

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 IRDP 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."