development	?	10.2	0.7	10.5	14	?	30.5	-
Health - Family Planning	2.8	4.3	1.3	?	3.5	10.8	3.9	-
Drinking Water	12.8	8.2	?	?	?	?	1.3	-
Education	7.4	?	1.7	4.2	2.5	1.3	1.6	-
Panchayat and Local Development	?	3.9	16.94	9	0.4	1.4	?	-
Public Works, Construction	11.4	?	2.3?	4.6	?	?	?	-
Project Monitoring and Evaluation	?	0.7	?	9.7	?	2.3	?	-
Co-ordinator's Office	?	4.2	17.4	6	?	8.2	3.3	-
Administration	16.1	?	?	?	?	?	?	-
Contingencies	?	15.1	?	?	33.76?	35.3	?	-

of the local institutions and sectoral agencies is limited. Even the line agencies are not all actively associated. There has been some improvement in the past year. One noticeable point regarding degree of association is the bilateral-aided projects with heavy input from the expatriates are less integrated with the local institutions than the multilateral-aided ones with fewer foreign experts.

Variation in the implementation process aside, there is yet some difference in approach. While some IRDPs have used service centres for delivery of inputs and services, IHDP has introduced the Tuki system which uses progressive farmers in propagating improved methods and distributing inputs. Dividing the methods into three parts, K-BIRD has adopted the "Integrated Village Development" (IVD) approach at the village level, the other two being District Programme and Trans-District Programme. In local contribution also, there is difference in approach. While some projects insist on local contribution for initiation of a project, some consider the process cumbersome and not cost-effective. One emerging common feature among these projects is the adoption of the Small Farmer Development Project (SFDP) approach in addressing the poorer residents of the project area.

2. DISTRICT PLAN PROGRAMME

The present nomenclature (District Plan) was introduced during the Sixth Plan for the local development grant programme initiated in the Second Plan. This programme is handled by local political institutions: the District Panchayat in the case of district level activities and the town and village Panchayats for town and village activities. The grant goes to the District Panchayat, then part is allocated to the village Panchayats under its jurisdiction. The Town Panchayat receives its grants directly. HMG has adopted broad criteria for allocation of grant funds, with the resource-poor districts being given some preference. Conditions have been laid down for matching the funds with local resources, ranging from 15 to 75 per cent of the total cost of a project (low for the mountainous region and high for the Terai plains). This also varies according to the nature of the project, the ratio being higher for the social sector. This provision is not being properly followed by the Panchayats.

The District Programme is carried out entirely according to the wishes of the local institutions more or less reflecting the priorities of the people. The projects undertaken usually provide drinking water, trails, suspension bridges, school buildings, and minor irrigation. Viewed in the context of the overall development plan, this programme is modest. Only during the Sixth Plan was the grant increased significantly to a meagre 2.75 per cent of public sector outlay. Insignificant though this programme is in terms of investment, it has created many simple infrastructures which have contributed to making the lives of the rural people a bit easier. The most important contribution of this programme is, however, the development of the capability to handle a development programme at the district and village level. Without this institutional background, decentralisation could not even be contemplated.



Handloom Weaving Demonstration to Women's Group. SFDP - Tupuche, Nuwakot

3. SMALL FARMERS DEVELOPMENT PROGRAMME (SFDP)

The Small Farmers Development Programme (SFDP) is an innovation devised by FAO/UNDP under the Asian Survey for Agrarian Reform and Rural Development in 1973. The concept of the SFDP is that small farmers as individuals are weak and exploited; however, if they are helped to acquire a group consciousness, they can exert influence in the community. The strategy of the programme is to help small farmers organise into groups of 8 to 20 members, "in which participation is direct and not through representatives, in which procedures and management are non-formal, and in which several functions of common interest are performed." While the group organisation is essentially based on voluntary action of the small farmers, they need help and guidance. A group organiser with necessary training and background is provided for this purpose. He is the motivator in the process of organisation. He also helps them in the planning and execution of their activities. The activities consist of individual family or group enterprises. Major projects are usually inter-group enterprises. The activities are essentially income-raising and financed with loans from the Agricultural Development Bank (ADB/N). Saving, one principal feature of SFDP, is used to give credit to the members, usually for social purposes. (Pradhan - 1980).

The satisfactory operation of two pilot projects in 1975/76, in Dhanusha and Nuwakot districts, generated enthusiasm to extend the

programme which now covers 196 Panchayats in 46 districts embracing 33,811 households organised in 3,504 groups.** It has now become an essential component of IRDPs. In fact, SFDP has been accepted as a strategy for rural development.

4. WATERSHED MANAGEMENT PROJECTS (WMP)

Watershed management projects are another category of multi-sectoral projects designed for rural development with the focus on improvement in physical environment. The Trisuli Watershed Project was the first such project undertaken in 1967. Designed to establish, by resource evaluation and demonstration, the most suitable approach to the protection and development of the hill areas, the project carried out some erosion control work in the tributaries of the Trisuli River along the Kathmandu-Trisuli road. The other main components of the project were the construction of wells for drinking water supply and demonstration trials of crop and livestock production.

The Department of Soil Conservation and Watershed Management which was set up in 1974 undertook the Phewa Watershed Project (PWP) as its first activity. The project covers the valley encompassing Phewa Tal in Pokhara Valley south of the Annapurna range. The project consisted of two phases: 1974-81 was devoted essentially to planning and demonstration and the implementation phase started in 1981 is due to be completed this year.

The project objectives are to demonstrate on a sub-district scale the economic and social advantages of improved land-use practices and to reduce erosion in the catchment to tolerable limits. Major components of the project are forestry, livestock, agriculture and horticulture, water supply and watershed management. The Conservation Committee at the Panchayat level, consisting of local representatives, has been quite effective in ensuring community participation in planning, implementation, operating and maintaining the projects. Coordination between the line agencies is achieved through a "Watershed Committee" chaired by the Chief District Officer (CDO) with representation from concerned agencies and the Panchayat Committees.

The Tinsu Watershed Project has a very comprehensive objective - "the conservation, development and effective utilisation of the area's natural resources, the productivity increase and generation of income and productive employment, the fulfillment of basic needs, and the improvement of the socio-economic situation of the population of that area". Support to district and village Panchayat projects is a major component of its programmes - "The support aims at fast relief for the most urgently felt needs of the population which shall increase the trust and confidence of the people. In addition the programme is

** The investment during the last fiscal year (1983/84) was Rs. 42.37 million, and the collection was Rs. 14.9 million. The overdue amount is about Rs. 8.95 million (13.82 per cent) which is very low compared to the overall performance of ADB/N. The most encouraging feature of the project is the generation of savings of Rs. 1.4 million from SFDP members at the end of the first quarter of 1984/85.

hoped to initiate self-reliance and self-propelled development within the Panchayat" (General Work Plan 1983-88). In accordance with HMG's decentralisation efforts, TWP plans to financially and technically support the secretariat of the District Panchayat (LDO) in executing development programmes. It will concentrate on the construction of rural water supply schemes and to a lesser extent, the improvement of trails through the construction of local bridges (HMG/SATA - 1983).

Resource Conservation and Utilisation Project (RCUP) is a much larger watershed project. The project consists of two principal components. The first constitutes support for a range of conservation and development activities in two major river catchments of the Kali Gandaki covering parts of Mustang and Myagdi districts, and the Gorkha region drained by the Buri Gandaki River and two smaller streams, the Daraundi and Chepe Khola. The second component consists of an education and training programme aimed at developing the technical and managerial staff needed for a long-term programme to arrest environmental degradation. Justifying the multi-sectoral approach, the Project Paper states, "As part of its holistic approach to resource conservation RCUP recognises the importance of agricultural improvements. In order to complement the agricultural component of the project, it is intended that early attention will be directed to upgrading existing irrigation systems in the region as well as undertaking the building of new irrigation projects." (USAID, 1980).

5. COMMUNITY FORESTRY DEVELOPMENT PROJECTS

The Community Forestry Development and Training Project initiated in 1979 is a very important project of direct relevance to rural development. Besides increasing the supply of forest resources for hill communities, it aims to reduce environmental degradation and conserve soil and water resources. The thrust of the project is to introduce improved land use and forest management practices. The Community Forestry Development component is being carried out in about 400 Panchayats in 29 hill districts. The project consists of field activities and supporting activities. The main field activities include: nursery construction and seedling production, demarcation, plantation and protection of Panchayat Forests and Panchayat Protected Forests, seedling distribution for private planting, preparation of management plans, trail planting of important tree species and fodder grasses, and pre-testing and distribution of improved wood burning stoves. Training of Nursery Foremen, Plantation Watchers, Stove Promoters and Installers, and production and distribution of extension, training and publicity materials constitute other activities. According to the Interim Project Results and Recommendations (1980-84), "Community forestry is a viable option for reforestation and management of the forest resources in the Hills. Despite many administrative, technical and logistic problems, the progress during the first four years of the project indicates that both the administrative capabilities and the interest of the people exist to implement community forestry." The most encouraging aspect is the fact that in many districts requests by Panchayats for participation exceed the presently targeted numbers. As this programme has been, promising most of the IRDPs have incorporated a community forestry development

component. The weakness in implementation of this project, as pointed out in the above report, is the lack of quality improvement corresponding to the growth in work quantity. The report cautioned against overly rapid expansion of the programme at the cost of proper supervision and extension.

6. OTHER RURAL DEVELOPMENT PROJECTS

The Hill Food Production Project (HFPP) and Hill Irrigation Development Project (HIDP) are two other multi-sectoral projects of relevance to rural development. The first started in 1982 under the Ministry of Food and Agriculture with World Bank assistance, and covers four districts: Gorkha, Lamjung, Syangja and Tanahu. Besides the agricultural component (livestock included), the project incorporates minor irrigation, trails and bridges. The institution envisaged under the project to provide the thrust is the Agricultural Service Centre, as tried in R/NIRDP. The other project is under the Ministry of Water Resources, Department of Irrigation, and is supported by R/NIRDP. The other project is under the Ministry of Water Resources, Department of Irrigation, and is supported by the Asian Development Bank. It is spread over four districts: Kaski, Palpa, Parbat and the hilly region of Nawalparasi. The main components of this project are irrigation, agriculture, erosion control, track improvement and fuelwood and fodder development. Both projects are focussed on increasing food production in the hills.

The Settlement Programme is another activity of multi-sectoral nature involving the rural population. Though this programme started with the launching of the First Plan itself, it was carried out in a more organised way after 1965 with the establishment of the Nepal Resettlement Company. The process of settlement of people on new land includes, besides clearing the forests, establishment of physical infrastructure, provision of basic social and economic services such as drinking water, primary health and education, and provision of agricultural credit and inputs. Both the Department of Resettlement and the Nepal Resettlement Company are engaged in settling the migrant population from the hills, the former dealing mainly with squatters and the latter engaging in clearing new forest lands. While the settlement programme has been a continuous activity, the performance has been erratic due primarily to delay in allocation of forest lands. The World Bank was initially associated with this programme, but gave it up due to poor performance.

The Remote Area Development Programme, initiated in 1970, is addressed to the needs of the sparsely populated remote northern areas which, in the ordinary course of development, are left behind. This programme has introduced development projects such as trails, suspension bridges, drinking water, and construction of gumba (Buddhist place of worship). The committee which administers the programme consists of the representatives of the remote areas (one each from one Development Region) and is headed by the Minister for Panchayat and Local Development. It invites, often through personal contacts with the people in the areas, suitable projects, scrutinises them and approves them for implementation. The LDO gets the projects implemented through the local Panchayats. It is more a social than an economic programme.

D. REVIEW OF IRDP AND SFDP EVALUATIONS

1. MAIN POINTS OF EVALUATIONS

a. Integrated Hill Development Project (IHDP)

The project is nearing the end of its second phase. The evaluation study made in 1982 shows disappointing food grain production. However, the project authorities question the reliability of data used for this assessment in the study. The distribution of World Food Programme (WFP) food to the labourers in the Lamosangu-Jiri Road Project has been reported to be a disincentive to work on the farms.

The study remarks, "However if one were to look at the whole project as an opportunity for educating the people, the impact felt by them may be significant, indeed. Some people in almost every Panchayat have experimented with one kind of input or other which has made them aware of new technologies in agronomy, poultry raising, horticulture development and to some limited extent livestock raising as well". Appreciating Tuki as an innovative system, it states that the Tuki system has been a significant step forward from the traditional extension model of community and agriculture development. In regard to off-farm employment, the evaluation study was sceptical of the sustained development of cottage industries, particularly textiles, since cottage industries in Nepal do not receive much protection as a part of government policies and have to compete openly with both handicrafts of India and factory-made and mass produced commodities. It takes cognisance of the fact that certain other employment opportunities in such occupations as carpentry, masonry, accounting, teaching, knitting and sewing, pottery and office work at the project have also emerged in the area largely due to IHDP's existence. It expresses doubt whether these opportunities will remain after the project is phased out. On soil conservation, the study notes, "Soil conservation activities too have been generally limited to road sides". According to the study, the afforestation programme has been patchy - "It has not come as yet with a viable solution in mobilising people's participation both to manage existing forest resources and to develop new ones". IHDP's capability of adapting its programme to the Panchayat system and community forests may hold the key to success in this sector, the study points out. (IDS - 1982).

"Self-propelled development" constitutes one of the main objectives of the project. It upholds the view that "self-sustained development" implies a full mobilisation of local resources and the development process. In the attainment of this objective, the report points out the need for reducing the dependency on structures (i.e. the expatriate experts and the structures they dominate) which disappear when the project comes to an end. It suggests integration with official structures of HMG which would mean, "at least, that

the system would be institutionally self-sustaining". (IDS - 1982).

Pointing to the weakness of the project in addressing the target group - the poor, underprivileged and the inarticulate - it suggests, "The user group approach comes closer to attacking this problem from the right perspective and one may build upon this concept to inject a truly relevant dimension into the search for an institutional solution of Nepal's attempt at integrated rural development". It has remarked that IHDP by itself cannot achieve rural development. It can only facilitate it. Through suitable policies it can help the poor to assess their own needs, and based upon this, approach the relevant agencies for the needed services. This approach more or less corresponds to the SFDP philosophy. (IDS - 1982).

The fundamental issue pointed out in the study is the lack of a generally agreed upon or understood framework to plan and implement the new strategy. It goes on, "The seven integrated rural development projects (IRDP) currently under implementation are financed by seven different donors, have seven different concepts and operate under equally diverse planning and implementation mechanisms. The projects are not presented in an integrated manner". (IDS - 1982).

Lack of manpower has been cited as a major constraint. The study notes that the project has no alternative other than to bring into the project (from inside the country or outside of it) the manpower it needs.

In conclusion, the study recommends, "In view of the relative success and still greater potential of IHDP in contributing to the people-oriented development in the area, and in view of the still unsettled philosophical and institutional issues within HMG, IHDP should be allowed to continue its own experiment in the design and implementation of this particular rural development project". It has suggested, as pointed out earlier, the adoption of a target group approach in a few selected areas. Revamping of the Tuki and the adult functional literacy programmes to make them the major institutional tools in facilitating a sense of community is another major recommendation. (IDS - 1982).

Integration with local governmental structures including the Panchayats, people's participation in afforestation and soil conservation activities, more involvement of women in project management, and revitalisation of the Coordinating Committee, constitute other important recommendations.

b. Rasuwa/Nuwakot IRDP

The R/NIRDP completed its full term in 1981, which was extended by two years. The evaluation study in 1982 made a quantitative analysis of its major targets: food grain

production, employment generation and the internal rate of return of the agricultural development component. "In terms of aggregate achievement for all food grains the performance is as high as 90 per cent", the study notes. However yield rates have been far short of the target, the differences in the estimation of cropped area accounting for higher production. The internal rate of return on the agricultural component has been put at four per cent while appraisal estimates were twenty-nine per cent. In employment generation, with a target of 30,000 man-months, only 18,510 man-months were generated by the project. Performance in other sectors being poor, the overall rate of return was still lower. Despite poor results, the study notes, "There has been a tremendous boost in the level of extension services provided in the project area. Not only is there better distribution through the establishment of the sub-centers, but also there is increased level of technical manpower". (DRCG - 1982).

Referring to the various constraints faced by the project, the study points out the difficult nature of rural development projects, and the weakness in design (vague goals, unrealistic timing aspects). The study points out problems relating to budget flow, lack of audit, manpower shortage, and centralised decision making. Other problems are low commitment to R/NIRDP by participating departments and agencies, and non-acceptance of MPLD's supervisory role. Lack of planning capability in MPLD and the ad hoc nature of resource allocation are stated to be other constraints. The ineffectiveness of the coordinator has been attributed to his low status and the location of his office in Kathmandu away from the project site. Another major constraint, according to the study, is that Panchayats are too weak (technically and politically) and technical support in terms of planning and supervision is very limited. Lack of public concern with projects is another shortcoming.

The study recommends setting up clear goals and objectives: "Specific objectives relating to the different phases of RD programme have to be worked out so that both the people and the institutions to be involved know in advance the implications of such a decision". In order to avoid the neglect of the poorer groups, it suggests, "encouragement of local community to bring about the local community's awareness and the willingness to act". One fundamental issue it has pointed out is the urgent need to reduce the pervasive financial dependence of local institutions on the government - "Panchayats should be encouraged more and more to mobilise local resources". (DRCG - 1982).

Referring to a general problem, it points to "a very poor implementation system" where targets are seldom achieved during the stipulated periods and costs are generally overrun. Another crucial problem is "ill-coordination at the central level". It suggests that "the overall responsibility for district development activities should remain in the office of the CDO". (DRCG - 1982).

In conclusion, the study remarks, "In summary, administrative networks designed to reach the people have already been created both in Rasuwa and Nuwakot. The institutionalisation and internationalisation of these activities take more time." One hopeful aspect, according to the study, is the awareness among the people that a rural development programme is being undertaken. Another encouraging feature of the project is that demand generation, a precondition for change and development, has already taken place. "The project has established an extended mechanism for improving the service delivery system". (DRCG - 1982).

Suggesting a direction for the future, the study recommends putting emphasis on agriculture and its related components, local development and social development features, while consolidating the achievements of Phase I.

The CEDA study on R/NIRD points out the need for commitment on the part of HMG to IRD strategy and suggests priority for an integrated approach to development over HMG plans, programmes and action. It expresses the view, "Rural development in Nepal is possible only through active people's participation. This needs effective decentralisation of "real power" to the district and village political institutions".

c. K-BIRD

The first phase of K-BIRD, as planned, came to an end in July 1984. Pending an agreement on the second phase, the project has been extended by one year to be financed out of the unspent balance of the committed assistance. The evaluation, conducted one and a half years into the implementation, is premature. It was rightly remarked, "It is too early in the programme implementation stage to try and answer with confidence, whether or not K-BIRD has worked". However this mid-term evaluation gives valuable input to taking corrective measures. (Veit - 1984).

According to the evaluation, while there are many shortcomings, a base has been created - "most of the organisation's basic system is in place." Though the annual programming exercise starts from a base of information which is allegedly very weak, the exercise has improved over the years - "In the third (annual plan) much of the rhetoric and descriptions were left out and specific programmes were spelled out clearly". But the Integrated Village Development (IVD) which is one of the principal features of the K-BIRD has not materialised as envisaged. The collaboration between the villagers and the district level line agencies has not come about. "The individual programme at the village level was camouflaged as IVD in the annual plan documents and these programmes are to be implemented by the line agency. Thus the whole process of IVD was completely ignored resulting in the lack of involvement of the village level people in the management of these activities". (Veit - 1984).

With regard to Rural Service Centres (RSC) which constitute an important component of the project, despite the delay in their construction, "some of the district level agencies have already assigned field level extension workers to these centres. In particular, the livestock and agriculture junior technicians are present in the Rural Service Centres". RSC has definitely helped to bring the services closer to the people. The evaluation notes the low absorptive capacity of the project, only about 50 per cent of the allocated budget could be spent. In allocation of resources, the study points out "a major share of budget has been used for administration and maintenance and less resources used for programme aspects". As in every other project, "manpower development was not according to the estimated manpower needs. Frequent transfer of the heads of the line agencies is a common phenomenon in the project districts." (Pradhan - 1984).

Referring to the organisational aspects, the study observes, that there are "problems of management rather than problems of structure". While acknowledging the potential of the K-BIRD structure to integrate development programmes, since it has to work through existing development agencies, it is unlikely the organisation will be able to establish functional links between planning, budgeting, implementing and monitoring. The advisability of a coordinator's office operating on the periphery of the existing institutional framework has also been questioned. Another pertinent observation is that the project was highly publicised with consequent high expectations among local people, leaders, and HMG officers. "By trying to be all things to all people, K-BIRD is fragmenting its efforts and losing its focus", observes the study. The time frame of the current project (three years) has also been criticised as too short (Veit - 1984).

On the role of foreign advisors, the study notes, "Senior representatives of HMG seem to have serious reservations about the presence of advisors in IRD programmes, including the K-BIRD programme." On the other hand the Canadian International Development Agency (CIDA) seems reluctant to release Canadian funds to the programme without advisors. Unwelcome as they generally are, "role confusion has characterised the tenure of all advisors". (Veit - 1984).

The main recommendations of the study are to limit the project area to the existing three districts, to focus the programme in a few key sectors, and reorganise the IVD programme confining it to five village Panchayats in each district. Incorporation of SFDP on a wide scale and strengthening of RSC have also been suggested. Support to District Training Centres and Research Farms constitutes another recommendation. Emphasis has been placed on continuing the district planning exercises which, the study notes, have brought a salutary change in the planning approach.

d. Rapti IRDP

The Rapti IRD Evaluation, while acknowledging the imperativeness of rural development for Nepal's long-term development and the consistency of the Rapti IRDP with HMG's development policies and plans for mobilising the rural population in national development, has suggested an extreme step of terminating the project after two years, if certain conditions are not fulfilled. It has specified five areas for special attention. The ecological situation is the first point to be stressed. Pointing out that "the household production system is in conflict with environment" and the "renewable resource component of the Rapti Project is one of the weakest and slowest to be implemented", it has suggested that "the protection of land with trees and ground cover should be an integral part of all development activity in the districts". (USAID - 1983).

The second point relates to the "institutional trends". The Decentralisation Act, the Evaluation Study states, "should be implemented, as now envisaged, in full, giving districts clear authority, responsibility and capability". In this context, it has pointed out the need for reallocation of government manpower resources to district and village Panchayats. A household production system is the third area to be emphasised, with the objective of increase in household incomes. Fourthly, "incentive environment" has been noted as another area for better attention. Incentives need to be provided for the development of local private enterprise on the one hand and for boosting the morale and enthusiasm of the officials working in rural development. Lastly, noting the population explosion, it called for urgent attention to "family planning programmes in close association with maternal child health care". (USAID - 1983).

In line with the above points, the Evaluation Study has recommended reshaping the project toward (a) "developing and introducing a more household and environmentally oriented development strategy, (b) a greater reliance on the District Panchayats to plan and carry out local rural works, education and health programmes, and (c) identifying and trying out alternative approaches to development in the hills and the Terai". Other important recommendations are sparing use of capital with emphasis on simple, low cost and labor intensive approaches, shifting agricultural input delivery to private groups or individuals, phasing out Project Coordination Office, using the Rapti IRDP as an action research and demonstration base for Nepal's rural development planning. (USAID - 1983).

e. KHARDEP

The Pre-review Assessment, conducted within two years of implementation of the project, presents a mixed picture. While reporting slow physical progress corresponding to a low level of financial performance, it has recorded good progress in forestry, roads and irrigation schemes. Noting the pattern of

expenditure, the Assessment suspects a bias towards infrastructure. The 1981 Mid-term Review Mission has acknowledged this fact and given two reasons for this deviation from the outline plan. First the delay in staffing the agricultural experts has hindered the preparation and implementation of the agricultural sector plan. "Secondly the costs of the Dhankuta-Hille road were severely underestimated". Justifying the investment in the infrastructure the Mission states: "To a limited extent, this phase of the project can be thought of as establishing the "pre-conditions" for development, and that in a longer time perspective the production components will take on greater significance". (KHARDEP - 1982).

In regard to the project's objective of serving 147 Panchayats of four districts with a population of about one half million people, the Assessment notes: "At the moment the programme is at too early a stage and the progress too slow to attempt an evaluation against this broad objective". KHARDEP activities, have "touched a total of 75 Panchayats within each of which only a segment of the population stands to benefit even on completion of the ongoing activities". On the agricultural sector which is lagging behind, the Review Mission points out: "KHARDEP is faced with attempting to arrest a declining situation, any progress is likely to be localised and gradual". The Mission adds: "Apart from the actual delivery of improved practices, the full impact will take time to be realised as innovations are adopted and diffused among farmers". It is hoped the irrigation schemes will have their impact on agricultural production sooner. Cooperation from the Pakhribas Agricultural Centre which is in the KHARDEP area is a factor in favour of the agriculture programme of KHARDEP. One notable observation of the Mid-term Review Mission is, "There is very little that a foreign-aided rural development project can do itself to achieve self-sustaining increase in production without a very substantial complementary commitment by HMGN." (IDS - 1981)

The Pre-review Assessment has been most critical of the institutional aspects of the project. It considers the element of popular participation missing in KHARDEP's strategy. It points out: "In as much as participation of local people in planning is concerned, very little evidence of such participation was noticed". The beneficiaries have, however, "participated in the capacity of voluntary labourers or wage earners". According to the Pre-review Assessment, the role of the district and village Panchayats is only ritual and "KHARDEP officials end up being the arbiter of local needs and possibilities". The comment of the Mid-term Review Mission on this remark is, "It is impracticable for the KHARDEP Technical Cooperation Officers (TCOs) not to be involved in the executive and administrative aspects of work for which they have professional advisory responsibility". (IDS - 1981).

The fundamental issue noted in the Assessment is: "The concept and practice of rural development continues to be in a

process of evolution at best with HMG". Under the existing circumstances, it questions the appropriateness of foreign assistance itself with the remark "foreign aid in Nepal has resulted in distortions which have worked against the interest of rural Nepal and the poor people". (IDS - 1981).

Doubting the effectiveness of "the integrated approach of trying to touch every sector and seek balance among sectors" which would result in "too thin a spread of activities and diluted focus for each of them", the Assessment suggests "to catch a broad sector which could be developed first under existing conditions". It advocates integration within sectors. In this context "Agricultural Service Posts (ASP) are a grand and useful example of such integration". It recommends expedition of this activity. "In order to offset the potential bias of such a programme in favour of the relatively well-off farmers", it suggests, "SFDP activities should be advanced concurrently". Another important suggestion is de-emphasis on the road sector (IDS - 1981).

The Assessment stresses the need for a degree of decentralisation in decision-making from the centre to the local institutions. It points out the need for an enhanced role for the National Planning Commission in the matter of coordination and integration. The creation of a "progress monitoring and control unit" within the Coordinator's Office constitutes another recommendation. The Review Mission considers a strong team of Technical Cooperation Officers (expatriates) essential for the project and recommends the location of Senior Technical Advisor (STA) in Dhankuta along with TCO team. It also stresses the need to strengthen the Coordinator's Office with local professionals.

A more recent evaluation (UK aid to the Koshi Hills; A Report by John Howell, August 1984, Overseas Development Institutes, London) provides a clearer picture of the existing situation of the KHARDEP. This Report is a follow-up on a Review and Progress Report of the project which has recommended continued UK support to it in the Seventh Plan period 1985-90. The Report "discusses the need or otherwise for changes in the objectives, components and administration of the UK aid to the Koshi Hills". It has attempted "an evaluation by sector, or activity, rather than by programme as a whole." It has also discussed critical issues relevant to project performance. (Howell - 1984).

Performance of sectors, according to the Report, is mixed. In the communication sector (roads), despite the reduction in the target and cost overrun, "satisfactory progress has been made in relation to the revised targets and in cost terms." The indirect benefit flowing from the construction of the roads has been estimated to be three million man-days by the end of the programme in mid-1985. Most of the labour being locally employed, this means a significant injection of income to the region. (Howell - 1984).

In the agricultural sector, the programme has been limited to mini-kit demonstrations and establishment of nurseries. The involvement of the Department of Agriculture was limited up to 1982. From 1982-83 onwards, with the objectives of the KHARDEP programme becoming clearer and a new arrangement with Koshi Hills Agricultural Development Office headed by a senior officer being established, some breakthrough is expected to be made in this sector. The proposed number of twenty-four ASC has been reduced to twelve and five of them are close to being fully operational.

The KHARDEP programme has been directed to the SFDP through the ADB for credit rather than to the cooperative societies and unions, as the latter are having difficulty. The Report however notes that "cooperatives can be viable as public institutions to deliver particular services." One important component of the KHARDEP is the Agricultural Technical School (ATS). Despite delays and difficulties in bringing it to operation, the report observes, "ATS represents a good investment of UK aid funds and TC (Technical cooperation) support appears to be valued." (Howell - 1984).

The livestock sector, according to the Report, seems to have made good progress. "Within its own realistic targets, the livestock sector has been relatively successful and has delivered services which are clearly popular with farmers. It has also established an organisational structure within which improvements can be made." This success may be attributed to the fact: "The DLAH has developed much closer links (with KHARDEP) than has the DOA". In the forestry sector, the KHARDEP programme has been experimental in nature and evidence is still being collected on species and on possible ways of organising community management. (Howell - 1984).

While there was little emphasis on drinking water in the original KHARDEP plan, 42 schemes were undertaken by 1984 in response to a major demand. The cost sharing has been estimated to be: sixty per cent KHARDEP, thirty-five per cent district budget and five per cent locally raised. The total number of households benefitted from these and earlier (1977-79 period) schemes comes to roughly 30,000. "This is a satisfactory KHARDEP performance and a survey of drinking water has also given encouraging evidence of the recruitment of community technicians and of the extent to which household savings through water supply have reduced the drudgery of collection for rural women", the Report notes. (Howell - 1984).

In the health sector, the achievements under the KHARDEP are the construction and establishment of nine health service posts and a primary health care training centre, improvements to district hospitals and support for extended immunisation programmes. "The targets for the health sector in terms of physical provision and staffing have been largely met." However, the Report notes, "It has been a dispersed effort." Little progress has been made integrating health

programmes with the consequent underutilisation of the health service posts. (Howell - 1984).

The original education programme which was rather ambitious was revised to a "more narrowly focussed" project consisting of the provision of capital and operating costs to support the establishment of a new Educational Resources Centre (ERC) at Dhankuta. The British Council and Volunteer Service Officer (VSO) have also provided teaching assistance to this project. The Report considers that there do not appear to be any particular advantages to ERC in being funded through KHARDEP.

Support for cottage industries, according to the Report, has amounted to less than - 100,000 for the establishment and operating costs of a branch of the Cottage Industry Emporium and the provision of revolving funds. The assessment of this sector is: While the limited programme of support for small scale textile crafts, has been "one of the few visible or exciting activities undertaken by KHARDEP", "cottage industries have been one of the major disappointments of KHARDEP when set against the initial objectives and financial provisions for rural industry." (Howell - 1984).

On women's development, KHARDEP support has amounted to L 100,000 which was used for constructing a Women's Training Centre (WTC) and contributing to salaries and training course costs. "The role of the Centre and its extension service, is limited to training in nutrition, functional literacy, and handicrafts, with some health care". With only a peripheral role of Women Development Officers (WDOs) and Women Extension Workers (WEWs) in the extension programmes of health care, livestock, agriculture, and small farm credit, the impact of the programme, according to the Report, "appears to have been limited." (Howell - 1984).

Though the establishment of the Project Coordinator's Office "has been an expensive exercise for the project costing L 6 million to 1984", the investment, according to the Report, has been largely justified, because "day-to-day programme management of KHARDEP has been at a relatively efficient level when seen against the performance of most other government agencies in the Hills." (Howell - 1984).

Despite disappointments, the Report endorses the recommendation as given in the Review and Progress Report referred to earlier for continuity of the project.

Drawing the lessons of KHARDEP, the Report notes IRDPs are all hill area programmes and many of the difficulties are partly due to the intractable nature of hill development in Nepal. Lack of a comprehensive national approach and central government support to IRDP have been other major issues.

The Report recommends narrow focussing of UK aid for the third phase of KHARDEP and "more direct management of the

programmes and funds by close involvement with the executing ministries and agencies, rather than through a coordinating structure within a ministry not concerned" with the sectors. The argument advanced in support of limiting the activities is "there has been disappointingly little impact in the natural resources sector and unless more effort is made, particularly in crops and forestry, it will be difficult to envisage any long-term effect of UK aid in the eastern hills." The need for special emphasis on the agricultural sector and doubts about the utility of continuing aid to most other sectors except roads under KHARDEP have prompted the evaluator to recommend restriction of third phase activities to these two sectors. Even the irrigation sector, the Agricultural Inputs Corporation and the Agricultural Development Bank which are directly related to agriculture have been dropped. (Howell - 1984).

While suggesting narrow focussing of the third phase programme, the Report notes, "It does not mean that other projects should not continue to receive UK support" but it should be outside of the framework of KHARDEP. It has been suggested support for Panchayat development be a separate project.

The Report notes, "The divided responsibility for KHARDEP has, it appears, confused members of HMGN, as well as several KHARDEP TCOs, and the range of external involvement in KHARDEP has been a constant irritant to senior staff." The Report expresses inability to assess the extent of this problem or to provide guidance on how it might be addressed. The most significant recommendation in regard to project implementation is, however, the direct involvement of Pakhribas Agricultural Centre (PAC) in supervision of the field programme. The argument put forth for such an arrangement is there is no prospect for the Department of Agriculture undertaking the range of responsibilities that are necessary for an effective extension effort in the Hills. In this context, it suggests "A gradual incorporation of PAC into the Department of Agriculture." It suggests a separate unit within the Department of Roads for undertaking road work. In regard to the Coordinator's Office, its present size and functions become, according to the Report, unnecessary. (Howell - 1984).

In summary, the Report recommends the continuation of the natural resources sector (crops, livestock, and forestry) and the communications sector (roads and trails) and adoption of the sectoral approach, with a major role in implementation for PAC. The implication of the decentralisation process has been totally overlooked and the local institutions completely ignored.

f. Small Farmers Development Project

SFDP, according to the Mid-term Evaluation Report, is a success story. "The project has been successful in directing its services to the target population," observes the

report. The main instrument of this project has been most effective - "Loan disbursement is ahead of schedule" and "credit provision and the delivery of other supplies seem to have gone smoothly." According to the Evaluation estimates, "incomes were increased by 20-30 per cent from increased production." A further income benefit has been enjoyed as a result of resolutions adopted by Small Farmers' Groups to reduce expenditures on weddings and other ceremonies. This has helped to avoid the chronic indebtedness incurred in the past. The Report observes, "The operation of the project has led to an increase in the demand for labour...and there is evidence that the project has led to wage increases." (IFAD - 1984).

Group savings is another important achievement of the project. "A total of 1238 groups (including 125 women's groups) had participated in group savings programmes as of 1982-83", which constitutes 37.5 per cent of the total membership of the SFDP. The amount of savings totalled Rs. 508,000 or Rs. 66 per person. Another noteworthy self-help activity of the SFDP is the construction through donation of labour, cash and materials, of meeting halls, schools, tracks and roads, bridges, irrigation and drinking water schemes. The report notes, "Thousands of members have participated in hundreds of such projects since the inception of the programme." (IFAD - 1984).

The most significant observation of the Mid-Term Evaluation: is "The development of Small Farmers' Groups with access to credit is engendering a spirit of enterprise, self-reliance, group cooperation and solidarity, resulting in individual and community action for change. These changes are fundamental in that they bring new attitudes of hope and self-determination as well as a commitment to mutual support. The breaking of established custom in reducing ceremonial expenses illustrates this well." The most important feature of the SFDP is: "The programme is largely self-reliant. Members are given loans on the existing institutional terms. It appears likely that, with satisfactory repayment records and a reasonable volume of disbursements, the project will be financially viable with project funds costed at from five to eight per cent." (IFAD - 1984).

While the target population is generally served, the Report draws attention to the need of making further efforts "to involve farmers in less accessible areas as well as more landless and women in the project." Though the programme has been able to achieve considerable expansion without serious impairment to quality, the Evaluation cautions against rapid expansion - "the pace of expansion must be compatible with the maintenance of the overall quality." It strongly recommends, "the maintenance of quality should take precedence over further expansion." (IFAD - 1984)

The Evaluation concludes: "The SFDP offers a number of useful lessons for rural development efforts in Nepal and elsewhere.

These relate to the appropriate orientation and training of development workers at the field level; the importance of organisation of participants in voluntary, homogeneous groups; the inclusion of credit as a point of entry; the provision of decentralised, participatory and flexible framework for programme activities; and the integration of social and economic components in the development programme." (IFAD - 1984)

2. POST-EVALUATION DEVELOPMENTS

It is indeed encouraging to note several issues pertaining to rural development projects referred to have been satisfactorily dealt with by HMG in the context of national development objectives and not to satisfy any particular project requirement. It cannot, however, be denied that the collective impact of the various evaluations has contributed to this outcome.

The most important policy decision is the Decentralisation Act, put into effect on December 29, 1984. Within a few months of its implementation, nearly all the District Panchayats had produced their respective district plans for incorporation into the upcoming Seventh National Plan and also the annual programmes for the next fiscal year (1985-86). The documents are far from perfect. With formidable time constraint and limited support, they could do no better. Nevertheless, the process of bottom-up planning has now started, however crude it may be. Thus a beginning has been made in fulfilling this prerequisite for rural development, considered most essential in all evaluations.

Wiser by experience with decentralisation, HMG has this time taken special care to see its implementation through. There is a continuous monitoring of the process by an Evaluation Team under the Panchayat Policy and Supervision Committee on the one hand and by a Special Task Force in the MPLD. The problems and issues are periodically reviewed at the policy level and necessary measures taken. Decentralisation is thus on the move.

Commitment of HMG is another requirement stressed in most reports. The seriousness with which HMG is implementing the decentralisation process gives some indication of HMG's commitment to rural development. Though the sectoral agencies have not yet demonstrated a serious commitment to the IRDPs, with the implementation of the Decentralisation Act, the political compulsion is likely to promote that commitment.

Coordination is a common issue highlighted in the reports. The establishment of the Integrated Rural Development Central Coordination Board under the Chairmanship of the Minister of Panchayat and Local Development and National Planning Commission Vice-Chairman as Vice-Chairman with wider functions and authorities under the Development Board's Act in 1983 as stated earlier, was intended for more effective coordination. However the experience thus far is not encouraging. There is a need for rethinking about the coordination mechanism.

Regarding incentives for government personnel, the increase in salary this year according to the recommendations of the Pay Commission

was a substantive action. Of course, from the point of view of a particular project such a general increment may not be much of an incentive. But one should not overlook the fact that a government cannot afford to discriminate financially between its personnel. HMG has also introduced this year another incentive based on performance which was announced in the Budget Speech, "A procedure will be developed to relate financial incentives to be given to the project staff with the progress of the implementation of the project. Under this procedure the project management will submit every four months the report on physical and financial progress of the project and only on the basis of this report the project staff would receive incentive allowances." This provision is in the process of being developed.

On the environment deterioration issue, HMG's concern is quite visible. The development of the Department of Soil Conservation and Watershed Management (DSCWM), established in 1984, has been noteworthy. The Mid-term Evaluation on Watershed Management and Conservation Education has noted that the conservation movement in Nepal "would not have been possible without the firm commitment of HMG to implement mutually agreed programmes and policy inputs. The expanding DSCWM organisation, increasing resource allocation in the sector, and new legal framework are some of the examples to justify the above statement." The DSCWM is going to convert project offices into permanent district offices. According to the Department Chief, it will expand its coverage to 35 districts. Thus, the Watershed Management Projects as well as the erosion control component of the IRDPs can bank on much-needed support for more effective functioning.

On the financial disbursement problem, the establishment of the District Treasury Offices in all the districts of the Kingdom has already alleviated it to a certain extent. In regard to the manpower issue, efforts have been made but the situation seems to be insurmountable.

To give a few illustrations of the follow-up on recommendations of micro-nature, the second phase of R/NIRDP currently under negotiation has, in accordance with the recommendation, laid more stress on the productive sector with a higher percentage of allocation (48 per cent) as against 41.5 per cent in the first phase project. The allocation for infrastructure has been brought down to 17 per cent from 21 per cent. The health sector has been dropped. The similar recommendations of K-BIRD Evaluation have been adopted. "For K-BIRD Phase II purposes the concept of focussing has been accepted. Minor components have been eliminated from the programme and greater emphasis will be placed on those components that support HMG/N's development objectives in the Seventh Five Year Plan", according to comments on current status of recommendations -- March 1985. The suggestions of Mid-term Evaluation of Rapti IRDP to continue and expand the Appropriate Technology Unit's programme have been followed up by opening four new branch offices, one each in the four hill districts. As a matter of fact, in the appropriate technology field, the Rapti IRDP has made remarkable headway, according to the Agricultural Development Bank which is associated in this component.

The overall picture of follow-up on evaluations is thus not discouraging. The general impression that they are not given much attention is incorrect. However some of the evaluations are flooded with

recommendations covering a wide spectrum of problems and issues, major and minor, and not a few of them are, to put it in the words of one donor agency employee, "more wishful thinking than realistic."

E. ANALYSIS OF EVALUATION

The evaluation studies reviewed above are not uniform. While some are focussed on a few areas, some are comprehensive. This difference may be partly due to the different scopes and objectives of the evaluations, or the different stages of project implementation. Except in a few cases, most of the findings and recommendations are based on general observations and not empirical fact. Of course, in projects of this nature with social and political dimensions, quantitative assessment is difficult. Interviews are one basis of assessment. And they are not always dependable. Personal observation constitutes the key instrument in most evaluations. Such an observation involves the risk of being influenced by personal bias and preconceived notions. The aforementioned evaluations cannot be assumed to be free from this shortcoming.

Despite the differences in approach and presentation, and the biases, there is some commonality in the findings and recommendations. None of the evaluations have rated the whole project as a failure. Certain components have been noted as successful or unsuccessful. One common recommendation of all the evaluation studies is the continuation of the project concerned. The only exception in this regard is the Rapti IRD Evaluation which has put some conditions for continuation of the project beyond the present project term. A common observation, also shared by the Rapti Evaluation, is the need for a long-term perspective for rural development. Ten to fifteen years have been suggested as a reasonable time frame for donor assistance.

Emphasis on people's participation constitutes another common feature. The gap between the profession and practice of this strategy has been clearly brought out in most evaluations. Hence stress has been placed on associating the local institutions - district and village Panchayats, user's committee, local private sector and non-governmental organisations at the local level - in planning and implementation. Decentralisation has been viewed as an essential prerequisite for this purpose. The Decentralisation Act and Rules have therefore been very well received. However there is a note of scepticism in regard to implementation. That may be the reason why the Rapti Evaluation has put forth full implementation of this legislation as one of the conditions for extension of the project.

Lack of "commitment" of HMG to integrated rural development has been noted in almost all the studies. Ineffective functioning of the Coordination Committees, lukewarm support of most line ministries and central agencies, and difficulties in getting necessary personnel have been attributed to this factor. The Rapti Evaluation has been forthright in pointing this out - "Without HMG commitment and performance over the next two years, the major investment of Rapti Project resources would not likely be beneficial over the long-term and the project should be terminated at that time". While other evaluators have not been as direct they have also considered political support as a prerequisite for integrated rural development.

Some commonality is noticed in an investment approach. High investment in facilities and infrastructure has been depreciated. Emphasis has been placed on a "simple, low-cost and labour intensive" ap-

proach to implementing projects. Most evaluations have recommended more investment in productive sectors which would directly help in increasing the income of the people in the project area. In view of difficulty in coordination, some have suggested confining the project to a few key sectors.

Degradation of the environment threatening the life-support system in the hills has been highlighted in most studies. Measures undertaken to arrest this trend have been considered inadequate. To quote the KHARDEP Mid-term Review Report, "Progress in the forestry activities under KHARDEP has been promising but the scale of the effort has been small in relation to the magnitude of the need to increase fuelwood and fodder production, and help conserve watershed."

Creation of off-farm employment to release the pressure on farming activities has been, according to most evaluations, much below the target. More action has been called for in this regard. Development of community forestry along the lines of the Community Forestry Project aided by the World Bank is one of the suggestions. Controlled grazing and pasture management constitutes another recommendation.

Regarding organisation, paucity of trained manpower, fast turnover of staff, and lack of motivation among the field staff, are the common findings. Timely disbursement of funds is another problem with most projects. These constraints are not peculiar to IRDPs only. They are general problems in development administration. According to most evaluations, the need for the office of the coordinator on the existing scale has been questioned in some projects, while the KHARDEP Mid-Term Review has suggested strengthening the coordinator office with professionals to assist in district planning.

The role of foreign experts is one critical area elaborately covered in the evaluation reports. Most evaluations have doubted the effectiveness of expatriates. The predominant role played by them in some projects has drawn critical remarks -- it has relegated the local institutions to a passive role and rendered people's participation a farce. The Nepalese evaluators in particular have been very critical. The cost of these experts apart, the relevance of the expertise to the Nepalese rural situation has been questioned. This more or less reflects the views of the Nepalese authorities. While it may indeed be an extreme view, there is a consensus on the need to cut down on the number of experts attached to projects, and to prepare the counterparts to take over.

Comprehensive though most evaluations are, a few basic aspects seem to have been overlooked. First, even after about ten years of operation and with eight IRDPs ongoing, enough effort has not gone into developing a meaningful framework for formulating an Integrated Rural Development Project. Each project is conceived and formulated in an ad hoc way. The donor agencies generally set the terms of reference and the consultants develop the project within those parameters. While there cannot be or should not be a rigid project format, there is a need for a basic framework. The Integrated Rural Development Policy of the Sixth Plan is too vague to serve as a guideline. The NPC is the appropriate agency to undertake this task. In this exercise, the active

association of the concerned sectoral agencies — is imperative. Consultation with the major donor agencies would be helpful. Such a framework would need periodic revision. The adoption of a framework will help to ensure some consistency in the IRDPs.

Unlike the IRDPs in India which are totally target-oriented (helping the households below the poverty line), the Integrated Rural Development Projects in Nepal are essentially area development projects. As such they should have given more attention to the spatial dimension of development. As Nepal is committed as to regional development strategy, lack of consideration of this aspect is surprising. It may be due to the dwindling enthusiasm of the NPC in the regional development approach after its abortive attempt to try out the growth axes and growth points strategy through the Regional Intensive Development Programme, as reflected in Sharma's remark, "The basic principles of the Sixth Plan do not reflect the euphoria of the regional approach reminiscent of the past." With such an array of the IRDPs and more incoming, the regional development strategy could hardly be ignored. In order to achieve "self-propelling" or "self-sustaining" development, a common objective of the IRDPs, planned development of a hierarchy of growth centres with strong linkages is an essential requirement. The provision of rural or service centres in the IRDPs has not been envisaged in this light. (Sharma, 1979).

Lack of consideration of regional strategy is perhaps the reason for the neglect of the urban sector in the IRDPs. It is acknowledged that "rural areas without access to urban centres and services cannot prosper" and "those without access to fully functional and efficient (urban) centres are denied their full development potential." In the case of Nepal most urban centres have scarcely developed. Without complementary development of the urban areas, the rural development process cannot make much headway. It may be appropriate to point out that neglected as the urban sector has been in the national development programme, the conference of the Pradhan Panchas of the Town Panchayats held in Jhapa in January 1983 drew the attention of HMG to the need for the simultaneous development of the urban and rural sectors and establishment of a strong linkage between the two. In response to their representation of this valid demand, HMG has of late taken note of it and the Seventh Plan seems to pay some attention to this aspect. The Basic Principles of the Seventh Plan state, "Concrete steps will be taken to make rural development and urbanisation complementary to one another." It is encouraging to note that the Rapti IRDP, though belatedly, has given some attention to the urban sector. (Rondinelli: Spatial Analysis for Regional Development).

The de-emphasis on infrastructure suggested in most IRDP evaluations seems to run counter to the achievement of the objective of self-sustained development. While investment in overhead and administrative facilities needs to be kept as low as possible, the development of rural infrastructure of modest standards cannot be minimised. "The study of a Taluka in India by Sudhir Wamali shows: "Increases in agricultural productivity do not take place without the timely development of key rural services." The provision of transport, marketing and rural infrastructure, the study points out, "encourages private sector to grow in the countryside, thereby

facilitating the broader processes of rural socio-economic development." The cases of Punjab and Haryana offer an outstanding example. The much-emphasised investment in productive sectors thus needs complementary investment in rural infrastructure.

The location of the IRDPs is one point which does not seem to have been fully appreciated. Since the basic objective of these projects is to reach the poor, and poverty is at its worst in the hills and mountains, the choice has naturally fallen on northern hilly region. Their formidable physical constraints apart, these areas have limited infrastructure for development; odds are heavily loaded against the projects to begin with. Proper account has not been taken of this factor in project formulation. Following conventional project approach, a five-year time frame has usually been adopted and activities squeezed into this period irrespective of the environment. The Mahakali IRDP with its headquarters located in Patan then approachable by a STOL aircraft only is a typical illustration. The evaluators, while indulging in highlighting shortfalls, do not seem to recognise this inherent weakness during project formulation.

Another weakness in project formulation which the evaluations have overlooked is the fact that some of the constraints, particularly those of the socio-cultural nature, are not manipulable in the short-run. Formulating a project on the assumption that the government will do away with such constraints make it unrealistic to start with. The IFAD evaluation has rightly remarked, "It is always possible to seek certain assurance from a country as a pre-condition for the loan effectiveness. One should not, however, expect that a country will change the basic tenets of its development strategy for the sake of one project." Some of the recommendations of the evaluations in respect to such constraints clearly belong to the category of pious wishes. The crux of the matter is that a project will have to live with some constraints and due consideration should be taken note of them in its formulation. This may call for a longer time frame, more modest investment, de-emphasis on certain components, or complementary investment in some important sectors. In other words, a flexible non-conventional approach to project planning as opposed to a standardised project formulation is needed.

The need for internal resource generation has been pointed out in some evaluations. But no clear suggestion has emerged except the reinstatement of the Panchayat Development Land Tax (PDLT). The self-sustained development process is inconceivable without augmentation of internal resources. In the project formulations, no serious thinking about it is evident. Let alone the financing of further development programmes, the operation and maintenance of the completed projects and services has not been seriously considered. The implicit assumption is that HMG will take over and continue the programmes. R/NIRDP is a glaring example of the fallacy of this assumption. The Decentralisation Act has recognised the need for internal resource generation. However, there is a need for in-depth study of the possibilities for internal resource generation and incorporation of this aspect into the project itself. Since the scope of internal resources is limited in many areas, for initial assessment of necessary financial support after the termination of the project is needed.

Since grants and soft credit are being liberally provided in development assistance to Nepal, and IRDPs are no exception, not much thought has gone into using credit in financing rural development. Thus credit constitutes a small part of the investment -- with the incorporation of the SFDP component it is on the increase. The possibility of increasing the share of credit in total investment under IRDPs deserves some exploration. Such a strategy will help internal resource generation and eventually, the process of self-sustained development.

An IRDP is a multi-sectoral project implemented by respective sectoral agencies. However its formulation is usually done by consultants with heavy donor input of ideas and priorities, the consultations with the concerned sectoral agencies being generally an observance of formality. In absence of active involvement of the sectoral agencies in project formulation, the capacities of these agencies are seldom properly assessed. Whatever manpower and organisation are required of an agency is assumed available and is sometimes agreed to in writing by the government. But in most cases, it does not come forth according to projection, and the concerned agency is usually blamed for lack of cooperation or commitment to the project.

While the latter is also a factor to reckon with, in many cases there is simply no capacity of the agency to cope with the additional burden, overstretched as it is with its direct programmes. For example, the Department of Agriculture has an ambitious programme of agricultural extension in the Terai region (with the conclusion of the agreement on Second Agricultural Extension and Research Project under negotiations with the World Bank the Terai districts will be all covered). On top of this, it is expected to supply additional junior technicians (JT) and junior technical assistants (JTA) and other supporting services to the hill districts where the IRDPs are concentrated. This matter is becoming serious because it is not one or two IRDPs which are making demands on the sectoral agencies, but eight with more coming. The observation of the Colloquium referred to earlier about "the need for strengthening the capabilities of the concerned sectoral agencies" is apropos. The need for an assessment of trained manpower and organisational capacity required for IRDPs and their supply at the macro-level seems urgent.

The communication gap is another aspect which has not received adequate attention in the evaluations. While some have pointed out the lack of knowledge about the project among the people living in the area, no suggestions have been offered to bridge the gap. Apart from the lack of information, misinformation is a common phenomenon in most projects. High expectations and aid dependency syndrome are the product of such misinformation. Another gap in communication is among the projects themselves. There is little exchange of information and experience among the projects. Though meetings of the donor agencies of the IRDPs have been occasionally organised, there is no evidence of benefitting from each others' experience. Interaction among projects should be promoted.

The greatest weakness in the IRDPs, overlooked also by the evaluations, is, however, the question of how to involve the poor in the development process. While people's participation has been advocated

as a strategy in almost all the IRDPs, there is no elaboration of how to achieve it, except passing mention of associating the District Panchayat in the selection of projects. Rural communities are not homogeneous in Nepal, as in most developing countries. The dominance of the rural elite aside, the division among the poor themselves and their dependence on the rural rich, inhibit them from taking part in the development process. In order to ensure their participation, the rural poor need to be organised, with the help of a motivator as in the case of the SFDP. Only through an organised group can the poor assist themselves. SFDPs have already proved it. Most IRDPs have a SFDP component. But its adoption is not so much a recognition of the need to organise the poor in the project area as an accommodation of a successful component. The reason for this is the tendency to ignore the political aspect of development, sensitive as this issue is.

Rural development can hardly afford to be apolitical. Explaining why development efforts of the past have neither given results in material nor human terms to the majority of people in the Third World, P. Wignaraja, Secretary General of the Society for International Development (SID) asserts, "The past development efforts are in fact anti-rural." He, along with many researchers in the field, thinks that the current development process, even with social justice built into it, is still an economic exercise which assumes a conflict-free social framework for change. It is now increasingly accepted that sustained improvement in the lives of the poor is possible only through empowering them to confront those who are reaping the benefits of development. This calls for intervention of a political nature. Fortunately for Nepal, with a broad-based political system committed to decentralisation, there is ample political space to manoeuvre. Current efforts toward decentralisation provide unique opportunities. The organisation of the beneficiaries as provided for in the Decentralisation Act and Rules would make a good entry point to organise the poor for their genuine participation in the development process.

F. CONCLUSION

The evaluations of most of the projects are premature. The remark of IFAD - "We are not in a position, at this stage, to comment on the implementation aspects of IFAD's projects, (Sagarmatha IRD is one of them) of which very few are half-way through" - is pertinent here. It will be indeed unfair to make any definite assessment regarding the success or failure of the IRDPs on the basis of these evaluations which were not only premature but are at the moment, outdated in most cases. Conditions have not been static. A lot of changes have occurred and these changes, according to progress reports, are generally positive and encouraging. (IFAD - Comparative Review, 1982)j.

The development process tends to change periodically. The Integrated Rural Development approach which came about in the 1970s with fanfare as a concerted attack on rural poverty is becoming hackneyed. So, a search is on for a change in approach. Ascribing the poor performance of the rural sector in the low income countries to the faulty strategy of integrated rural development, the tendency now is to revert back to a "better focussed" sectoral approach. Before faulting the integrated approach, it is necessary to objectively analyse the basic reason for poor performance of integrated rural development in the countries concerned. And this performance has to be examined in the context of overall development performance. If progress has been generally good with the exception of rural development projects, there may be some validity in this rethinking. At least in Nepal's case, it is not so - development performance in sectoral programmes has been generally far from satisfactory. The performance of rural development projects has not been worse than that of the agricultural sector programmes.

A mid-stream change in strategy at a time when decentralisation, the acknowledged tool for rural development, has just taken effect, would indeed be disastrous for Nepal. Steadfast adherence to the present strategy, which is beginning to work, is needed. It is hoped the donor agencies will appreciate the cross-roads in process Nepal has reached. It would not be an exaggeration to say that with grants for local development much limited and local resource generation yet to begin, what gives substance to decentralisation is the IRDPs and other multi-sectoral projects on rural development. Stopping the transfusion at this stage would amount to withdrawing the life support to this much-acclaimed process. It may be argued that by changing to a sectoral approach, the support is not going to be stopped. The argument sounds right, but any disturbance in the existing set-up in a country like Nepal where institutions are young and vulnerable will dislocate the entire process. Continuity and perseverance in the pursuit of the existing development strategy are what is needed at this juncture. The Basic Principles of the Seventh Plan (1985 - 90) have rightly adopted this approach, "What is needed is to direct our attention towards giving concrete forms to the objectives singled out in the current (Sixth) Plan and to the things referred to in its basic development policies, instead of talking about additional things and hunting for new catchwords in the course of the Seventh Plan period."

While the appropriateness of IRD in Nepal's development is well recognised, the need for more commitment on the part of HMG to this programme is obvious. First of all the NPC's active involvement in the IRD programme is essential. Besides providing a framework, it should be involved in project conception itself. The regional planning approach can come about only through the association of the NPC in project formulation. With respect to coordination, a nagging issue now, NPC's intervention could be helpful. The Colloquium referred to earlier could not arrive at a consensus on this issue. This disagreement in itself is an indication of the inadequacy of the existing arrangement. An objective assessment of the matter is called for. In short, the role of the NPC vis-a-vis the IRDP needs close scrutiny.

One clear lesson from the IRDP experience is that without the sectoral agencies' serious involvement and commitment, the project is bound to suffer in implementation. The tendency on the part of sectoral agencies to treat the IRD component as a second priority activity must change. While the imposition of a project, as is most often happening, should be avoided, once it is agreed to, the sectoral agencies should take their respective components as an integral part of their programme and accord them due priority.

Streamlining of administration and accountability is an urgent necessity. This is not just for the IRDP but for development activities as a whole. The erosion in the values of administration in recent years is a matter of deep concern. The foreign donors are apprehensive about it. The IRDPs with a multitude of micro-activities widely spread out, now being decentralised are most vulnerable to abuse and misuse. Serious efforts are called for to arrest this unfortunate trend and improve the situation over time. Legislation, of which there is plenty, cannot alone do the job. Strong moral commitment and integrity is required on a continuing basis. The present government was voted to power on a mandate, among other things, to fight inefficiency and corruption. It is therefore expected that the government will take concrete steps to improve administration.

Rural development is a complex phenomenon involving an interaction of economic, social, political and cultural factors. It is a difficult process in any developing country. Given the formidable physical constraints facing Nepal, it seems almost an insurmountable task. But with a 90 per cent rural population, Nepal has to grapple with it, however frustrating it may be. It is an unavoidable challenge.

The challenge offers an opportunity to alleviate the poverty of Nepal. No other project or programme contains as much potential to improve the lives of people who are virtually at the margin of existence. Let us not forget this humanitarian aspect while deliberating on rural development.

APPENDIX I PROJECT PROFILES

1. INTEGRATED HILL DEVELOPMENT PROJECT IHDP

Office Address and Telephone: IHDP, Jawalakhel,
c/o SATA, P.O. Box 113, Kathmandu, Nepal
5-22020, 5-21256, 5-21428

Project Manager: Mr. K. B. Sharma;
Project Co-Manager: Mr. H. Moos (Until
Feb. 1985), Mr. P. Derungs (from March
19)

Leading Agency: Ministry of Panchayat and Local
Development, HMG/N

Donor Agency: DEH, Berne (The Directorate of Develop-
ment Cooperation and Humanitarian Aid,
Foreign Ministry, Berne, Switzerland)

Project Phases: Phase I Phase II Phase III
1974-1980 1980-1985 1985-1990

Cost: (proposed) 20253000 Rs. 711139000 Rs. 106300000 Rs.

HMG Contribution: 28.64 % 12% (to be increased
annually proposed by 10%)

Actual Expenditure (up to 2040/41): 76.7%

Commencement Year: 1974

Project Duration: 16 years

Project Area: Sindhupalchok District of Bagmati and
Dolakha District of Janakpur Zones - 77
Panchayats - approx. 2,200 sq. km.

Population (project area): Approx. 210,000.

- Objectives:
- 1) To assist the local population and local institutions in efforts to improve their living conditions on a short and medium-term basis.
 - 2) To re-establish ecological equilibrium on a sustainable basis as a pre-condition for their well-being in the long run.

Major Components
(Phase I & II): Planning Section, Agronomy, Training-
Extension-Follow-up, Horticulture,
Livestock and Veterinary, Forestry,
Engineering, Formal Education, Non-

22. formal Education, Water Management and Energy, Health, World Affairs, Small Scale and Cottage Industries, Transport, Administration.

Evaluation: IDS - 1982.

2-23000 8-21000 2-21000

1982-1983
1983-1984
1984-1985

1985-1986
1986-1987
1987-1988

1988-1989
1989-1990
1990-1991

1991-1992
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1993-1994

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1996-1997

1997-1998
1998-1999
1999-2000

2000-2001
2001-2002
2002-2003

1982-1983

1983-1984

1984-1985

1985-1986

1986-1987

1987-1988

1988-1989

1989-1990

2. RASUWA/NUWAKOT INTEGRATED RURAL DEVELOPMENT PROJECT
(R/NIRDP)

Office Address and Telephone: Rasuwa/Nuwakot Integrated Project
Singh Durbar, Kathmandu
2-15509

Project Coordinator: Mr. K. P. Gupta

Leading Agency: Ministry of Panchayat and Local
Development

Project Phases: Phase I Interim Period Phase II
1976-1983 1984-1985 On negotiation.

Cost: 135985000 Rs. 157000 Rs.

HMG Contribution: 37% 100%

Actual expenditures (up to 2040/41): 119%

Commencement Year: 1976

Project Duration: 15-20 years (expected duration)

Project Area: Rasuwa/Nuwakot Districts of Bagmati Zone
- 80 Panchayats - 2458 sq.km.

Population: (project area) Approx. 232899

- Objectives:
- 1) To increase production, productivity and employment in agriculture and off-farm activities with special emphasis on small farmers and to strengthen institutional capability to achieve this on a continuing basis.
 - 2) Human resource development and resource conservation through increased efforts in education, health, population control, forestry development and soil and water conservation.
 - 3) Participation and institutional development: while the basic goal of the project is to increase the productivity of the local economy, the emphasis should equally be on its process in that the project districts should develop capacity to continuously build on their achievements and be increasingly self-supporting and self-sustaining.

Major components: Agriculture, Irrigation, Forestry, Soil Conservation, Health, Transportation, Soil Services, Cottage Industry, and Panchayat Development.

Evaluation: CEDA - 1982
DRCG - 1982

Project Coordinator: Mr. K. P. ...
Leading Agency: Ministry of Panchayat and Local Development
Project Phases: Phase I 1976-1982, Phase II 1984-1985
Cost: 12297.00 Rs. 12700 Rs.
Implementation Year: 1976
Project Duration: 12-15 years (expected duration)

1) To increase production, productivity and employment in agriculture and allied activities with special emphasis on small farmers and to strengthen institutional capability to provide credit and extension services.

2) To increase production, productivity and employment in agriculture and allied activities with special emphasis on small farmers and to strengthen institutional capability to provide credit and extension services.

3) To increase production, productivity and employment in agriculture and allied activities with special emphasis on small farmers and to strengthen institutional capability to provide credit and extension services.

3. SAGARMATHA INTEGRATED RURAL DEVELOPMENT PROJECT (Sagarmatha IRDP)

Office Address: Sagarmatha Integrated Development and Telephone: Project, Ministry of Panchayat and Local Development, Pulchowk, Lalitpur 5-21727, 5-21728

Project Coordinator: Mr. P. R. Gautam

Leading Agency: Ministry of Panchayat and Local Development

Donor Agencies: ADB/IFAD/EEC

Project Phases: Phase I 1978-1985 Phase II On negotiation

Cost: 37.20 million \$

HMG Contribution: 17.33%

Actual expenditure (up to 2040/41: 49%)

Commencement Year: 1978

Project Duration: 15 years (expected duration)

Project Area: Udayapur, Siraha and Saptari Districts of Sagarmatha Zone - 155 Panchayats - 4779 sq. km.

Population: (Project area) Approx. 886016

Objectives: To strengthen production employment and income generation in the rural economy of the three project districts and to improve the living condition of the people with sustained growth in the economy of the area.

- 1) Bringing regional balance in the socio-economic growth pattern.
- 2) Encouraging participation of the rural inhabitants in development activities.
- 3) Harnessing available land, water and human resources towards increased production and income of the rural sector.

Major components: Infrastructure development for

transportation and irrigation systems, Agriculture Development including Livestock and Horticulture, Rural Industries Development, Soil Conservation and Forestry, Health and Family Planning and Rural Education, Project Monitoring and Training, Technical Assistance for Rural Development Project Monitoring and Feasibility Study on a Second Integrated Rural Development Project.

Leading Agency: Ministry of Forestry and Local Development

Donor Agencies: AUSAID/USAID

Project Phases: Phase I 1978-1982 On negotiation Phase II

Cost: 22.20 million \$

US\$ Contribution: 17.322

Actual expenditure (up to 30/04/82)

Commencement Year: 1978

Project Duration: 15 years (original estimate)

Project Area: 150,000 ha in the districts of Karamoja and Karamoja Districts
 150,000 ha in the districts of Karamoja and Karamoja Districts
 150,000 ha in the districts of Karamoja and Karamoja Districts

Objectives: To improve the production and marketing of agricultural products in the rural areas of the project area and to improve the living standards of the people in the project area.

1) Encouraging participation of the rural inhabitants in development activities

2) Encouraging available land, water and human resources towards increased production and income of the rural sector

3) Encouraging available land, water and human resources towards increased production and income of the rural sector

Major components: Infrastructure, Development

4. MAHAKALI HILLS INTEGRATED RURAL DEVELOPMENT PROJECT
(Mahakali IRDP)

Office Address and Telephone: Mahakali Integrated Rural Development Project Patan, Baitadi, Mahakali Zone, Nepal c/o. World Bank, P. O. Box 798, Kathmandu. 2-15509

Team Leader: Dr. R. J. Cardinalli; Project Coordinator: Mr. T. K. Shrestha

Leading Agency: Ministry of Panchayat and Local Development

Donor Agencies: IDA/UNDP

Project Phase: 1980-1985

Cost: 161,400,000 Rs.

HMG Contribution: 10.09%

Actual expenditure (up to 2040/41): 31.1%

Commencement year: 1979

Project Duration : 5 years

Project Area: Darchula, Baitadi and Dadeldhura Districts of Mahakali Zone - 94 Panchayats - 5300 sq. km.

Population: Approx. 346662

Objective: The principal aim of the project is to raise agricultural production to levels whereby farmers could meet full family subsistence.

Major components: Agriculture, Irrigation, Village and Cottage Industry, Forestry, Soil and Water Conservation, Soil Services, Drinking Water, Rural Works and Panchayat Development.

Evaluation:

5. KARNALI-BHERI INTEGRATED RURAL DEVELOPMENT PROJECT (K-BIRD Project)

Office Address: Karnali-Bheri IRD Project
and Telephone: Post Box 1762, Kalimati, Kathmandu
2-16558

Project Coordinator: Mr. I. P. Shrestha

Leading Agency: Ministry of Panchayat and Local
Development

Donor Agency: Canadian International Development
Agency

Project Phases: Phase I Phase II
1981-1985 On negotiation

Cost: 156,000,000 Rs.

HMG contribution: 21%

Actual expenditures: (up to 2040/41): 20%

Commencement year: 1981

Project Duration: 20 years (expected duration)

Project Area: Surkhet and Dailekh of Bheri and Jumla
districts of Karnali Zones - 141
Panchayats - 7569 sq. km.

Population:
(project area) Approx. 400,500

Objectives: To develop a series of integrated self-
sustaining development projects and
activities which will contribute towards
the economic and social betterment of
the residents of these districts.

Major components:
Phase I Agriculture, Irrigation, Cottage
Industry, Education, Electricity, Health
and Family Planning, Forest, Soil and
Water Conservation, Public Works and
Panchayat Development.

Evaluation: Mrs. S. Veit and Dr. P. Pradhan,
February 1984.

6. RAPTI INTEGRATED RURAL DEVELOPMENT PROJECT (Rapti IRDP)

Office Address and Telephone: Rapti Integrated Project
USAID, Kalimati, Kathmandu
2-11144, 2-11424, 2-11425

Project Coordinator: Mr. K. R. Nepal

Leading Agency: Ministry of Panchayat and Local
Development

Donor Agencies: USAID

Project Phase: Phase I
1980-1986

Cost: 33,634 million \$

HMG contribution: 23%

Actual expenditure: (up to 2040/41): 20%

Commencement year: 1980

Project Duration: 15-20 years (expected duration)

Project area: Dang, Pyuthan, Salyan, Rolpa and Rukum
Districts of Rapti Zone - 218 Panchayats
- 10515.63 sq. km.

Population: (project area) Approx. 850,000

- Objectives:
- 1) To increase the measurable aspects of the quality of life including income and production level of families in Rapti Zone.
 - 2) To improve local demand for and control of the national level delivery systems for improved agriculture, health, education, resource management, and family planning.

Major components: Farming systems, Renewable Resource
Management, Employment and Skill
Development and Rural Works,
Institutional Development and Technical
Assistance.

Evaluation: IDS/AID 1983, planned September 1985.

7. KOSHI HILL AREA RURAL DEVELOPMENT PROGRAM (KHARDEP)

Office Address and Telephone: Koshi Hill Development Project
British Embassy, Lainchour, Kathmandu
4-12655 - Kathmandu, 235, 236, and 237
Dhankuta

Project Coordinator: Mr. S. P. Acharya

Leading Agency: Ministry of Panchayat and Local
Development

Donor Agency: ODA (UK)

Project Phases: Phase I Phase II Phase III
1977-79 1979-85 On negotiation

Cost: 6.75 million L

HMG Contribution:

Actual expenditure (up to 2040/41): 67.4%

Commencement Year: 1979

Project Duration: 15 years (expected duration)

Project Area: Sankhuwasabha, Bhojpur, Terhathum and
Dhankuta districts of Koshi Zone -110
Panchayats 6335 sq.km.

Population: (project area) Approx. 554,000

Objectives: To strengthen local services and to help
HMG/N promote balanced economic, social
development of Koshi Hill Area in order
to gain maximum benefit from Dharan-
Dhankuta road.

Major components: Agriculture, Irrigation, Forestry,
Credit and Cooperative, Cottage
Industries, Communication, Water Supply,
Health, Education and Women's Training,
Livestock.

Evaluation - IDS - 1981
- Mid-term Review Mission 1982
- J. R. Dunsmore, STA, 1984
- Howell, J., ODA 1984

8. DHADING DISTRICT DEVELOPMENT PROJECT (DDDP)

Office Address and Telephone: Dhading Integrated Project
c/o GTZ, G.P.O. Box 1457
Lalitpur, Nepal. 5-21164

Team Leader: Dr. V. Burger.
Project Coordinator: Mr. M. P. Shrestha

Leading Agency: Ministry of Panchayat and Local
Development

Project Phases: Phase I (Planning & Orientation) 1983-1985
Phase II (Implementation) On negotiation.

Cost: 9,300,000/- Rs.

HMG contribution: 1.66%

Actual expenditure (up to 2040/41): 23.9%

Commencement Year: 1983

Project Duration:

Project area: Dhading District of Bagmati Zone - 50
Village Panchayats - 3000 sq. km.

Population: (project area) Approx. 280,500

Objectives:

- 1) The improvement of living conditions of large sections of the population in the Dhading District.
- 2) Control of erosion.
- 3) Ecological rehabilitation measures
- 4) The promotion, where possible, of off-farm employment opportunities.

Major components: Confidence-building measures at the village level; irrigation and drinking water schemes, trail and bridge improvement/building, school building.

Evaluation: Internal evaluation of ward level projects.

9. SMALL FARMER DEVELOPMENT PROJECT (SFDP)

- Office Address and Telephone: Small Farmer Development Project
ADBN, Kathmandu, Nepal. 2-11744
- Division Chief: Mr. G. R. Koirala
- Leading Agency: Ministry of Agriculture - ADBN
- Donor Agencies: FAO/IFAD/UNFPA/UNICEF/USAID/ODA
- Project Phases: Phase I Phase II Phase III
1975-1980 1981-1986 1986-1991
- Cost: - 16.1 million \$ On negotiation
- HMG Contribution: - 13.66%
- Actual expenditure (up to 2040/41):
- Commencement year: 1975
- Project Duration: Continuing project
- Project Area: 36 of the 75 Districts -196 Panchayats
- Population: (project area) Approx. 45,000 households.
- Objectives:
- 1) To increase the income and standard of living of low-income small farmers, landless labourers and disadvantaged rural poor.
 - 2) To develop self-reliance among these disadvantaged groups so that they are able to organise themselves to plan and carry out their own projects.
 - 3) To adapt the local delivery mechanisms of government agencies and institutions to the needs of the rural poor.
- Major components: Economic activities to be undertaken by the SFGs and their members using credit provided by ADBN; Training of the small farmers, SFG organisers and Line Department officials who are to be involved in the project; and other supporting activities such as project monitoring & evaluation, technical assistance support, etc.
- Evaluation: APROSC - 1983, APROSC - 1984

APPENDIX II PERSONS INTERVIEWED

Mr. H. Moos	IHDP, Co-Manager
Mrs. R. Rauch	IHDP, Planning Officer
Mr. B. Dolf	SATA, Deputy Director
Mr. O. Swank	TWP, Project Coordinator
Mr. L. L. Rajbhandari	RCUP, Project Coordinator
Mr. G. L. Richard	RCUP, Team Leader
Mr. M. D. Joshi	DSCWM, Director
Mr. C. A. Dutto	USAID, Chief, Rural Development Office
Mr. J. Braseler	USAID, Anthropologist, Rural Development Office
Mr. H. Stenett	Watershed Management and Conservation Education Project - Chief Technical Advisor
Mr. M. P. Kafle	MPLD, Secretary
Mr. Y. N. Ojha	MPLD, Additional Secretary
Mr. R. K. Tiwari	MPLD, Under Secretary
Mr. S. P. Shrestha	NPC, Joint Member
Mr. B. K. Shrestha	NPC, Joint Secretary
Mr. K. R. Nepali	Rapti IRDP, Project Coordinator
Dr. C. Peer	" Team Leader
Mr. R. Hanchette	" Engineer
Mr. S. Smith	" Cropping Specialist
Mr. B. K. Shrestha	K-BIRD, Planning Officer
Mr. B. Carson	
ICIMOD professional staff	

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