Evaluation Report (Final)

Mid-Term Evaluation of the Project on "Building Capabilities for Green, Climate Resilient and Inclusive Development in the Lower Koshi River Basin (HI-GRID)"

Prepared by: Nepal Development Research Institute (NDRI), 31 December 2025

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We are grateful to the Independent Evaluation Unit (IEU) of the International Centre for Integrated Mountain Development (ICIMOD) and Australian Government's Department of Foreign Affairs and Trade (DFAT) for entrusting us (Nepal Development Research Institute (NDRI)) for conducting the mid-term evaluation (MTE) of the HI-GRID project being implemented by ICIMOD since May 2023 in coordination with various municipalities and local implementing partners in the Lower Koshi River Basin. The project covers regions including the Nibuwa-Tankhuwa watershed in Dhankuta district, the Lal Bakaiya watershed in Rautahat, Bara and Makwanpur districts, the Ratu watershed in Mahottari and Dhanusha districts and the Khando watershed in the Saptari district. We are also thankful to the HI-GRID project team of ICIMOD and local implementing partners HUSADEC Nepal (Dhankuta), Mandwi Nepal (Rautahat), CDAFN (Mahottari) and Sabal Nepal (Saptari) for providing necessary background information and progress reports of the HI-GRID project and facilitating the field visits.

Similarly, we would also like to acknowledge all the respondents during our field visits for providing valuable information, namely (i) municipal officials from Dhankuta (Dhankuta municipality, Chhathar Jorpati rural municipality), Rautahat (Gujara municipality, Maulapur municipality, Ishnath municipality, Gaur municipality), Mahottari (Bardibas municipality, Balwa municipality, Bhangaha municipality), Dhanusha (Janakpur municipality, Mithila municipality) and Saptari (Tilathi Koiladi rural municipality), (ii) communities and households in these municipalities who are the beneficiaries of project interventions, (iii) other private and/or not-for profit institutions involved in the project implementation such as Community Homestay Network (CHN), Smart Paani, R&D Innovative Solution Pvt. Ltd. and GeoKrishi, (iv) caretakers of the HI-GRID DRR solutions/interventions such as Community-based Flood Early Warning System (CBFEWS) and water recharge ponds.

Lastly, we would also like to thank all the field staff who helped the study team in collecting household data from the project beneficiaries.

Executive Summary

The Project "Building Capabilities for Green, Climate-resilient, and Inclusive Development in the Lower Koshi Basin (HI-GRID)" is being implemented by the International Centre for Integrated Mountain Development (ICIMOD) with funding from Australian Government's Department of Foreign Affairs and Trade (DFAT) for the period of May 2023 to April 2027. HI-GRID project aims to address the challenges of 'Too Much and Too Little' (TMTL) water in Nepal's Lower Koshi River Basin (LKRB), which covers Nibuwa-Tankhuwa watershed (in Dhankuta district), Lal Bakaiya watershed (in Rautahat, Bara and Makwanpur districts), Ratu watershed (in Mahottari and Dhanusha districts) and Khando watershed (in Saptari district), across 28 municipalities, to enhance green, climate-resilient, and inclusive development capabilities. Its key areas focus on disaster risk reduction (DRR), nature-based solutions (NbS), pro-poor value chain and green enterprises, responsible tourism, and Gender Equality, Disability, and Social Inclusion (GEDSI). The underlying Theory of Change (ToC) developed for the HI-GRID project posits that "If municipalities are supported to integrate GEDSI-responsive DRR approaches into their planning and budgeting, and if innovative GEDSI-sensitive DRR solutions and GRID-based value chains are piloted, adapted, and scaled, then local governance will become more inclusive and climate-resilient, ultimately leading to enhanced resilience, equity, and sustainable development outcomes for vulnerable communities." This ToC is operationalized through a detailed results framework with fifteen outputs, four intermediate outcomes (IOs), and two end-of-investment outcomes (EOIOs): EOIO1 (Municipalities integrate GEDSI-responsive DRR approaches in their plans and budgeting process); and EOIO2 (GEDSI responsive innovative DRR solutions and GRID-based value chains and enterprises scaled up in other municipalities in Nepal and two countries of the HKH region).

This mid-term evaluation (MTE) of the HI-GRID project aimed to conduct an impartial assessment of the project's progress at its midpoint (until April 2025) against the OECD-DAC evaluation criteria and the related DFAT quality criteria. The specific objectives of MTE were: (i) to assess progress against planned outcomes and outputs, identifying achievements, and areas requiring improvement, and (ii) to identify key learnings to enhance project implementation, strategy, and sustainability. The MTE used a mixed-methods approach, combining qualitative (mainly) and quantitative data collection and analysis to ensure a comprehensive understanding of project outcomes and processes. Key methods included desk review of project documents; Key Informant Interviews (KII) with ICIMOD management, project staff, local implementing partners, municipal officials (in Dhankuta, Rautahat, Mahottari, Dhanusha and Saptari districts), Civil Society Organization (CSO) representatives, caretakers of DRR solutions, and DFAT stakeholders; Focus Group Discussions (FGD) with community members and beneficiaries; Surveys with project beneficiaries; and on-site observations of project interventions.

The overall findings suggest that the HI-GRID project is progressing well in achieving its EOIOs in line with the Results Framework. Various targets have been partially achieved as expected in the mid-term. HI-GRID project's overall focus on mitigating risk related to 'Too Much and Too Little' (TMTL) water through capacity building and developing innovative solutions to increase climate resilience was found to be well aligned with needs and priorities of communities,

municipalities and the nation. The progress towards the EOI01 is on track with some municipalities needing follow up to achieve the intended targets. While municipalities are increasingly integrating GEDSI-responsive DRR approaches into their planning, budgeting, and operational systems following the trainings on GEDSI, DRR and Gender-Responsive Budgeting (GRB) provided by HI-GRID; the intended target of about 10 municipalities has not reached. As of now, 4 municipalities (Maulapur, Dhankuta, Tilathi Koiladi, Gaur) have achieved the intended targets for the fiscal year 2081/82 on adopting DRR plans; with partial adoption in 3 municipalities (Chatthar Jorpati, Balwa, Bardibas) and minimal or none in 3 municipalities (Gujara, Ishnath, Bhangaha). Hence a follow up to these municipalities by the HI-GRID team in the remaining period of the project will be useful, where a refresher training might be needed. Similarly, out of the GRB training provided by HI-GRID to 11 municipalities (Dhankuta, Chhathar Jorpati, Tilathi Koiladi, Bardibas, Mithila, Gaur, Maulapur, Balwa, Gujara, Bhangaha and Ishnath), Dhankuta and Tilathi Koiladi are doing good with already GRB implemented with higher share of gender focused budget allocation in their annual plans. However, Ishnath and Bhangaha municipalities need immediate attention as they missed the ToT training so are lagging behind (details summarized in Annex 7). Overall, the municipalities demonstrate increasing ownership of GRB processes, however, some require more time, refresher training, and institutional reinforcement to fully institutionalize GRB practices. With targeted follow up (with refresher trainings as needed) to the selected municipalities, EOIO1 targets are expected to be achieved in the remaining period of HI-GRID.

Similarly, the progress towards the EOI02 is on track, but with a considerable effort needed in value-chain work to meet the overall targets. Out of at least 7 GEDSI responsive DRR Solutions that need to be co-developed and piloted under HI-GRID, some DRR Solutions such as Water Recharge Ponds, Responsible Tourism and Community Based Flood Early Warning System (CBFEWS) have been implemented. While Nature-based Solutions (NbS) such as water recharge ponds and rainwater harvesting have been successfully adopted, construction of Bio-engineering check-dams have been initiated and planned to be completed in the remaining period of HI-GRID. 2 municipalities of Dhankuta district (Dhankuta and Chatthar Jorpati) have adopted HI-GRID recommended DRR solutions such as Responsible Tourism (including rainwater harvesting) and Water Recharge Ponds and various municipalities (such as Gaur, Maulapur, Gujara, Ishnath and others) of Rautahat of the Lal Bakaiya Watershed have adopted CBFEWS system, which has been installed in Nijgadh (Bara). EOIO2 demands the DRR solutions to be implemented in other HKH countries as well in addition to Nepal and it has been found that this is being planned in the remaining period of HI-GRID to upscale the DRR solutions to countries like India, Bhutan, Bangladesh and/or Pakistan[1] in coordination with HI-REAP project of ICIMOD funded by FCDO. Similarly. Nibuwa-Tankhuwa Watershed Management Plan which covers Dhankuta municipality and Chatthar Rural Municipality in Dhankuta district is planned to be replicated in Lal Bakaiya watershed (covering municipalities in Rautahat, Bara and Makwanpur districts) in the remaining period of HI-GRID. While HI-GRID is doing good in establishing an active network in creating a foundational ecosystem with digital platforms (GeoKrishi), engaging farmer entrepreneurs (Krishi Doots), and identifying key value chains (Mango, Vegetables, Mithila Art); engagement is skewed towards easier "marketing" and "platform" linkages. The core of pro-poor value chain development—ensuring the most vulnerable can access quality inputs, finance, and inclusive governance within the chain is

[1] This is dependent on allocation of funds from the sources outside HI-GRID.

missing. Municipalities are not effectively integrated, seeing this as external project activity rather than core planning. 3 value chains (Mango, Vegetables, Mithila Art) have been identified, and 25 entrepreneurs have been supported, which is a remarkable progress. However, although the Value chains are identified, support mechanisms are not fully assessed or implemented with a pro-poor lens. In general, EOIO2 is on track in achieving the desired results for adopting DRR and NbS Solutions in the remaining period. However, a considerable effort will be needed to achieve the value chain and enterprise targets, especially in contexts of benefiting marginalised and vulnerable groups.

Despite remarkable progress, various areas of improvement have been identified and documented in the report in the form of Lessons Learned and Recommendations. These include:

Key Lessons

A number of key lessons have emerged municipalities that promoted internal knowledge sharing, particularly through departmental coordination and ward-level engagement, showed stronger ownership and better application of GRB practices. Integrating GRB directly into existing planning and budgeting systems has proved far more effective than treating it as a separate exercise. Strong leadership commitment from municipal executives and clear communication between planning, finance, and social development sections have greatly improved implementation. Conversely, challenges such as limited staffing, high staff turnover, low digital literacy, and time pressure during the budgeting cycle have affected the consistency of the GRB application. These experiences show that institutionalization, coordination, and regular capacity-building are critical for sustainable GRB results. Similarly, for effective implementation of DRR solutions, local ownership was found to be the key. Registering homestays with the municipalities and involving local governments early built trust and ensured continuity of Responsible Tourism intervention in Dhankuta. Similarly, CBFEWS sustainability agreements signed by various municipalities in Lal Bakaiya, Ratu and Khando watersheds resulted in the smooth functioning of the system. Ownership by local governments and local communities on Water Recharge Pond intervention in Dhankua and Chhathar Jorpati municipalities resulted in positive result. Likewise, there were avenues for improvement in GEDSI Integration. On one hand, the HI-GRID project has successfully translated the Gender, Equity, and Social Inclusion pillars into tangible institutional outcomes. This is evidenced by the development and endorsement of gender policies and codes of conduct in multiple municipalities, the practical integration of GRB through ward-level training and software coding, and the active participation of women's sections in local governance. However, the reflections also underscore a significant gap between policy intent and ground-level reality, particularly concerning the Disability pillar. Multiple voices noted that while persons with disabilities are often counted as indirect beneficiaries, they have been largely absent from trainings, decision-making forums, and visible project activities. Some DRR technologies could be further enhanced to better support persons with disabilities. For example, the rainwater harvesting system installed in Khambela (Dhankuta), designed as a water spout, is difficult for persons with mobility challenges to access. Hence, future interventions need to consider accessibility to ensure equitable benefits for all.

Key Recommendations

Accelerate GEDSI integration in lagging municipalities through targeted technical support and peer learning exchanges (IO1); Continue promoting GRB as a core governance tool; integrate

GRB indicators into municipal bylaws and annual planning cycles to institutionalize relevance (IO4); Continue scaling NbS and water-smart solutions in high-risk watersheds; integrate accessibility features for persons with disabilities; ensure upstream-downstream coordination for watershed plans; link CBFEWS with CBDRM plans and livelihood activities (IO2); Maintain focus on high-value crops and cultural enterprises; integrate Mithila arts into tourism and agro-branding strategies; ensure interventions align with municipal priorities and local needs (IO3); Schedule trainings early; establish ward-level hubs with demo plots and aggregation centers; incentivize *krishidoots* for continuous mentoring; design tailored modules for arts (branding, packaging); link farmers and artisans to buyers through contracts and exhibitions (IO3). Shift focus from merely creating GEDSI plans and training officials to enforcing implementation, ensuring inclusive participation (especially of PWDs), and establishing a strong monitoring mechanism that triggers mandatory follow-up actions when GEDSI gaps are identified (GEDSI Integration). Systematically mainstream safeguarding principles into all project training modules and communication materials (Safeguarding).

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Acronyms and Abbreviations

Abbreviations	Full form
ADPC	Asian Disaster Preparedness Center
CBDRM	Community based Disaster Risk Management
CBFEWS	Community based Flood Early Warning System
CBM	Christian Blind Mission
CDAFN	Community Development & Advocacy Forum Nepal
CDO	Chief District Officer
CHN	Community Homestay Network
CSA	Climate Smart Agriculture
CSO	Civil Society Organization
DAC	Development Assistance Committee
DFAT	Department of Foreign Affairs and Trade
DHM	Department of Hydrology and Meteorology
DRR	Disaster Risk Reduction
DRRM	Disaster Risk Reduction and Management
EOIOs	End-of-Investment Outcomes
EWS	Early Warning System
FFEWS	Flood Forecasting Early Warning System
FGD	Focus Group Discussion
GEDSI	Gender Equality, Disability, and Social Inclusion
GRB	Gender-Responsive Budgeting
HKH	Hindu Kush Himalaya
HUSADEC	Human Rights, Social Awareness and Development Centre
ICIMOD	International Centre for Integrated Mountain Development
IFRC	International Federation of Red Cross and Red Crescent Societies
IOs	Intermediate Outcomes
IUCN	International Union for Conservation of Nature and Natural Resources
KCC	Kishan Credit Card
KII	Key Informant Interview
LKRB	Lower Koshi River Basin
MTE	Mid-Term Evaluation
NAP	National Adaptation Plan
NbS	Nature-based Solutions
NDC	Nationally Determined Contributions
NGOs	Non-Governmental Organization
NRC	Nepal Red Cross
NTWMP	Nibuwa Tankhuwa Watershed Management Plan
OECD	Organization for Economic Co-operation and Development
PwD	Persons with Disability
SDG	Sustainable Development Goal
SEN	Small Earth Nepal
SuTRA	Sub-National Treasury Regulatory Application
TMTL	Too Much Too Little
ToC	Theory of Change
ToT	Training of Trainers
UNDRR	United Nations Office for Disaster Risk Reduction
WMO	World Meteorological Organization
WMP	Watershed Management Plan

Introduction

The Project *"Building Capabilities for Green, Climate-resilient, and Inclusive Development in the Lower Koshi Basin (HI-GRID)"* is being implemented by the International Centre for Integrated Mountain Development (ICIMOD) with funding from Australian Government's Department of Foreign Affairs and Trade (DFAT) for the period of May 2023 to April 2027. HI-GRID project addresses the challenges of 'Too Much and Too Little' (TMTL) water in Nepal's Lower Koshi River Basin (LKRB), which covers Nibuwa-Tankhuwa watershed (in Dhankuta district), Lal Bakaiya watershed (in Rautahat, Bara and Makwanpur districts), Ratu watershed (in Mahottari and Dhanusha districts) and Khando watershed (in Saptari district), across 28 municipalities listed in *Annex 9*, to enhance green, climate-resilient, and inclusive development capabilities. Its key areas focus on disaster risk reduction (DRR), nature-based solutions (NbS), pro-poor value chain and green enterprises, responsible tourism, and Gender Equality, Disability, and Social Inclusion (GEDSI).

Study area

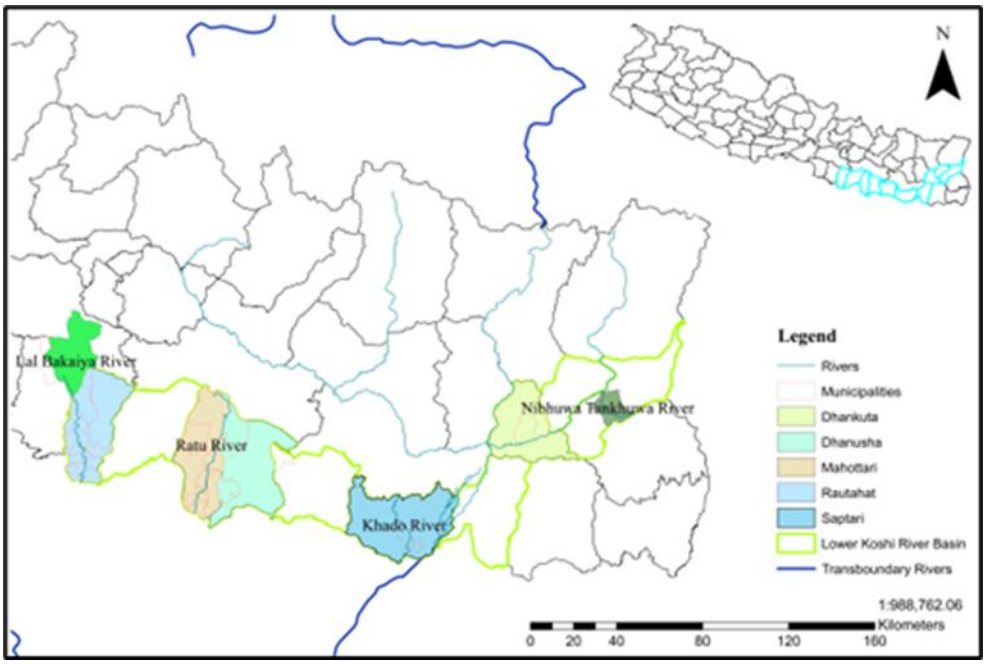

Figure 1: Mid-term evaluation assessment study area

The underlying Theory of Change (ToC) developed for the HI-GRID project posits that "If municipalities are supported to integrate GEDSI-responsive DRR approaches into their planning and budgeting, and if innovative GEDSI-sensitive DRR solutions and GRID-based value chains are piloted, adapted, and scaled, then local governance will become more inclusive and climate-resilient, ultimately leading to enhanced resilience, equity, and sustainable development outcomes for vulnerable communities." This ToC is operationalized through a detailed results framework with fifteen outputs, four intermediate outcomes (IOs), and two end-of-investment outcomes (EOIOs).

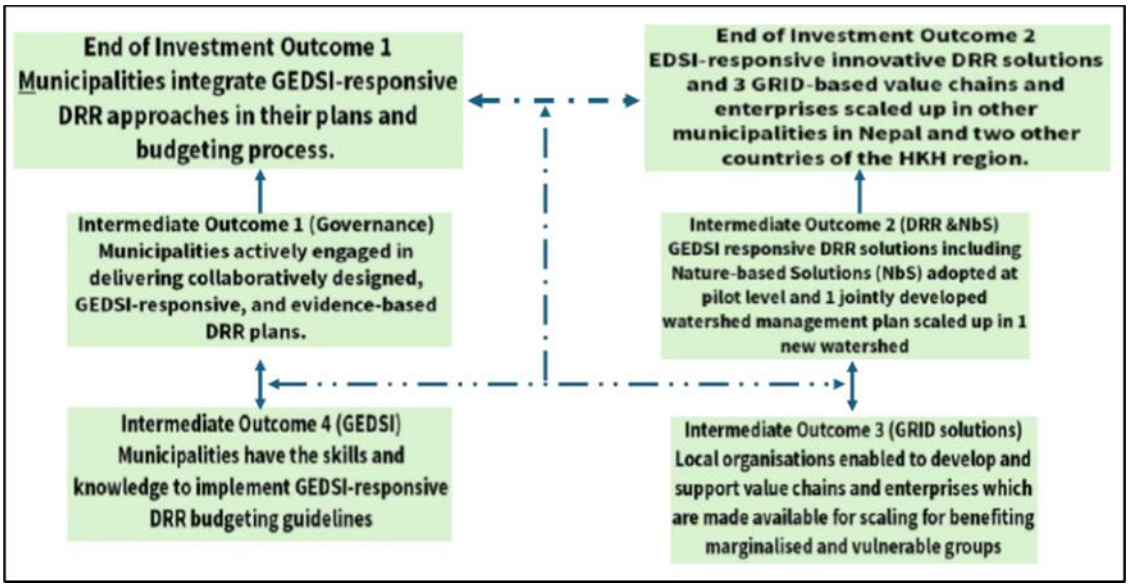

Figure 2: HI-GRID project framework showing its end of investment outcomes and intermediate outcomes

The HI-GRID project is being implemented along with local municipal communities, government, and non-profit as well as private civil society organizations (CSOs). It has a dedicated local implementing partner at each watershed to implement the project activities, for example, Mandwi (non-profit organization in Lal Bakaiya (for IO1, IO2 and IO4), Community Development & Advocacy Forum Nepal (CDAFN) (non-profit organization in Ratu (for IO1, IO2, IO3 and IO4), Sabal Nepal (non-profit organization in Khando for IO1, IO2, IO3 and IO4), and Human Rights, Social Awareness and Development Centre (HUSADEC) Nepal (non-profit organization in Nibuwa-Tankhuwa (for IO1, IO2 and IO4[2]); along with various other supporting stakeholders as per need such as Sustainable Eco-Engineering Pvt. Ltd. (private organization for IO2), Community Homestay Network (CHN) (private organization for IO2), Geo Krishi (private organization for IO3), R&D Solutions (private organization for IO3), Smart Paani (private organization for IO2) and so on.

[2] Recently, a consultation meeting was conducted by HI-GRID with local stakeholders of Dhankuta with support of local partner in assessing the market feasibility of Avocado linking to IO3.

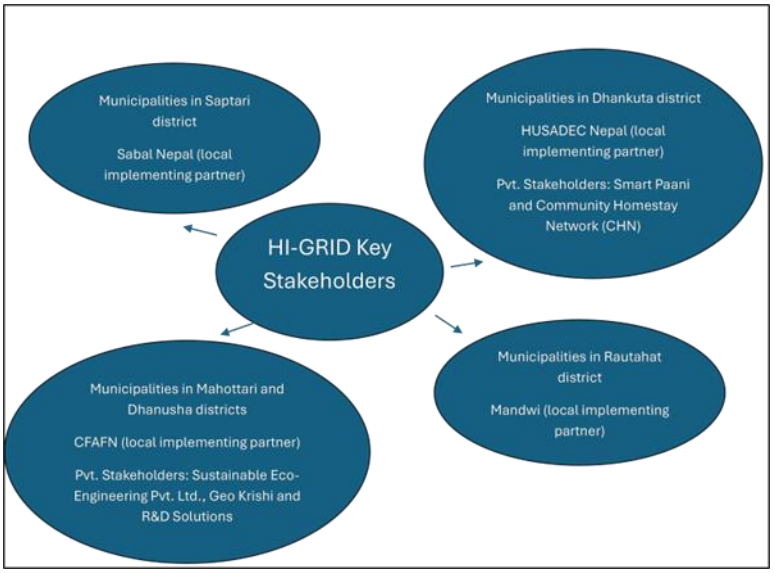

Figure 3: Key stakeholders of HI-GRID project

A preliminary budget allocation of HI-GRID project (provided in *Annex 14*) shows that the financial resources is allocated highest for IO2 followed by IO3, IO1 and IO4.

Purpose and Objectives of the Mid-Term Evaluation

The mid-term evaluation (MTE) of the HI-GRID project's purpose is to conduct an impartial assessment of the project's progress at its midpoint. It is crucial for ensuring that the HI-GRID project remains on track, adaptable, and effectively contributes to climate-resilient and inclusive development in the LKRB.

Specific objectives of the MTE

- To assess progress against planned outcomes and outputs, identifying achievements, and areas requiring improvement.
- To identify key learnings to enhance project implementation, strategy, and sustainability.

Scope of the MTE

The evaluation has covered the period from May 1, 2023 (the project start date) to April 30, 2025. Geographically, the evaluation will be focused on the municipalities under IO1-IO4 of the four watersheds in Nepal's LKRB. The evaluation encompassed all project components, management structures, and partnerships, specifically aligned with the four intended IOs and the respective expected outputs and activities that support the IOs.

A detailed list of municipalities covered in the MTE and additional municipalities have been listed in *Annex 10: Spatial Scope of MTE.*

Organization of the MTE report

This MTE report has been organized in various sections. It starts with the Acknowledgement section followed by Executive Summary to give a snapshot of the report. The main body of the report starts with Introduction section giving the background information and setting the context followed by Evaluation Approach and Methodology section showing the approach and methods used including limitations. Then the report dives into Findings section which highlights the project performance (Key Evaluation Questions (KEQs), EOIOs and IOs wise) guided by OECD-DAC evaluation criteria and the related DFAT quality criteria. The report also presents the findings related to GEDSI considerations, Safeguarding and Risk Management, and Theory of Change as separate sections. Finally, the report consolidates key lessons learned and concludes providing Conclusions and Recommendations sections followed by list of Annexes at the end.

Evaluation approach and methodology

The mid-term evaluation adopted a participatory and utilization-focused approach, ensuring meaningful consultation and engagement with a wide range of stakeholders, including ICIMOD senior management, DFAT Kathmandu officials, relevant staff at ICIMOD, HI-GRID beneficiaries in project sites in Nepal, and other key stakeholders. The evaluation used a **mixed-methods approach**, combining qualitative (mainly) and quantitative data collection instruments (*Annex 1*) (developed in line with the following key evaluation questions (KEQs) guided by OECD-DAC evaluation criteria and related DFAT quality criteria) and analysis to ensure a comprehensive and triangulated understanding of project performance.

Relevance:
KEQ 1: To what extent does the HI-GRID project align with primary stakeholders (women and marginalized communities in targeted municipalities) needs, municipal and national government priorities? How appropriate was the project design and is it still valid within the current situation?

Effectiveness:
KEQ 2: What progress has been made towards the project's outputs, intermediate outcomes, and end of investment outcomes? How can the effectiveness of the project improved to deliver results in the remaining period?

Efficiency:
KEQ 3: How well has the project delivered results from value for money perspectives? Or is the project making appropriate and efficient use of DFAT and ICIMOD's time and resources to achieve outputs and expected outcomes?

Coherence:
KEQ 4: To what extent does the HI-GRID project complement other similar programs and policies?

Sustainability and Impact:
KEQ 5: To what extent has the project established measures which can ensure sustainability and generate long term impacts? How can project improve its strategies for sustainability and impact?

GEDSI Consideration:
KEQ 6: How effectively are GEDSI principles integrated into the planning, execution, monitoring and follow up of the HI-GRID project? Has GEDSI analysis, including relevant consultations, cycled-back into the project for better implementation?

Safeguarding and Risk Management:
KEQ 7: How effectively has ICIMOD been managing safeguarding and other project-related risks? Which aspects of its risk management approach require improvement?

Theory of Change and Results Framework:
KEQ 8: How coherent and logical is the Theory of Change and Results Framework currently used by the project? How effectively do the indicators represent intended outcomes and outputs?

The evaluation approach drew on both primary and secondary data sources to generate evidence that is credible, contextually grounded, and actionable. The evaluation started with secondary data

sources by **Document Review** of project reports, training materials, planning documents, and monitoring data. A systematic desk review of the project documents was done in the inception phase and continued throughout the project cycle including prior to fieldwork to establish a foundational understanding of the project's intent, context, and documented progress. This included analysis of Project Design Documents: HI-GRID proposals, Theories of Change (ToC), logframes, and baseline reports; Implementation Records: Periodic progress reports, financial reports, internal monitoring data, and training materials; Contextual Documents: Municipal annual plans, policies, DRR strategies, and relevant national policies; Analytical Frameworks: The NbS for DRR framework and previous assessment reports; and News and publication of the project by ICIMODs and partners. Detail list of the reviewed documents including preliminary findings from the desk review are provided in *Annex 4*.

This was followed by primary data collection through interview with key informants both in Kathmandu and project sites, and focus group discussions, surveys and observations in the project sites. **Key Informant Interviews (KII)** *(n= 60)* were done with ICIMOD management, project staff, municipal officials, CSO representatives, caretakers of DRR solutions, and DFAT stakeholders. **Focus Group Discussions (FGD)** *(n= 4, around 10-15 persons per FGD)* were conducted with community members, beneficiaries, and local implementing partners to capture lived experiences and collective feedback. Similarly, **Surveys** *(n= 83)* were conducted targeting project beneficiaries (esp. value chain (IO3), CBFEWS (IO2), WMP (IO2), Water Recharge Pond and Rainwater Harvesting (IO2), Responsible Tourism (IO2) beneficiaries, to assess satisfaction, impact, and inclusiveness of interventions, among others. The evaluation team also conducted **on-site visits** to project locations *(n= 7)* to observe CBFEWS device installation sites, water recharge ponds, bioengineering sites, tourism trails, community homestays, rainwater harvesting system, and bio-sand filtration units, among others. The details of the data collection with the stakeholders are summarized in *Annex 8: Evaluation data collection measures.*

Interpretation of Collected Data

To track the project progress against the logframe indicators, the preliminary information on the project progress obtained from the document review was used. This was further updated after verification from field interviews, discussions, surveys and/or observations, and is documented in *Annex 12*. To assess the project performance against the OECD-DAC evaluation criteria, all the IOs, EOIOs and KEQs were evaluated based on insights from municipalities, communities and verified from field observations, and given the following rating scales:

- High (for excellent performance): Agreed targets (outputs, IOs and EOIOs) are fully achieved as of MTE.

- Moderate (for average performance): Agreed targets are partly achieved, however in the right direction towards fully achieving the targets towards the end of the project, with some avenues for improvement.

- Low (for below average or poor performance): Significant design/implementation/tracking improvements are needed for efficiently achieving the agreed targets.

Limitations of MTE

The limitations of this MTE are as follows:

Sampling:
The sample selection for HI-GRID project beneficiaries are purposive considering the nature of the evaluation. Robust statistically derived sample size has not been considered. Those municipalities and beneficiaries suggested by local implementing partners where most of the HI-GRID project activities were launched were purposively selected for the evaluation.

Reluctancy of two municipalities: Two municipalities out of the surveyed municipalities, namely Ishnath and Janakpur were reluctant to participate in interviews as a result of existing bureaucratic and political hurdles. This is also evident from "Support of Letter" yet to be received from these municipalities to the evaluation team as well as HI-GRID team to facilitate this evaluation.

Time and accessibility constraints: The evaluation period coincided with the period of floods in Madhesh, landslides in major highways, Gen-Z protests all over Nepal and local festivals observed during the period across the country. While this caused delays, no major field activities were disrupted aside from a Nature-based Solutions site in Mithila which could not be visited due to accessibility issue (required to cross a river which was unsafe as suggested by the local implementing partner).

Findings

The Findings section has been presented with an overall assessment of the project in terms of KEQs followed by assessment of the EOIOs, which is again followed by organization of findings per IO, with OECD-DAC criterion-level assessments under each IO. This is followed by three separate sub-sections on GEDSI Considerations; Theory of Change, Results Framework , Monitoring Evaluation and Learning Plan; and Safeguarding and Risk Assessments, respectively.

Key Evaluation Questions (KEQ) Findings Summary

KEQ (Relevance): To what extent does the HI-GRID project align with primary stakeholders (women and marginalized communities in targeted municipalities) needs, municipal and national government priorities? How appropriate was the project design and is it still valid within the current situation?

> **Key findings:** HI-GRID project demonstrates **High** relevance across the entire project structure including the Investment Outcomes(IOs). The project's overall focus on mitigating risk related to 'Too Much and Too Little' (TMTL) water through capacity building, and developing innovative solutions to increase climate resilience, is well aligned with needs and priorities of communities, municipalities and the nation. For instance, introduction of innovative solutions such as Rainwater harvesting and Water recharge ponds by HI-GRID (as a part of its Responsible Tourism and NbS interventions, respectively) in water scarce municipalities such as Dhankuta and Chhathar Jorpati helped the communities and municipalities to have adequate water to enhance their household, agriculture and tourism activities. This has been well validated during the FGD and survey with the communities and KII with the municipal officials. Similarly, the introduction of capacity building trainings to municipal officials on GRB under HI-GRID was found to be well aligned with the needs of municipalities to target and prioritize projects during budget preparation, considering gender, youth, elderlies and persons with disabilities. The project was found to be appropriately designed, in general, with a comprehensive scoping study conducted a year in advance (2022) of the formal launch of the project in May 2023. However, value-chain component of the study was found shifted from pro-poor focus to market linkage, which has been further discussed in relevant section(s) on Value Chain below.

Recommendations[3] for this phase: For the remainder phase of the project, continue the momentum in addressing the needs and priorities of targeted communities and municipalities (unreached till date). Also, update/revise the results framework of the project to reflect changes in project design (for example in the value chains work area). This has been further elaborated in relevant section(s) on Results Framework below.

Considerations for future programming: For the next potential successor project, consider upscaling the innovating solutions to new communities and municipalities identified from this project.

KEQ (Effectiveness): What progress has been made towards the project's outputs, intermediate outcomes, and end of investment outcomes? How can the effectiveness of the project improved to deliver results in the remaining period?

Key findings: The project demonstrates **High** effectiveness with progress on track for conducting GRB trainings and implementing DRR solutions including NbS such as CBFEWS in Khando, Ratu, and Lal Bakaiya; rejuvenation of natural ponds (water recharge ponds) for groundwater recharge (in Nibuwa–Tankhuwa); rainwater harvesting for sustainable water management (in Nibuwa–Tankhuwa); and responsible tourism as an alternative livelihood response to water scarcity (in Nibuwa–Tankhuwa). However, the project is lagging behind (with **Moderate** effectiveness) in achieving the intended target for value chains. Although the project has created a foundational ecosystem with digital platforms, engaged farmer entrepreneurs and identified key value chains (Mango, Vegetables and Mithila Arts), there is need to focus on quality over quantity as outcomes are deviated from pro-poor focus. Training on mango processing (pulp, pickle, jam) was held late in the season, reducing practical application. Similarly, production support (nurseries, inputs) and buyer linkages were insufficient.

Recommendations for this phase: For the remainder phase of the project, continue the GRB refresher trainings in the needed municipalities; and continue upscaling and/or completing implementation of innovative DRR solutions including NbS to all the targeted municipalities. A special focus on prioritizing the value chains work will be needed such as scheduling relevant trainings early; establishing ward-level hubs with demo plots and aggregation centers; incentivizing Krishidoots for continuous mentoring; designing tailored modules for arts (branding, packaging); and linking farmers and artisans to buyers through contracts and exhibitions.

[3] These are general recommendations to get an overall picture. More specific elaborated recommendations are presented in a separate "Conclusion and Recommendations" section at the end.

Considerations for future programming: For the next potential successor project, consider linking outputs of this project to livelihood opportunities of the communities. For instance, CBFEWS beneficiaries can be linked with value-chain activities. Although this has already been achieved in some municipalities in Ratu, good to upscale this to the remaining municipalities in other watersheds as well.

KEQ (Efficiency): How well has the project delivered results from value for money perspectives? Or is the project making appropriate and efficient use of DFAT and ICIMOD's time and resources to achieve outputs and expected outcomes?

Key findings: With the exception of Responsible Tourism intervention which has shown **High** efficiency in terms of utilizing resources efficiently (thanks to the low-cost efficient technologies introduced such as bio-sand filters and rainwater harvesting), the HI-GRID project in general has demonstrated **Moderate** efficiency, with avenues for improvement in the remaining phase of the project. While there is no clear need identified to increase the overall project budget, however, it could be good to be flexible to make a proper allocation within the project components as needed. For instance, KII with local implementing partners revealed that the resources could be allocated more efficiently to the local implementing partner that covers many municipalities compared to the partner that covers less municipalities. The overall allocation of financial resources (as shown in *Annex 14*) is highest for IO2 (DRR / NbS solutions) followed by IO3 (value chains), IO1 (DRR plans) and IO4 (GRB). While this allocation looks reasonable, it might be better to be flexible to transfer resources from one IO to the other as needed. For instance, refresher trainings are suggested for IO1 and IO4 to be more effective which may require additional resources than allocated. Similarly, resources for IO2, although highest at the moment, may need to increase considering the construction activities initiated and being planned in the remaining phase of the project.

Recommendations for this phase: For the remainder phase of the project, allocate the resources more efficiently based on the ground realities with a flexibility to transfer among IOs as needed.

Considerations for future programming: For the next potential successor project, consider allocating resources to initiatives that link outputs of this project to livelihood opportunities of the communities.

KEQ (Coherence): To what extent does the HI-GRID project complement other similar programs and policies?

Key findings: HI-GRID project has demonstrated **High** coherence with related policies. For instance, HI-GRID interventions are consistent with Nepal's Disaster Risk Reduction and Management Act (2017), Local Government Operations Act, 2017 and the National Policy on Gender Equality and Social Inclusion (2021). Similarly, GRB aligns with federal government requirements from Ministry of Finance for gender and DRR coding. The Responsible Tourism intervention under HI-GRID supports national priorities for tourism diversification and climate adaptation, contributing to NDC targets for climate-resilient destinations. On the other hand, the HI-GRID project demonstrated **Moderate to High** coherence with other related programs with avenues for improvement. For instance, additional CBFEWS devices were seen in Madhesh in some areas installed by other organizations / programs where HI-GRID had already installed the devices, e.g. by People in Need in Nijgadh (Bara-Lal Bakaiya) and by DHM in Bardibas (Mahottari-Ratu). Similarly, the coherence between municipal programs and HI-GRID's value chains component was limited in Madhesh. In contrast, HI-GRID interventions in Dhankuta such as Responsible Tourism, Water Recharge Ponds were found highly coherent with and complemented other municipal programs.

Recommendations for this phase: For the remainder phase of the project, initiate communication with other program stakeholders (e.g. People in Need, DHM) who have launched similar interventions in HI-GRID study area. This will help to avoid duplication, if any, and complement each other. Also, strengthen municipal coordination and joint monitoring for value-chain activities.

Considerations for future programming: For the next potential successor project, continue the momentum of both internal coherence with current project partners and external coherence with other partners / programs and come up with well-defined project that complement (rather than duplicate) the municipal initiatives.

KEQ (Sustainability and Impact): To what extent has the project established measures which can ensure sustainability and generate long term impacts? How can project improve its strategies for sustainability and impact?

Key findings: With the exception of value-chain component which has shown Low sustainability and Impact, the HI-GRID project in general has shown **Moderate to High sustainability** and **High impact**. All the capacity development initiatives and DRR solutions including NbS that have been implemented have shown high impact, as validated from the ground observations and surveys / interviews with beneficiaries and relevant stakeholders. For instance, restoration of water recharge ponds has increased the availability of water for use in household, agriculture and tourism activities. The installed CBFEWS system in Ratu, Khando and Lal Bakaiya have resulted in no human casualties.

Similarly, across the municipalities, clear behavioural change and improved inclusion have emerged as a result of GEDSI, GRB, and DRR-related trainings delivered under HI-GRID. Local officials and ward representatives who previously viewed GEDSI narrowly now have recognized the differentiated needs of women, Dalits, persons with disabilities, children, and marginalized households, leading to more inclusive planning and budgeting. HI-GRID has also shown high sustainability prospects by increasing ownership of the municipalities in the HI-GRID initiatives. The signing of sustainability agreements by various municipalities of Madhesh for creating a basket fund for operation and maintenance of CBFEWS is a milestone achievement of HI-GRID to ensure sustainability. Likewise, formal registration of community homestays in Dhankuta municipality has formalized the Responsible Tourism intervention under HI-GRID. In contrast, sustainability and impact prospects are minimal so far for all value chains. Market linkage is still weak for Mithila arts while, vegetables and mango already have existing market at local and national level. Value addition to mango and vegetables will increase income and help these krishidoots to compete in higher profiting markets. Impact is visible in isolated cases (e.g., potato cultivation success), but overall income and production gains remain limited. Current sustainability is weak because farmers lack storage and aggregation facilities. Linking cooperatives and private buyers will help. Digital tools such as GeoKrishi and the Kisan Credit Card can help make the project's results more sustainable, but only if they are accessible to everyone, including women and land-poor farmers. Farmers shared that access to credit is helpful, but the current system needs improvement because collateral requirements are difficult to meet, and the application process is not always clear.

Recommendations for this phase: For the remainder phase of the project, focus on value chain component for achieving high sustainability and impact so that HI-GRID's performance will be improved over all components. Also, continue involving municipalities in contributing to operation and maintenance fund for sustaining DRR solutions introduced under HI-GRID.

Considerations for future programming: For the next potential successor project, focus on the initiatives for upscaling that have high sustainability and impact potential identified from the current project. Also, involve communities, municipal officials and relevant stakeholders from the design phase for need assessment to ensure high sustainability and impact after the project is launched.

KEQ (GEDSI Considerations): How effectively are GEDSI principles integrated into the planning, execution, monitoring and follow up of the HI-GRID project? Has GEDSI analysis, including relevant consultations, cycled-back into the project for better implementation?

Key findings: HI-GRID project can be rated **Moderate** from GEDSI integration perspective, requiring some improvement in GESI part and significant improvement in Disability part. The project has established a strong GEDSI foundation in policy (e.g. development of GEDSI-responsive policies including review of the draft PSEAH Code of Conduct by representatives from 11 municipalities) and capacity building (e.g. trainings for DRR/GEDSI focal persons, gender assessment for deputy mayors, practical integration of Gender-Responsive Budgeting through ward-level training and software coding), but has not built a robust operational system to ensure consistent, quality implementation and accountability across all locations and components. For instance, learnings and analysis from successful municipalities (e.g., Dhankuta, Tilathi Koiladi) are not being systematically captured, shared, and used to course-correct underperforming municipalities (e.g., Gujara, Ishnath). Similarly, a significant gap between policy intent and ground-level reality, particularly concerning the Disability pillar is observed. Multiple voices noted that while persons with disabilities are often counted as indirect beneficiaries, they have been largely absent from trainings, decision-making forums, and visible project activities. For instance, the rainwater harvesting system installed in Khambela in Dhankuta, designed as a water spout, is difficult for persons with mobility challenges to access.

Recommendations for this phase: For the remainder phase of the project, focus more on including (and/or considering accessibility to) persons with disabilities as much as possible in all project activities including capacity building and DRR interventions. Also, in addition to creating plans and training municipal officials, enforce implementation for ensuring inclusive participation (including of persons with disabilities). Also, establish a strong monitoring mechanism that triggers mandatory follow-up actions when GEDSI gaps are identified.

Considerations for future programming: For the next potential successor project, good to include a dedicated disability-focused organization (which can bring disability-targeted strategies) as one of the partners right from the start of the project. Also, upscale the effective GEDSI-integration achieved in other relevant municipalities.

KEQ (Safeguarding and Risk Management): How effectively has ICIMOD been managing safeguarding and other project-related risks? Which aspects of its risk management approach require improvement?

Key findings: HI-GRID project can be rated **Moderate for Safeguarding**, with avenues for improvement and **High for Risk Management**. Analysis of safeguarding efforts across partner municipalities reveals a foundational level of progress. Specifically, essential frameworks including Code of Conduct (CoC) documents, child protection policies, and training on Protection from Sexual Exploitation and Abuse (PSEA) have been successfully

established in some municipalities (e.g. Dhankuta and Chhathar Jorpati). Also, in Dhankuta and Chhathar Jorpati municipalities, HI-GRID approach for safeguarding was transferred to the beneficiaries of this project which was observed in homestays under responsible tourism of IO2. The other nine targeted municipalities (Maulapur, Gujara, Gaur, Ishnath, Bardibas, Balwa, Bhangaha, Mitila and Tilathi Koiladi) were sensitized on these policies, but full implementation and formal adoption were not yet observed at the time of reporting. Therefore, uneven implementation of these policies across different municipalities, has led to inconsistency in implementing safeguarding standards and practices.

On the other hand, risk management approach of HI-GRID was found to be robust and well implemented. It was found that HI-GRID Risk Management Framework is in place with pre-identified potential risks and mitigation measures. Partners identify field level risks in quarterly reports; outcome focal points monitor risks continuously; project officer maintains the risk register and Project Lead reviews and consolidates updates. Similarly, monthly meetings with DFAT act as a platform to validate risks and mitigation strategies. In addition, depending on the emergence of new risks, the risk register was found to be updated frequently as needed. For instance, the upcoming federal parliament elections scheduled in March 2026 has been considered in planning of project activities going forward, by planning to complete GRB trainings two weeks before elections.

Recommendations for this phase: For the remainder phase of the project, address disparity across municipalities and ensure a unified, high standard of protection by systematically mainstreaming the safeguarding principles into all project training modules and communication materials. This integrated approach will reinforce awareness, standardize procedures, and embed a culture of safety throughout all levels of project activity. Also, continue the ongoing efforts of risk management approach in the remaining period of the project as well.

Considerations for future programming: For the next potential successor project, recruiting a dedicated safeguarding specialist right from the beginning of project will be helpful. This is expected to bring targeted strategies in needed municipalities to improve overall project performance on safeguarding. Also, continue using the risk management approach of the current project in the potential successor project.

KEQ (Theory of Change and Results Framework): How coherent and logical is the Theory of Change and Results Framework currently used by the project? How effectively do the indicators represent intended outcomes and outputs?

Key findings: The HI-GRID project can be rated **Moderate** taking into account the Theory of Change (ToC), Results Framework and MEL Plan with avenues for

improvement. The project logically connects inputs (trainings, tools) to outputs (trained personnel, DRR solutions) and long-term outcomes (institutionalized GEDSI, scaled NbS). However, the critical assumptions underpinning the ToC are often unmet. For instance, it assumes uniform capacity and commitment across municipalities, but reality shows stark disparities (e.g., advanced progress in Dhankuta vs. minimal progress in Gujara). It assumes that training and policy adoption automatically leads to implementation and budgeting, yet findings repeatedly highlight weak follow-up, inactive systems, and a lack of mandatory application (for e.g., the Sub-National Treasury Regulatory Application not used post-training). It assumes successful pilots will be organically scaled, but without structured peer-learning and accountability, replication remains ad hoc.

It was found that ICIMOD has recently relocated its MEL function to a dedicated Planning, Monitoring, and Reporting (PMR) unit, which now offers advisory support to projects and builds partner capacity. MEL responsibilities are distributed across three tiers: implementing partners track on-the-ground activities and outputs; the HI-GRID project team oversees monitoring; and the PMR unit provides technical guidance, ensures DFAT compliance, and strengthens partner capacity on indicators and frameworks. The MEL plan was found to be actively applied, with progress reviewed regularly in partner and donor meetings, and continuous capacity support provided to partners. Key monitoring findings show advances in Gender Responsive Budgeting, with clear budget increases in two municipalities following training—though integration elsewhere has been slowed by political disruptions. Disability inclusion efforts have encountered practical challenges, leading to revised engagement with caregivers and plans to adjust indicators at the Mid-Term Review, alongside new partnerships with organizations such as CBM. For Outcome 3, the focus has shifted—as reportedly agreed with DFAT—from pro-poor value chains to strengthening market linkages, reflecting differing stakeholder priorities: municipalities emphasize DRR and Nature-based Solutions, while the private sector engages more on value chains. These changes, among others, are not reflected in the current Results Framework, hence a revised Framework should be made.

Recommendations for this phase: For the remainder phase of the project, link all capacity building to mandatory use and sustained coaching. Replace ad hoc replication with structured peer-learning and resourced replication plans (e.g. successful, interlinked models exist (e.g., Dhankuta's DRR-livelihood ecosystem) but are not systematically transferred). Strengthen Results Framework and MEL Plan by moving beyond measuring activities to actively enforcing institutional functionality, equity, and long-term sustainability. This can be achieved by strategically creating tangible, integrated proof-of-concept sites that demonstrate how the intended outcomes logically connect and reinforce each other. These sites would become the primary evidence and model for scaling. The revised Framework should incorporate outcome-level indicators such as the percentage of municipalities with dedicated budgets for NbS and GRB operations, mandatory use of

SuTRA coding, and disaggregated beneficiary data to track genuine inclusion. Output indicators should emphasize quality of support—for example, the number of lagging municipalities completing targeted coaching and the adoption of officially endorsed templates. Process indicators could include municipal performance scorecards and corrective action logs to ensure accountability. The accompanying MEL Plan must explicitly measure GEDSI integration and systemic change tracking operational linkages between DRR, livelihoods, and GEDSI, and monitoring the progression of initially low-performing municipalities.

Considerations for future programming: For the next potential successor project, ToC, Results Framework and MEL Plan should be assessed regularly, especially in initial phase of the project, so that the project team can update, as needed, esp. before implementing major project activities. While the evaluation at the mid-term (as in this case) is equally important, the remaining timeframe might be too tight for project team to adjust.

Assessment of End of the Investment Outcomes

EOIO1: Municipalities integrate GEDSI-responsive DRR approaches in their plans and budgeting process

The EOIO1 includes two IOs designed at developing capacities of municipalities for better adopting Gender responsive DRR plans and budgeting, respectively.

Assessment of Progress Towards the EOI01: On track with some municipalities needing follow up to achieve the intended targets

Progress toward EOI01 has been on track, with municipalities increasingly integrating GEDSI-responsive DRR approaches into their planning, budgeting, and operational systems following the trainings on GEDSI, DRR and GRB provided by HI-GRID. These trainings have strengthened institutional alignment, leading to clearer policies, improved coordination, and greater inclusion of women, Dalits, persons with disabilities, and marginalized groups in decision-making. However, the intended target of about 10 municipalities has not reached, hence a continued effort will be required in the remaining period of HI-GRID to achieve the intended targets. As of now, 4 municipalities (Maulapur, Dhankuta, Tilathi Koiladi, Gaur) have achieved the intended targets for the fiscal year 2081/82 on adopting DRR plans; with partial adoption in 3 municipalities (Chatthar Jorpati, Balwa, Bardibas) and minimal or none in 3 municipalities (Gujara, Ishnath, Bhangaha). These municipalities were sensitized but it is still not reflected in DRR and GEDSI Plans, however few municipalities have decided to keep it in their plan for next fiscal year. Nevertheless, it would be good to follow up to these municipalities by the HI-GRID team in the remaining period of the project, where a refresher training might be needed.

Similarly, out of the GRB training provided by HI-GRID to 11 municipalities (Dhankuta, Chhathar Jorpati, Tilathi Koiladi, Bardibas, Mithila, Gaur, Maulapur, Balwa, Gujara, Bhangaha and Ishnath), Dhankuta and Tilathi Koiladi are performing well, with GRB rules already included through a higher share of gender focused budget allocation in their annual plans. However, Ishnath and Bhangaha municipalities need immediate attention as they missed the ToT training so are lagging behind. The detailed municipality wise GRB uptake status, identified from the field visit, is summarized in *Annex 7*. Overall, the municipalities demonstrate increasing ownership of GRB processes. Some, such as Tilathi Koiladi, Dhankuta, Maulapur, and Gaur, have made significant moves in integrating coding into budgeting systems. Others require more time, refresher training, and institutional reinforcement to fully institutionalize GRB practices.

With targeted follow up (with refresher trainings as needed) to the selected municipalities, EOIO1 targets are expected to be achieved in the remaining period of HI-GRID.

More detailed IO wise assessment for EOIO1 is presented below.

IO1: Municipalities actively engaged in delivering collaboratively designed, GEDSI responsive and evidence-based DRR plans

As a part of IO1, various activities (as listed in *Annex 6* and *Annex 12*) were carried out such as GEDSI focused training for 28 municipalities in 2023; capacity building workshops to review GEDSI-responsive DRR plans in 10 municipalities (Dhankuta, Gujara, Maulapur, Gaur, Bardibas, Balwa, Bhangaha, Mithila, Chhathar Jorpati, and Tilathi Koiladi) in 2024; participatory planning in 5 municipalities (Gaur, Maulapur, Tilathi Koiladi, Dhankuta and Balwa) with co-development of DRR template and FGDs with marginalized groups.

Evaluation of IO1 under the OECD DAC Criteria

Relevance: High

The Intermediate Outcome 1 addresses critical systemic gaps in municipal planning, while responding to local needs for inclusive disaster planning. Municipalities such as Dhankuta, Chatthar Jorpati, and Maulapur have already integrated GEDSI principles into fiscal policies and plans after HI-GRID. For instance, Ms. Eleena Niraula, GEDSI Focal Person, Chhathar Jorpati Rural Municipality mentioned that they were practicing GESI, but the D component was missing, and HI-GRID helped them to integrate disability into their vision. Similarly, Dhankuta advanced disability-friendly infrastructure and responsible tourism initiatives as a result of HI-GRID. Likewise, municipalities Chatthar Jorpati, Gaur, Maulapur, and Tilathi Koiladi introduced a GEDSI Code of Conduct; and Balwa Municipality linked GEDSI training to tangible social outcomes, including reducing child marriage and improving disability access. Ms. Ful Kumari Shah, Deputy Mayor, Tilathi Koiladi Rural Municipality mentioned that they are using the knowledge gained from the HI-GRID training to cascade gender responsive principles down to all eight wards, ensuring consistency between municipal policies and grassroots application. These evidences, among others, demonstrate that the project outcome is not only relevant to national legal frameworks but also responsive to local governance needs, ensuring inclusive, evidence-based disaster risk reduction.

Effectiveness: Moderate

The project achieved notable progress in capacity building and institutionalization of GEDSI principles. In *Annex 6,* table gives a summary of year-wise achievements. ·Through HI-GRID, Mayors, Chairpersons, Chief Administrative Officers and Planning Officers from 28 municipalities were trained on GEDSI practices and made aware about discriminatory practices and the need to prioritize vulnerable groups. Similarly, GEDSI review of DRR plans in 10 municipalities identified key gaps that need to be addressed such as lack of gender-disaggregated data, limited representation of women and PwDs in DRR committees, and vulnerable groups framed as passive victims rather than active participants. While some municipalities as mentioned above (and also detailed in *Annex 2: Testimonials*) are progressing towards making gender responsive DRR plans, the progress on IO1 from other municipalities has been slow, largely due to bureaucratic hurdles such as complex administrative procedures and slow decision-making.

Efficiency: Moderate

The integration of GEDSI-responsive DRR across 10 target municipalities has become increasingly efficient due to strengthened institutional capacities, improved coordination, and systematic use of local planning structures. Local partners such as Sabal Nepal, HUSADEC, Mandwi Nepal, and CDAFN have played a key role in developing operational guidelines, conducting sensitization and awareness workshops, drafting municipal Codes of Conduct, and delivering ward-level GRB trainings. This partnership between local implementation partners, the HI-GRID project team, and participating municipalities has created a cohesive synergy, strengthening inclusive and evidence-based disaster risk reduction practices at the local level. Training on GEDSI, Gender Responsive Budgeting (GRB), disaster preparedness, and CBFEWS operations has enhanced the technical skills of municipal officials, enabling quicker and more informed decision-making. Ms. Ful Kumari Shah, Deputy Mayor, Tilathi Koiladi Rural Municipality mentioned that they are using the knowledge gained from the HI-GRID training to cascade gender responsive principles down to all eight wards, ensuring consistency between municipal policies and grassroots application. Similarly, Ms. Bindu Kumari Chaudhary, GEDSI Focal Person, Gujara noted that her confidence has increased after HI-GRID training, and she has learned how to interact with customers and work effectively with co-workers. Municipalities are efficiently utilizing the existing seven-step planning process, ward mechanisms, and disaster response structures to mainstream GEDSI and DRR without creating parallel systems. Mr. Kishor Kumar Jha, GEDSI Focal Person, Tilathi Koiladi Rural Municipality mentioned that integrating GEDSI within existing policy mechanisms after HI-GRID has helped to efficiently use local resources without needing parallel systems. However, the work of developing gender responsive disaster risk reduction plans and policies of the 10 targeted municipalities is underway with varying speed, and results are expected to come within the time frame of the project's completion. So far, it has been achieved for 4 municipalities (Maulapur, Dhankuta, Tilathi Koiladi, Gaur) for the fiscal year 2081/82; partial adoption in 3 municipalities (Chatthar Jorpati, Balwa, Bardibas) and minimal or none in 3 municipalities (Gujara, Ishnath, Bhangaha).

Coherence: High

HI-GRID interventions complement (rather than creating parallel systems) and are consistent with Nepal’s Disaster Risk Reduction and Management Act (2017), Local Government Operations Act, 2017 and the National Policy on Gender Equality and Social Inclusion (2021). For instance, Maulapur Municipality integrated HI-GRID’s GEDSI Code of Conduct into its existing governance framework, alongside anti-harassment policies and breastfeeding rooms. Similarly, municipalities like Dhankuta and Tilathi Koiladi integrated gender-responsive budgeting (GRB) (as a practice initiated to support policy), and disability-friendly infrastructure policies, which directly complement constitutional provisions for proportional and inclusive participation. The HI-GRID Project has fostered strong collaboration with municipalities, local implementation partners, and relevant stakeholders, effectively leveraging their technical expertise while minimizing

duplication of efforts. Municipalities have demonstrated ownership and initiative by integrating the knowledge gained from GEDSI and GRB training into their planning processes. Mr. Rajesh Kumar Jha, DRR Focal Person, Tilathi Koiladi Rural Municipality, for instance, mentioned that the CBFEWS operational guideline fits within Nepal's national DRR policies and ensures coordination between municipalities, CDO offices, police, and even Indian border authorities. He further highlighted that the inclusion of the CDO office, SP, local ward chairs, and even Indian border organizations like Lok Bharati Sewa Ashram ensures an integrated and multi-level response.

Sustainability: Moderate

Sustainability has been enhanced through the institutionalization of policies, guidelines, and budget mechanisms that set GEDSI and DRR into regular municipal governance. Most municipalities are in the process of developing or updating DRR laws, operational guidelines, gender-responsive budget processes, and GEDSI codes of conduct, which ensure sustainable institutional frameworks. Financial commitments such as basket funds for CBFEWS and protection activities (discussed in IO2), emergency support funds, and dedicated budgets for GEDSI (discussed in IO4) demonstrate strong local ownership and readiness to sustain key components beyond project timelines. Ms. Gita Gurung, Vice chairman, Chhathar Jorpati Rural Municipality mentioned that each year, they allocate a certain portion of the budget specifically for GEDSI programs. Inclusion of women, Dalits, persons with disabilities, and marginalized groups in planning has strengthened social accountability and long-term community ownership, like Chhathar Jorpati Rural Municipality, Maulapur, Tilathi Koiladi, and Gaur municipalities show strong sustainability prospects.

Impact: High

The GEDSI sensitization training and subsequent rounds of capacity-building activities have had a transformative impact at the local level. Interviews with municipal officials showed that ward chairs, mayors, and deputy mayors felt more empowered and confident in their roles, attributing this to the structured training and participatory methods introduced under HI-GRID. Beyond technical skills, these interventions fostered a sense of ownership among local officials, enabling them to champion GEDSI-responsive DRR planning as part of their core governance responsibilities. Across the municipalities, clear behavioural change and improved inclusion have emerged as a result of GEDSI, GRB, and DRR-related trainings and institutional support. Local officials and ward representatives who previously viewed GEDSI narrowly now have recognized the differentiated needs of women, Dalits, persons with disabilities, children, and marginalized households, leading to more inclusive planning and budgeting. Municipalities such as Maulapur and Gaur have institutionalized gender-friendly practices by establishing breastfeeding rooms, drafting GEDSI Codes of Conduct, and setting up funds for gender-based violence prevention. As Bardibas noted, "After receiving training, they now understand that GEDSI is not limited to women's budget alone," demonstrating an attitudinal shift in how inclusion is interpreted. In Chhathar Jorpati, officials observed that "Ward Chairpersons and members have started implementing things from a GEDSI perspective," reflecting improved application in everyday

governance. Empowerment at the community level is also visible, as highlighted from FGD with homestay owners in Dhankuta where "Women, Dalits and indigenous women leading homestays have gained a sense of responsibility towards conservation and decision-making." Together, these shifts indicate that municipalities are increasingly embracing inclusive policies, safeguarding practices, and community-sensitive DRR approaches, showing meaningful progress toward long-term, GEDSI-responsive governance. The ripple effect of these trainings is evident in improved coordination, proactive budgeting for marginalized groups, and greater representation of women and persons with disabilities in planning discussions, marking a significant shift from tokenistic inclusion to meaningful participation.

IO4: Municipalities equipped with the skills and knowledge to implement GEDSI-responsive DRR budgeting guidelines

GRB[4] is a strategy for examining budgets for their contribution to gender equality. It consists of a set of processes and tools to allow correct and easy assessment of the implementation of budgetary expenses and revenues on the social and economic positions of women and men. GRB is believed to contribute to good governance by enhancing transparency and accountability of the gender impacts of budgets. Under IO4, GRB training was provided by HI-GRID to 11 municipalities (Dhankuta, Chhathar Jorpati, Tilathi Koiladi, Bardibas, Mithila, Gaur, Maulapur, Balwa, Gujara, Bhangaha and Ishnath).

Across the municipalities, the uptake of GRB has occurred in different ways and at different speeds as identified by the MTE team and shown in *Annex 7.* Overall, the municipalities demonstrate increasing ownership of GRB processes. Some, such as Tilathi Koiladi, Dhankuta, Maulapur, and Gaur, have made significant moves in integrating coding into budgeting systems. Others require more time, refresher training, and institutional reinforcement to fully institutionalize GRB practices.

Evaluation of IO4 under the OECD DAC Criteria

Relevance: High

GRB is highly relevant to local governance as it ensures equitable budgeting for women, marginalized groups, and persons with disabilities. The municipality's officials acknowledged that GRB supports the country's commitment to gender equality under the Sustainable Development Goals (SDGs), follows the National Gender Equality Policy, and complies with Climate and Gender-Responsive Budgeting Guidelines. It also meets the requirements set by the Local Government Operations Act for inclusive and accountable governance. Most of the officials across municipalities agreed that GRB is highly relevant because it helps identify the resource needs of women, youth, older people, and persons with disabilities. It also supports inclusive disaster risk reduction and climate resilience planning, improves transparency and accountability, and provides systematic tools[5] for tracking gender-related investments. In addition, GRB makes it easier to target and prioritize projects during budget preparation. In municipalities like Tilathi Koiladi, Maulapur, Bardibas and Gaur, the relevance is strongly reflected in new budget lines specifically designed for vulnerable groups. For municipalities in Madhesh Province, where illiteracy among women is high and gender-based vulnerability is acute, GRB is considered essential for equitable resource allocation.

Effectiveness: High

The GRB intervention has been effective across the municipalities involved in the HI-GRID project, though the level of progress varies (*Annex 7* and *Annex 12*). The program has successfully

[4] http://old.mof.gov.np/grbc/grb%20new%20englis%20bros.pdf

[5] Currently, there are no standardized tracking tools available for GRB. GRB frameworks mainly focus only on classifying budgets as gender-responsive or not. It has been learned that HI-GRID team is developing such a tool in 2026 (or next phase) to address this gap.

increased municipal officials' understanding of gender, equity, disability, and social inclusion principles, and helped them apply these concepts in real planning and budgeting processes. Some municipalities demonstrated strong effectiveness by completing GRB coding, generating gender-disaggregated data in SuTRA, and using it to inform their budgeting decisions. These municipalities have been able to identify specific budget allocations for women, children, the elderly, persons with disabilities, and marginalized communities, showing clear evidence of improved planning practices. Even in municipalities where GRB is still in early stages, the intervention has succeeded in raising awareness and influencing discussions on inclusive development. Across all municipalities, GRB training has enhanced understanding of why gender-responsive planning matters, encouraged better coordination among departments, and led to more transparent and accountable use of public resources. Overall, the GRB program has proven effective in shifting municipal practices toward more inclusive and equitable budgeting.

Examples of effectiveness include: Dhankuta Municipality has already generated GRB data and started using coding results for next year's planning; Chatthar Jorpati Rural Municipality shows confidence in coding and has started integrating gender, climate, and SDG-based coding; Maulapur Municipality has used coding to filter and prioritize projects; Tilathi Koiladi Rural Municipality trained ward chairs and members, improving gender integration in ward-level planning; Gaur Municipality is applying GRB and DRR coding with visible changes in program allocation; Bardibas and Mithila municipalities have not completed coding; the benefits "yet to be observed." Effectiveness is *partial* in municipalities like Gujara, Bhangaha, Balwa and Ishnath, where delays in budget endorsement and limited staff capacity has restricted full implementation. However, these municipalities still show early signs of progress in separate budgeting for vulnerable groups.

Efficiency: Moderate

The GRB program has some efficiency gains, particularly in municipalities that adopted GRB coding within the SuTRA system. By introducing structured coding categories and digital budget tracking, the program has helped municipalities reduce duplication of budget headings, clarify expenditure categories, and improve the accuracy and consistency of financial reporting. Officials from municipalities such as Dhankuta, Maulapur, and Tilathi Koiladi have said the coding system was easy to apply once trained, and GRB helped simplify decision-making during the annual planning cycle. The program has encouraged staff to share information across departments, which has reduced delays and improved the overall flow of budgeting processes.

However, efficiency varied depending on local capacity. Some municipalities faced challenges such as limited technical staff, time shortages during the budget cycle, and delays in cascading training to wards. Some of the municipalities, such as Gujara, Balwa, Bhangaha, and Ishnath, still have pending GRB coding use due to different circumstances. Despite these challenges, the GRB intervention has generally improved the speed, clarity, and accuracy of municipal budgeting and created a more systematic approach to inclusive financial planning. With continued refresher training and internal coordination, the efficiency of GRB practices is expected to strengthen further across all municipalities.

There are still some efficiency gaps that need to be addressed. Municipalities often have very limited time during the budget process, making it difficult to plan and allocate resources effectively. In addition, there are not enough trained staff to manage technical tasks, and

coordination between different municipal departments is also weak. Many municipalities have relied on external trainers for coding support rather than building internal capacity. Another challenge is the delay in sharing GRB information by ward offices, which has slowed implementation and reduced the overall effectiveness of the program.

Several municipalities (Dhankuta, Maulapur, Tilathi Koiladi) reported that coding is not a burden and increases efficiency once staff understand the process. Others (Bardibas, Gujara and Maulapur) emphasized the need for mandatory SuTRA coding fields to improve efficiency and reduce human error.

Coherence: Moderate

Coherence was strong only in those municipalities where structured coordination and communication mechanism existed. For example, Tilathi Koiladi Rural Municipality showcased strong coherence, where GRB concepts flow from the municipal council to all ward committees. Similarly, municipalities like Maulapur and Gaur maintained better coherence between finance, planning, and social development sections. In contrast, in Bardibas and Mithila municipalities, coherence was weaker because trained staff did not consistently share learning with colleagues.

Similarly, GRB aligns with federal government requirements from Ministry of Finance for gender and DRR coding. This is also well aligned with municipalities DRR strategies and climate adaptation plans, ensuring consistency across local priorities. Local implementation partners of HI-GRID (Mandwi, CDAFN, Sabal Nepal and HUSADEC) also complement municipal efforts by strong coherence.

Sustainability: Moderate

Sustainability is promising but varies from municipality to municipality. Municipalities like Tilathi Koiladi and Gaur showed high sustainability aspects by incorporating GRB into ward-level planning. Other municipalities, however, will need refresher training and strong municipal ownership to maintain momentum.

Based on the interaction with municipal officials, the evaluation team identifies the following factors that support sustainability: Ward-level ToT models applied in the Tilathi Koiladi, Gaur, Maulapur Municipalities; Inclusion of GRB indicators in municipal planning cycles; Increasing municipal ownership of coding and budgeting processes; Digital systems (SuTRA) that can retain GRB data permanently; Community-level interest in gender-sensitive development. However, the following factors were identified as risk to sustainability: Staff transfer and turnover; Lack of systematic knowledge transfer among other officials; Political instability, and lack of seriousness in elected representatives; Limited refresher training; Dependence on external organizations for technical guidance.

Municipalities like Gaur, Maulapur, Tilathi Koiladi, Chathar and Dhankuta showed confidence that practices will continue beyond the project period. Others (Gujara, Bhangaha, Ishnath) need additional mentorship to maintain momentum.

Impact: High

Early impacts are visible across some municipalities. Awareness of gender and social inclusion in budgeting has increased, and budget allocations for marginalized groups are now clearer. Financial processes have become more transparent and accountable, while women are playing a stronger role in planning and decision-making. Municipalities can now better justify spending and track program results, and staff feel more confident in applying coding practices.

For example, in Tilathi Koiladi, women's participation expanded significantly in DRR and budgeting discussions; in Dhankuta, coding allowed for clearer analysis of gender-specific investments; in Maulapur, priority projects can now be filtered through coding; in Gaur, wards now separate budget lines for women, children, elderly, and Dalits; and in Bardibas, budget allocation is now disaggregated for specific groups.

Awareness and Behavioural Change in Gender-Responsive Budgeting

Municipalities and their representatives received training on GRB, which improved awareness of gender equality, social inclusion, and equitable resource allocation. Officials now understand what GRB means, why it matters, and how to apply coding systems like SUTRA, along with its legal basis in Nepal's governance framework. However, translating this knowledge into practice has been gradual and uneven. While many municipalities (as shown in *Annex 7* and also discussed above) have begun integrating GRB codes and considering gender and social inclusion in plans, full and consistent application remains limited. Behavioural change—such as conducting GEDSI analyses, ensuring inclusive participation, and using GRB insights for resource allocation has progressed most where political leadership actively supports GRB, highlighting that sustained mentoring and institutional backing are essential for lasting impact.

EOIO2: GEDSI responsive innovative DRR solutions and GRID-based value chains and enterprises scaled up in other municipalities in Nepal and two countries of the HKH region.

EOIO2 includes two IOs: IO2 (GEDSI responsive DRR solutions including NbS adopted at pilot level and 1 jointly developed watershed management plan scaled up in 1 new watershed) and IO3 (Local organisations enabled to develop and support value chains and enterprises which are made available for scaling for benefiting marginalised and vulnerable groups).

Assessment of Progress Towards the EOI02: On track with a considerable effort needed in value-chain work

The project is moving progressively towards achieving EOIO2: GEDSI responsive innovative DRR solutions and GRID-based value chains and enterprises scaled up in other municipalities in Nepal and two countries of the HKH region. Some indicators have been achieved while many are partially achieved and/or not achieved and scheduled to be completed in the remaining period of HI-GRID as detailed in *Annex 12*. For example, out of at least 7 GEDSI responsive DRR Solutions that need to be co-developed and piloted under HI-GRID, some DRR Solutions such as Water Recharge Ponds, Responsible Tourism and CBFEWS have been implemented and the rest such as

Bio-engineering check dams and other NbS measures have been initiated and planned to completed in the remaining period. 2 municipalities of Dhankuta district (Dhankuta and Chatthar Jorpati) have adopted HI-GRID recommended DRR solutions such as Responsible tourism (including rainwater harvesting) and water recharge ponds and various municipalities (such as Gaur, Maulapur, Gujara, Ishnath and others) of Rautahat of the Lal Bakaiya Watershed have adopted CBFEWS system, which has been installed in Nijgadh (Bara).

EOIO2 demands the DRR solutions to be implemented in other HKH countries as well in addition to Nepal and it has been learned during the interaction with HI-GRID leadership that this is being planned in the remaining period of HI-GRID to upscale the DRR solutions to countries like India, Bhutan, Bangladesh and/or Pakistan (dependent on allocation of funds from the sources outside HI-GRID such as HI-REAP project of ICIMOD funded by FCDO). Similarly. Nibuwa Tankhuwa Watershed Management Plan which covers Dhankuta municipality and Chatthar Jorpati Rural Municipality in Dhankuta district is planned to be replicated in Lal Bakaiya watershed (covering municipalities in Rautahat, Bara and Makwanpur districts) in the remaining period of HI-GRID.

While HI-GRID is doing good in establishing an active network in creating a foundational ecosystem with digital platforms (GeoKrishi), engaging/supporting 25 farmer entrepreneurs (Krishi Doots), and identifying 3 key value chains (Mango, Vegetables, Mithila Art); engagement is skewed towards easier "marketing" and "platform" linkages. The support mechanisms are not fully assessed and the core of pro-poor value chains development—ensuring the most vulnerable can access quality inputs, finance, and inclusive governance within the chain—is missing. Municipalities are not effectively integrated, seeing this as external project activity rather than core planning.

In general, EOIO2 is on track in achieving the desired results for adopting DRR and NbS Solutions in the remaining period. However, a considerable effort will be needed to achieve the value chains and enterprise targets, especially in contexts of benefiting marginalised and vulnerable groups.

More detailed IO wise and intervention wise assessment for EOIO2 is presented below.

IO2: GEDSI responsive DRR solutions including NbS adopted at pilot level and 1 jointly developed watershed management plan scaled up in 1 new watershed

The IO2[6] was designed to address the challenges of Too Much Too Little Water (TMTL) in the Lower Koshi Basin, with water serving as the primary entry point. The interventions focused on strengthening the capacities of communities and key decision-makers to scale innovative

[6] Some DRR solutions, such as water recharge ponds, rainwater harvesting for sustainable water management, responsible tourism, and CBFEWS—have already been implemented, and thus covered under this MTE, while others, such as bioengineering measures (check dams with vegetative stabilisation for flood and sediment control), bamboo netting check dams for gully erosion control, and other NbS measures have just moved through design, baseline assessment, and into early implementation, and thus, not covered under this MTE.

approaches such as nature-based solutions, responsible tourism, and sustainable watershed management in response to climate challenges.

For the Too Little Water component, the intervention site is Dhankuta District in Nibuwa-Tankhuwa watershed which included Responsible Tourism (including Community Homestays, Rainwater Harvesting and BioSand Filtration), Water Recharge Ponds, and Watershed Management Plan (WMP); while the Too Much Water sites such as CBFEWS, Bio-engineering check dams, etc. are included in Rautahat (Lal Bakaiya watershed), Mahottari (Ratu watershed), and/or Saptari (Khando watershed) districts in Madhesh Province.

RESPONSIBLE TOURISM

In terms of responsible tourism, Dhankuta District was selected, with Dhankuta Municipality and Chatthar Jorpati Rural Municipality engaged as local government partners. The local implementation partner for this initiative was HUSADEC.

Evaluation of Responsible Tourism under the OECD DAC Criteria

Relevance: High

The intervention of Responsible Tourism was found to be directly responding to pressing local challenges with interventions designed to align with needs of the community along with national and local policies. It incorporates the solution to water availability at the same time providing 18 households of wards 1, 3, 4, 5 and 6 (Dhankuta municipality) with a source of income generation. In Khambela village (Dhankuta municipality-ward 8), a rooftop rainwater harvesting system that stores 15,000 litres serves 25 households with clean water, easing Aathpahariya women's burdens, reducing water scarcity, and supporting kitchen gardens and tourism along the Chuliban–Khambela Hiking Trail. To the communities of these 43 Households, responsible tourism serves as a hope for revival of the economy of Dhankuta and their businesses through heritage (natural and cultural) promotion and preservation. Following are a few points noted: (a) Alignment with Needs: Communities in Dhankuta and Chhathar Jorpati face seasonal water shortages, which limit agricultural productivity and household resilience. Introducing rainwater harvesting and recharge ponds addresses this critical need at the same time promoting tourism as an alternative livelihood; (b) Livelihood Diversification: 18 Homestays in wards 1, 3, 4, 5 and 6 create new employment opportunities for women and youth, while tourism income from catering local food, cultural performance and souvenir sale in Ward 8 empowers Aathpahariya women, nurtures mindful host-guest bonds, reducing outmigration and reliance on remittances. FGD with community homestay owners followed by individual surveys revealed that communities expressed enthusiasm for homestays and water solutions after initial sensitization. Households see homestays as a way to improve income, showcase culture, and attract visitors. Majority respondents confirmed the homestay initiative is more relevant for women and youth, citing empowerment and leadership opportunities. The installation of Bio-sand Filters directly addresses the community's need for safe drinking water in areas facing water scarcity and poor water quality. Rainwater harvesting systems were welcomed as practical measures to cope with dry seasons.

Effectiveness: High

It was found that 16 registered community homestays in wards 3, 5 and 6 of Dhankuta Municipality benefit directly from the HI-GRID project. Additionally, 2 individual homestays in Wards 1 and 4 also received strong support, particularly in capacity building through business incubation, enterprise acceleration, digital marketing and sales, and exposure visits. Individual surveys with homestays showed average income of NPR 30,000 per annum[7] with average income increase of 9.4%. A 9.4% increase is meaningful in rural contexts, where income streams are limited. It also suggests early success in livelihood diversification. It was found that 1 Rainwater harvesting and 5 bio sand filtration systems were installed in Syaule Sipting Community Homestay. Communities now prioritize water-smart practices and responsible tourism principles. Survey results showed that Mostly Agree or Strongly Agree that the filter provides safe drinking water and rated the water quality as Much Improved or Slightly Improved, although the water testing data is not available with MTE team. Survey suggest that the maintenance is handled by household members with minimal repairs and ease of cleaning. However, there was a problem in the first year of installation, faced by the Khambela community, where lack of knowledge led to mishandling of the sand media. Repeated training from Smart Paani has been helpful to resolve this.

Efficiency: High

It was found that the local governments invested in infrastructure such as roads, toilets, and solar lighting, while HI-GRID focused on soft components like training and capacity building. Mr. Bikash Adhikari, Economic Development Officer, Dhankuta municipality highlighted that due to HI-GRID, municipality could just focus on investing on hardware components without much worry for technical part which HI-GRID took care of. Low-Cost Water Solutions such as Rainwater harvesting systems and Bio-sand Filters were chosen for their affordability and adaptability to rural contexts. Mr. Hem Narayan Shrestha, Technical Director, Smart Paani mentioned that Gravity-based water systems have been used to reduce energy costs in homestays and ensure low-cost water solutions are provided. Unlike high-cost centralized water systems, these technologies require minimal energy and maintenance. Bio-sand Filters installed in homestays are maintained by household members, reducing reliance on external technicians and lowering operational costs. Evidence on Bio Sand filter from survey suggest that, out of five homestay households surveyed, two reported minor repairs handled internally, and most rated cleaning as “easy” or “somewhat easy”. Rainwater Harvesting Systems provide a reliable water source for homestays without recurring costs for pumping or electricity. Overflow water is directed to recharge ponds, enhancing groundwater sustainability.

It was found that Bio-sand Filters treated 20–40 liters daily used water per household, ensuring safe drinking water without the need for bottled water or chemical treatment, reducing household expenses. One homestay reported saving NPR 500/month on water-related costs. Technical training on rainwater harvesting and Bio-sand Filter maintenance was provided to homestay operators and local plumbers as shown in *Figure 4*. This approach potentially minimizes future maintenance costs and builds local expertise.

[7] The figure is representative of the community homestays under the CHN and exclude the two individual homestays.

Coherence: High

The HI-GRID project demonstrated strong internal coherence by integrating multiple components into a holistic model. Homestays are not standalone businesses; they incorporate water-smart solutions like rainwater harvesting and Bio-sand Filters. This ensures that tourism growth does not exacerbate water scarcity. Similarly, Gender equality and social inclusion are embedded across interventions. Women lead most homestays and marginalized groups such as Aath Pahariya actively participate in planning and training. Cross-sectoral Synergy was obtained. Responsible tourism packages (community homestays, guided walk to Suke Pokhari, Dale Pokhari en route to Dhoje Danda Sunrise Hiking Trail and Rainwater Harvesting Demo Site in Chuliban-Khambela Hiking Trail) include demonstrations of water solutions, linking livelihood generation with climate resilience and awareness-building for visitors. The project was found to align with broader strategies and policies such as (a) ICIMOD's "Moving Mountains 2030" Strategy: HI-GRID operationalizes ICIMOD's vision for greener, inclusive, and climate-resilient development in the Hindu Kush Himalaya; (b) Nepal Government Policies: Supports national priorities for tourism diversification and climate adaptation, contributing to NDC targets for climate-resilient destinations. Similarly, RT intervention showed coherence in Local Governance, for instance Dhankuta Municipality and Chhathar Jorpati Rural Municipality have integrated HI-GRID learnings into their planning processes, including gender-responsive budgeting and tourism policy development, with strong Multi-Stakeholder Collaboration: ICIMOD, HUSADEC, CHN, Smart Paani and Ward level government work together under clearly defined roles, technical expertise, community mobilization, and private sector engagement.

Sustainability: High

Strong sustainability prospects were identified due to strong institutional ownership, capacity building initiatives and financial sustainability. (a) Institutional Ownership: It was found that Homestays were formally registered with municipalities, ensuring legal recognition and access to local grants and support systems. Dhankuta Municipality, in partnership with the NTB-Sustainable Tourism Project (STP) and the local community, is spearheading a comprehensive initiative to embed sustainability into the district's tourism enterprise development. Over the course of a fiscal year, these three stakeholders are strategically pooling resources and co-financing a total investment of NPR 4,850,000. The funding commitment is distributed as follows: Dhankuta Municipality: NPR 2,300,000, NTB-STP Project Partner: NPR 2,300,000 and Community Contribution: NPR 250,000. By aligning financial resources with local knowledge and institutional frameworks, this collaboration ensures that sustainable tourism development is not only adequately funded but also deeply rooted in community ownership and long-term resilience. Similarly, Dhankuta Municipality is developing a tourism policy to institutionalize responsible tourism practices and guide future investments. Mr. Bikash Adhikari, Economic Development Officer, Dhankuta Municipality mentioned that they are developing a tourism policy for continuity of the momentum of tourism and homestays for Dhankuta municipality. (b) Capacity Building: Local technicians and homestay operators have been trained to maintain rainwater harvesting systems and Bio-sand Filters, reducing dependence on external experts. At the same time, efforts are underway to strengthen local capacity in tourism by providing guide training to youth. For instance, CHN highlighted Nabin from Dhankuta as a promising individual who is actively

advancing the local tourism agenda. 2 local guides – an Aathpahariya youth and a woman guide have been trained and are now offering guided walk services to visitors. The woman guide specializes in heritage tours within Orange City, Dhankuta, while the Aathpahariya guide provides guiding services across other tourism sites developed under the HI-GRID project. Private sector partners like Smart Paani and CHN have built strong local networks, creating pathways for continued technical and marketing support. Smart Paani has secured new project partnerships, working with Dhankuta Municipality to install water systems in local schools and with the Nepal Tourism Board to conduct scoping studies on water and tourism in Lumbini and Gandaki Provinces. (c) Financial Sustainability: Average reinvestment rate of 40% from homestay income indicates commitment to business continuity. Municipality co-financing for infrastructure (roads, toilets, solar lighting) complements HI-GRID's soft investments (training, capacity building).

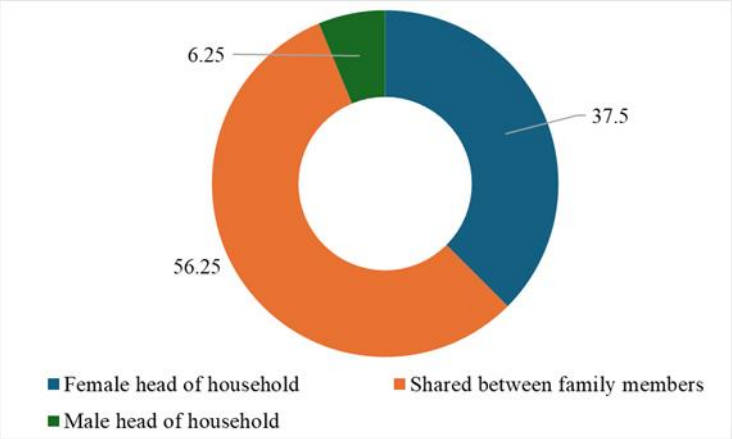

Figure 4: Distribution of gender among homestay owners

Impact: High

Over 90% women participation in homestay operations, with women leading most businesses was found as shown in *Figure 5*. Indigenous Communities (Aath Pahariya community) were found to be actively engaged in tourism and water-smart interventions. Homestays were found to provide an alternative income source, reducing reliance on agriculture and mitigating outmigration. Dhankuta was recognized as "Places to Visit", boosting visibility. Ms. Ayusha Prasain, CEO, CHN highlighted that Dhankuta was featured in Times Magazine's 'Places to Visit in 2025".

COMMUNITY BASED FLOOD EARLY WARNING SYSTEM (CBFEWS)

The CBFEWS is co-developed by ICIMOD and being implemented in Nepal and various HKH countries. CBFEWS, an integrated system of tools and plans, managed by communities, helps to detect and respond to flood emergencies. The system at the upstream location monitors the water level every 5 minutes and transmits the information to the system at the caretaker's house. When the water level rises in the stream, an early warning is generated from the caretaker's house, and the trained caretaker interprets and relays the information to the downstream communities through pre-established channels in order to enable flood-vulnerable individuals, communities, and organizations to prepare and take action to reduce the risk of damage or loss of lives and property. Under HI-GRID, Rautahat, Mahottari and Saptari districts were selected for CBFEWS, with various municipalities engaged as local government partners. The local implementation partner for this initiative was Mandwi, CDAFN and Sabal Nepal respectively for Rautahat, Mahottari and Saptari districts.

Evaluation of CBFEWS under the OECD DAC Criteria

Relevance: High

CBFEWS was found to be relevant to communities and municipalities of the study watersheds that addressed the urgent needs and aligned with relevant DRR policies. CBFEWS interventions were

found to be implemented after a scoping study and need assessment followed by consultation workshop and based on the request of municipalities of the watersheds.

Effectiveness: High

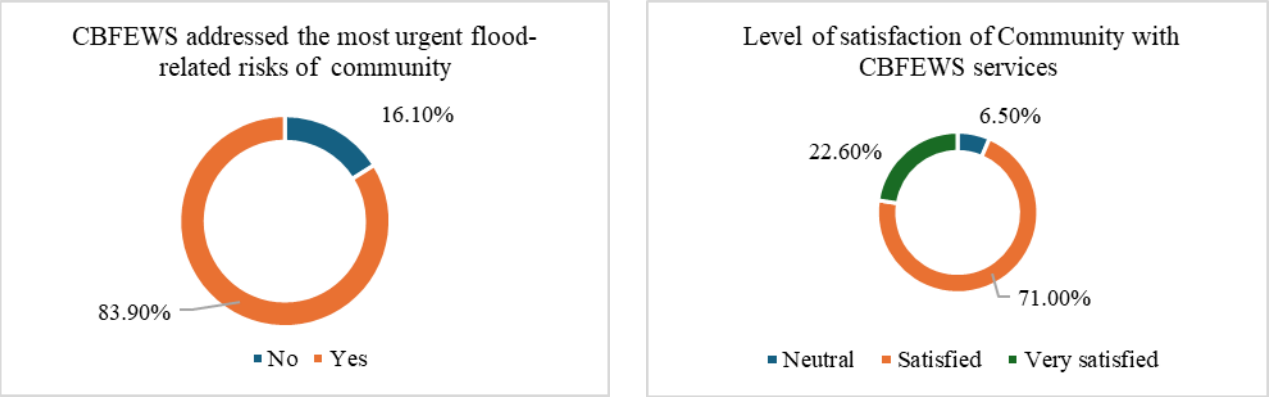

Figure 5 a) Level of satisfaction of community members with CBFEWS service b) Perception of community members on CBFEWS addressing urgent flood-related risks

In general, CBFEWS was found to be effective with three levels of thresholds such as Normal, Alert and Warning.

Summary of thresholds in the CBFEWS system

Threshold: Normal
Siren Signal: No siren
Interpretation: Normal water levels
Action: Stay alert and standby

Threshold: Alert
Siren Signal: Beeping sound
Interpretation: Stay alert, water level is rising
Action: Activate communication chart; alert communities downstream to be prepared

Threshold: Warning
Siren Signal: Continuous ringing
Interpretation: Flood is coming
Action: Alert downstream communities to evacuate

Data is received every 5 minutes. When warning levels are reached, caretakers verify personally before messaging. A DHM meteorological station and gauge scale readings at the pillars of the bridge is used to cross-check ICIMOD sensor data. CBFEWS was found to have a clear communication mechanism and flood alert dissemination using WhatsApp, texts, messages etc.,

warning well in advance with a lead time varying from 20 minutes (upstream) to 4 hours (downstream).

Sometimes issues were reported about disturbance in the signal in CBFEWS device due to obstruction. For example, Shambhu Sah, Mayor, Gaur Municipality, Rautahat mentioned that if a cow or a man sits at the bottom of the sensor, the system is activated, providing a false signal. Currently it has been observed that the caretaker addresses this by field verification. Localized rainfall effect also needs to be addressed, for e.g., as noted by Mr. Shambhu Sah, Mayor, Gaur Municipality, Rautahat, if rainfall in Gaur but no rainfall in Nijgadh where CBFEWS sensor is installed, this cannot provide EWS in Gaur. Also, Lal Bakaiya is being fed by various tributaries downstream which cannot be captured by sensor in Nijgadh. So, installation of additional CBFEWS sensors can be useful (subject to resource availability).

Efficiency: Moderate

The HI-GRID leadership have claimed that the allocated resources have been used efficiently, for example, by combining various events over different intermediate outcomes in the same time period (e.g. CBFEWS sustainability agreement event combined with Mango Symposium). The local implementing partners also informed that they are utilizing their resources efficiently in the HI-GRID activities with some request to allocate resources more efficiently based on the ground realities. MTE team would also like to suggest allocating resources based on ground realities. For instance, Rautahat covers more municipalities than Saptari district so local implementing partner in Rautahat may need to be remunerated more for staffing cost compared to that in Saptari. This was also rightly pointed out during KII with local implementing partner in Rautahat. Ms. Anu Jha, Executive Director, Mandwi mentioned that with limited money, they have been arranging trainings and flexibility is low, so it has been cost-effective, but manpower is limited—for example, in Khando watershed, 2 municipalities have the same manpower as 20 municipalities in Lal Bakaiya, budgets are allocated based on activities, but ground realities differ.

Coherence: Moderate

There is a nice coherence among CBFEWS stakeholders including with Indian organizations in border areas. However, it was noted that other organizations have also installed their own system after HI-GRID in some areas, e.g. by People in Need in Nijgadh (Bara) and by DHM in Bardibas (Mahottari). While these were found to be installed after HI-GRID and the objectives might be different (which unfortunately could not be further explored under this MTE due to time limitations), it will be good to explore more on this by HI-GRID team to avoid duplications, if any.

Sustainability: High

CBFEWS has moved nicely ahead with recent signing of the sustainability agreements by many municipalities to sustain the CBFEWS system. It was found that sustainability agreement was recently signed by 8 municipalities in Ratu watershed with commitments to creating joint Basket fund for operation and sustainability of the system. This is worth noting despite the agreement date

after the MTE period[8]. Similarly, the sustainability agreements were formalized in Rautahat (Lal Bakaiya watershed) in 2024 under HI-GRID where 13 municipalities committed to establish a joint basket fund to support critical activities such as regular maintenance of CBFEWS equipment, remuneration for caretakers and community sensitisation training tailored to the needs of diverse communities to enhance flood risk awareness and preparedness. However, some municipalities who have committed are yet to provide funds in these watersheds which needs to be followed up. Similarly, it was found that flood preparedness and response trainings are periodically being provided by HI-GRID team in coordination with the local implementing partners which is a positive step towards capacity building for ensuring sustainability.

Despite this, there are suggested avenues for improvement in areas such as proper data backup system at the caretaker's site, scaling up the CBFEWS to other high-risk rivers (subject to resource availability), etc. Mr. Mahendra Bikram Karki, Caretaker, CBFEWS, Ratu watershed, Mahottari mentioned that for information flow, they are facing challenges such as lack of data, long periods of data cutoff, and low phone battery during power outages highlighting the need to focus on having proper backup systems.

Impact: High for saving human lives; Moderate for saving properties

It was found that CBFEWS has visible impacts in successfully reducing the loss of human lives with almost no human loss recorded as reported by local government officials during KII. Similarly, efforts are ongoing to include EWS in school curriculum. Mr. Shailendra Shakya, Project Analyst: Early Warning Systems (EWS), HI-GRID, ICIMOD mentioned that Tilathi Koiladi Rural Municipality requested EWS to be included in their school curriculum. However, as also rightly noted by HI-GRID leadership, the scope under HI-GRID is limited to early warning only whereas there are lots of avenues to contribute during and after the disaster, which will also save properties, in addition to human lives. Gaur reported that although there is no human casualties now, properties loss has not decreased even after CBFEWS system in place. Mr. Saroj Kumar Lal Das, Senior Officer, Gaur Municipality mentioned that the advance warning have saved human lives, but crops are still largely destroyed—recently the rice fields were completely damaged, and last year the wheat fields were affected.

NATURE-BASED SOLUTIONS (NbS)

It has been found that until now, the following NbS interventions have been completed/ongoing/pipeline under HI-GRID: (a) understanding of NbS Framework and delivering a training on NbS in collaboration with ADPC (completed); (b) construction of Rainwater harvesting system in Dhankuta (completed) (separately covered above already as part of Responsible Tourism); (c) restoration of water recharge ponds in Dhankuta (completed); (d) Implementation of bio-engineering check dams in Ratu (initiated and will be continued in the remaining phase of HI-GRID in collaboration among ICIMOD, CDAFN and SEN, site selection recently completed in April 2025 in Mithila municipality ward-11 (however evaluation team could not visit the site this time)); (e) integrating CBFEWS and NbS (pipeline).

[8] The agreement was signed in August 2025 under HI-GRID with commitment from each municipality to allocate NPR 3 lakhs each for basket fund. Due to political unrest, the basket fund establishment has delayed and HI-GRID team has mentioned this would be initiated by first half of 2026.

Considering this, the evaluation team feels that there is not much to evaluate on the bio-engineering check dams (just initiated) and integrating CBFEWS and NbS (not started yet) NbS interventions. Therefore, this section will cover the evaluation of Water Recharge Pond only since the Rainwater Harvesting component has been separately evaluated above as a part of Responsible Tourism intervention of HI-GRID.

WATER RECHARGE POND

Three water recharge ponds have been restored in Nibuwa Tankhuwa watershed in Dhankuta municipality and Chhathar Jorpati Rural municipality of Dhankuta district with support from HI-GRID, HUSADEC Nepal and local municipalities, namely, (a) Suke Pokhari (in Dhankuta municipality), (b) Dhoje Dharapani (in Chhathar Jorpati Rural municipality) and (c) Mudki Ahal (in Chhathar Jorpati rural municipality).

Evaluation of Water Recharge Pond under the OECD DAC Criteria

Relevance: High

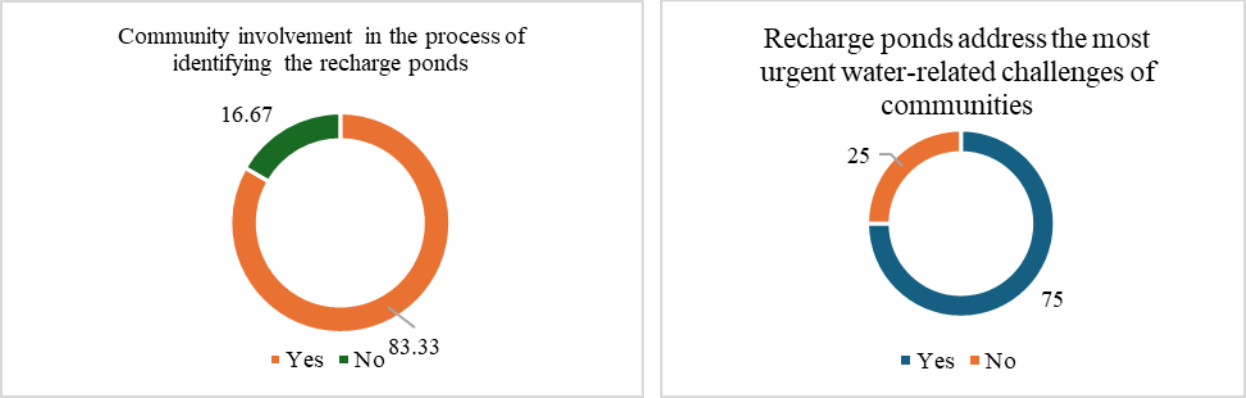

Figure 6 a) Involvement of Community in identification process of recharge ponds b) Perception of community members on recharge ponds addressing the most urgent water-related challenges

It was found that the water recharge ponds were restored with consultation with relevant stakeholders, and this has been addressing the urgent needs of water scarcity in the region.

Effectiveness: High

It was found that the recharge ponds resulted in the increase in discharge[9] of spring water including revival of some springs downstream. Mr. Krishna Kumar Thakuri (locally famous as "Paniba" (WaterDad), Caretaker, Sukepokhari recharge pond, Dhankuta municipality) mentioned that in the past, they used to fill 2 containers in half an hour and now after recharge pond restoration, they can fill up 10 containers in an hour from the same spring, suggesting increase in discharge. The discharge is measured once every 15 days by caretakers and send to ICIMOD HI-GRID team via

[9] The discharge data showing increase is available with ICIMOD HI-GRID team provided by HUSADEC, the local implementing partner of HI-GRID in Dhankuta. Interaction with caretaker of springs who measured the discharge also suggested increase in discharge after HI-GRID.

HUSADEC. The caretakers of the recharge ponds mentioned that the exposure visits to Sikkim and Kavre to observe water recharge ponds had a positive impact on effectively adopting the concept in the municipalities of Dhankuta. The water from springs is being used for drinking, cooking, washing and for livestock and agriculture and it has been found to be sufficient for all households covered.

Efficiency: Moderate

It was found that the ponds were constructed using local people and materials suggesting cost effectiveness. Municipalities did one time investment (around NPR 200,000) during pond restoration. However, it would be good to allocate dedicated funds for periodic operation and maintenance of the ponds which at the moment is mainly provided by municipalities as per need basis as requested from pond conservation committee. Mr. Jagat Sinjali Magar, Caretaker, Dhoje Dharapani Recharge Pond, Chhathar Jorpati Rural municipality, Dhankuta, also member of Dhoje Dharapani Mul Samrakshan Samiti mentioned that for conservation of recharge pond, so far, now and then, voluntarily, they go there, get rid of the weeds and bushes that have started to grow around the recharge pond, and so far, they haven't had to fix or repair anything themselves, however, the bar has slowly started to wear off a little bit, and now to fix that they need to have a discussion with the local government on how to move forward with it.

Coherence: High

It has been observed that there is good coherence among the relevant stakeholders in the project activities. An organization "Meta Meta" was also found to be working in Chhathar Jorpati related to addressing water scarcity issue which were complementary to the activities being conducted under HI-GRID. Similarly, HI-GRID project activities in Dhankuta are complementary to the other water infrastructure related projects of the municipalities to address water scarcity issues.

Sustainability: Moderate

It has been found that the water recharge ponds are being handled by conservation committees to ensure smooth operation and maintenance. The committee discusses with local municipality as needed for needed support. A dedicated fund from municipalities for operation and maintenance would be helpful. Also there has been learning visits from Chhathar Jorpati rural municipality to Dhankuta municipality. Ms. Geeta Gurung, Vice-chair, Chhathar Jorpati Rural Municipality, Dhankuta mentioned that in both municipalities (Chhathar Jorpati and Dhankuta), pond construction started around the same time, but Dhankuta progressed faster, so they (Chhathar Jorpati) visited Dhankuta municipality area and learned many valuable things and they are working to achieve similar progress.

Impact: High

There has been increased discharge in the spring water after construction/revival of water recharge ponds and the role of HI-GRID, ICIMOD has been appreciated by the municipalities. The increase in water is having positive impact in conserving springs and causing a ripple effect. Mr. Bimal Lal Shrestha, DRR Focal, Chhathar Jorpati Rural Municipality, Dhankuta mentioned that before the HI-GRID project, they were mainly focusing on drinking water schemes and some basic water conservation plans, mostly related to building structures and working in just one direction. After the HI-GRID project was implemented, it showed them the need to focus on conserving the

muhans (springs) themselves. Similarly, Ms. Eleena Niraula, GEDSI Focal Person, Chatthar Jorpati Rural Municipality, Dhankuta mentioned that as a positive spillover effect and learning outcome from revival of Dhoje Danda water recharge pond, a nearby village in Ward 2 was inspired to revive its own dried-up water source. This community-led effort successfully restored water access, demonstrating the broader impact and replicability of local water conservation initiatives.

WATERSHED MANAGEMENT PLAN

It was found that the NTWMP was already developed before HI-GRID. However, HI-GRID contributed to updating the NTWMP by adding two chapters on DRR and GEDSI.

Next, it was found that NTWMP is planned to be replicated in Lal Bakaiya watershed in the remaining period of HI-GRID. Considering this, the evaluation team feels that there is not much to evaluate on the WMP part for now. However, the evaluation team would like to suggest the following points (based on field observations) to be considered while developing the WMP in Lal Bakaiya watershed:

Upstream downstream linkages: Unlike Nibuwa-Tankhuwa watershed which covers limited municipalities in Dhankuta district, Lal Bakaiya watershed covers many municipalities, including those falling in Makwanpur districts upstream in addition to Bara and Rautahat districts downstream. While HI-GRID project beneficiaries are focused more on Rautahat districts, it might be challenging to motivate Makwanpur district upstream in this initiative. An adequate discussion will be needed.

IO3: Local organisations enabled to develop and support value chains and enterprises which are made available for scaling for benefiting marginalised and vulnerable groups.

The HI-GRID project supported pro-poor value chains and enterprise development activities across Bardibas, Bhangaha, Mithila, and Janakpur Municipalities, where large populations depend on agriculture, livestock, vegetable farming, and small-scale enterprises. Interventions focused on improving production systems, building farmers' skills through the Krishidoot model, enhancing market management and processing, strengthening municipal-agriculture coordination, and promoting climate-resilient, inclusive value chains.

Relevance: High

Mango, Vegetables and Mithila art are a strategic value chains for Madhesh Province, which produces most of Nepal's mangoes, vegetables and growing Mithila art. 4 Municipalities such as Janakpur Sub metropolitan, Mithila, Bhangaha and Bardibas have large mango-growing areas, vegetables-growing areas and growing importance for Mithila art making this value chain highly relevant. National Mango festivals and symposiums confirm strong policy and market interest. Farmers in Bardibas, Bhangaha and Janakpur have expressed strong interest in vegetable farming as these provide quick returns and fit local agro-ecology. The project's focus on vegetables aligns with municipal priorities and market demand. The krishidoots approach is relevant in all

municipalities because it bridges planning with day-to-day mentoring, especially for smallholders with limited time and literacy.

Effectiveness: Moderate

Effectiveness is moderate as 3 value chain enterprises has been supported by the GRID approach for marketing and supported 25 entrepreneurs called Krishidoots (13 for Vegetables, 9 for Mango and 3 for Mithila Arts). Also, among these Krishidoots four are KCC holders. One network platform called Chautari platform is developed which is significant achievement but risks of being a standalone tool due to lack of skilled personnel and trainings. This project has created a foundational ecosystem with digital platforms, engaged farmer entrepreneurs and identified key value chains. However, there is a need to focus on quality over quantity as outcomes are deviated from pro-poor value chains focus.

Efficiency: Moderate

Three value chain was identified supporting 25 entrepreneurs with distribution of 4 KCC, a online marketing platform and 1 Geo Krishi app. But capacity development and networking platform usage is still limited. KCC is new idea which is still not in use by any of the card holder due to lack of guideline to use it. Under HI-GRID project, it focused on business model and finance training for all entrepreneurs which is quite sensitizing however, observation at ground level still shows loop in connection with market, low production for high market demand, low investment and support from municipalities. Digital tools (GeoKrishi, e-Chautari) are agriculture-centric and not useful for arts. Vegetable farming has been somewhat effective. While trainings and subsidies (e.g., potato seeds) helped some farmers achieve success, overall production support was limited. In Bhangaha, riverbed vegetable farming started after the training, showing clear behavioral adoption. Farmers gained confidence, but many still struggle to sell produce at fair prices due to oversupply in peak seasons.

Resources were used for multiple training but without integrated production-to-market pipelines. Efficiency would improve by bundling technical support, processing, and marketing under ward-level hubs; by minimizing the efficiency gaps, such as duplication of beneficiaries and scattered training without strong follow-up. Similarly, a ward-level hub model that has krishidoot and aggregation points would improve efficiency.

Coherence: Moderate

The coherence between HI-GRID and municipal programs was limited. No municipalities included the new provisions for effective GRID livelihood opportunities and enterprise development in their plan. However, the 4 municipalities supported integrated livelihoods and enterprise into plans along with focusing in the three value chains with three local organizations with CDFAN, GeoKrishi, R&D Solutions, and 22 Farmers Groups reached by Krishidoots. Coherence between HI-GRID implementers and municipal services is mixed. Bardibas stakeholders report limited follow-up and communication. Mithila officers note strong early coordination that later tailed off; Janakpur interventions are fragmented across production, aggregation, and marketing. Municipal officials have said that some programs were implemented without informing local authorities, reducing synergy. Better alignment with municipal plans and joint monitoring is needed.

Sustainability: Low

Long-term continuity depends on local ownership, practical incentives, and market contracts. Current sustainability is weak because farmers lack storage and aggregation facilities. Linking cooperatives and private buyers will help. Farmers fear market uncertainty and climate risks. Sustainability will improve with Krishidoots mentoring, micro-investments in storage/processing, and buyer contracts. Vegetable farming can be sustainable if farmers access affordable inputs, irrigation, and reliable markets. Digital tools such as GeoKrishi and the Kisan Credit Card can help make the project's results more sustainable, but only if they are accessible to everyone, including women and land-poor farmers. These tools also need to be linked with local merchant networks and available in local languages so people can use them easily. Farmers shared that access to credit is helpful, but the current system needs improvement because collateral requirements are difficult to meet, and the application process is not always clear.

Impact: Low

Impact is minimal so far for all value chains. Market linkage is still weak for Mithila arts while, vegetables and mango already have existing market at local and national level. Value addition to mango and vegetables will increase income and help these krishidoots to compete in higher profiting markets. Mithila arts could prosper with audience target market linkage and support in their materials. In Mithila arts, no significant sales occurred through project channels. Artisans rely on their own networks, and income gains remain small.

The pilots and training have created interest among farmers, and some merchants such as agro-input suppliers in Bardibas have expanded their marketing networks. Impact is visible in isolated cases (e.g., potato cultivation success), but overall income and production gains remain limited. Riverbed farming in Bhangaha shows promise but needs flood protection and market assurance.

Engagement of PwDs in value chains

As part of HI-GRID's commitment to Green Resilient Inclusive Development (GRID), targeted interventions engaged women with disabilities in local value chains, beginning with incense-making training in October 2023 in partnership with CDAFN and R&D Innovative Solutions. This initial activity-built skills in production, business planning, and marketing, supported by a buy-back guarantee by onboarding a private company such as R&D Innovative solutions to reduce market risk. However, incense-making alone did not generate sufficient income, prompting a shift to spice-making as the primary livelihood source, while incense remains secondary and plans for vegetable drying signal further diversification. Inputs are locally sourced, production and processing are managed by persons with disabilities, and marketing is facilitated through private sector and community enterprises formed by the women themselves. This approach is relevant to HI-GRID's objectives and national priorities on disability inclusion, demonstrates adaptability to market realities, and leverages local resources to minimize costs and environmental impact, though sourcing inputs remains a challenge for women with limited financial means. In DRR planning across Dhankuta, Chatthar Jorpati, and Tilathi Koiladi, women, Dalits, and persons with

disabilities were involved in the processes, with 38% female participation observed in ward-level GRB training; however, representation of PwDs and other marginalized groups remained minimal, highlighting the need for thorough and transparent assessments by local implementation partners in close cooperation with local government.

GEDSI consideration

HI-GRID partners and municipal representatives reveal a strong yet nuanced alignment with the GEDSI framework, highlighting both meaningful progress and critical areas for learning. On one hand, the project has successfully translated the Gender, Equity, and Social Inclusion pillars into tangible institutional outcomes. This is evidenced by the development and endorsement of gender policies and codes of conduct in multiple municipalities, the practical integration of Gender-Responsive Budgeting through ward-level training and software coding, and the active participation of women's sections in local governance. These achievements reflect a mature shift from awareness to action, demonstrating that GEDSI principles can be systematically embedded into planning, budgeting, and municipal operations.

However, the reflections also underscore a significant gap between policy intent and ground-level reality, particularly concerning the Disability pillar. Multiple voices noted that while persons with disabilities are often counted as indirect beneficiaries, they have been largely absent from trainings, decision-making forums, and visible project activities. A key lesson emerged: information and interventions often fail unless they engage caregivers directly, revealing that theoretical inclusion strategies are insufficient without tailored, practical approaches to accessibility and communication. This gap highlights a critical misalignment within an otherwise strong GEDSI integration effort.

Local leadership and political will exemplified by active municipalities like Tilathi Koiladi and Chhathar Jorpati proved essential for institutionalizing GEDSI, while its absence hindered progress. There was also a growing recognition in all 11 municipalities under HI-GRID projects by the local officials (Mayor, Chairpersons), GEDSI and DRR focal persons that inclusion must extend beyond predefined categories to address anyone facing barriers whether due to age, caste, ethnicity, or disability thus broadening the understanding of equity. Ultimately, the project experience reinforces that sustainable GEDSI integration requires not only policy and budget mechanisms but also intentional, adaptive strategies to reach the most marginalized, ensuring that inclusion becomes a lived reality rather than a procedural formality.

Safeguarding and risk management

Safeguarding

HI-GRID leadership has prioritized safeguarding policies throughout project implementation. While delivery methods varied, tangible progress was made across partner municipalities.

Specifically, Code of Conduct (CoC) documents were observed in all 11 municipalities. However, comprehensive Child Protection and Protection from Sexual Exploitation, Abuse and Harassment (PSEAH) policies were formally established only in Dhankuta and Chhathar Jorpati Municipalities. Also, in Dhankuta and Chhathar Jorpati municipalities, HI-GRID approach for safeguarding was transferred to the project beneficiaries which was observed in homestays under responsible tourism of IO2. The other nine municipalities were sensitized on these policies, but full implementation and formal adoption were not yet observed at the time of reporting. Thus, a significant gap remains in the uneven implementation of these policies across different municipalities, leading to inconsistency in safeguarding standards and practices. To address this disparity and ensure a unified, high standard of protection, it is recommended that safeguarding principles be systematically mainstreamed into all project training modules and communication materials. This integrated approach will reinforce awareness, standardize procedures, and embed a culture of safety throughout all levels of project activity.It is also noted that local implementing partners maintained their own existing safeguarding policies, operating independently of the HI-GRID framework.

Risk Management

It was found that HI-GRID Risk Management Framework is in place with pre-identified potential risks and mitigation measures. It was found that the risk register, in general, is quarterly updated by a dedicated project officer in line with partners reporting. The risk register was found to be updated considering the inputs from project partners, intermediate outcomes focal points, project lead, Action Area coordinator, Planning, Monitoring and Reporting (PMR) unit of ICIMOD and DFAT among others. Partners identify field level risks in quarterly reports; outcome focal points monitor risks continuously; project officer maintains the risk register and Project Lead reviews and consolidates updates. Similarly, monthly meetings with DFAT act as a platform to validate risks and mitigation strategies. In addition, depending on the emergence of new risks, the risk register was found to be updated frequently as needed. For instance, the upcoming federal parliament elections scheduled in March 2026 has been considered in planning of project activities going forward, by planning to complete GRB trainings two weeks before elections. Similarly, the project team is making strategies in line with a reported sudden demise of a Krishidoot, a beneficiary of IO3. This shows a robust risk management for HI-GRID Project in general, and is suggested to continue the ongoing efforts in the remaining period of the project as well.

Theory of Change, Results Framework and Indicators and MEL Plan

The underlying ToC postulates that integrated support to municipalities will lead to inclusive, climate-resilient governance. While logical, its operational coherence is weakened by the disconnected implementation of Intermediate Outcomes (IOs) across different geographies. To validate the ToC and achieve transformative impact, the project must demonstrate how its components work together in an integrated manner.

Result Framework

A strengthened Results Framework and MEL Plan must shift from measuring activity delivery to enforcing **institutional functionality, equity, and sustainability**. To achieve this, the project should strategically create **tangible, integrated proof-of-concept sites** that demonstrate how the intended outcomes logically connect and reinforce each other. These sites would become the primary evidence and model for scaling.

A strengthened Results Framework and MEL Plan must address existing gaps by moving beyond measuring activities to actively enforcing institutional functionality, equity, and long-term sustainability.

ICIMOD has relocated its MEL function to a dedicated Planning, Monitoring, and Reporting (PMR) unit, which now offers advisory support to projects and builds partner capacity. MEL responsibilities are distributed across three tiers: implementing partners track on-the-ground activities and outputs; the HI-GRID project team oversees monitoring; and the PMR unit provides technical guidance, ensures DFAT compliance, and strengthens partner capacity on indicators and frameworks. The MEL plan is actively applied, with progress reviewed regularly in partner and donor meetings, and continuous capacity support provided to partners.

Key monitoring findings show advances in Gender Responsive Budgeting, with clear budget increases in two municipalities following training—though integration elsewhere has been slowed by political disruptions. Disability inclusion efforts have encountered practical challenges, leading to revised engagement with caregivers and plans to adjust indicators at the Mid-Term Review, alongside new partnerships with organizations such as CBM. For Outcome 3, the focus has shifted—as reportedly agreed with DFAT—from pro-poor value chains to strengthening market linkages, reflecting differing stakeholder priorities: municipalities emphasize DRR and Nature-based Solutions, while the private sector engages more on value chains. Although Outcome 3 operates somewhat independently, convergence is sustained through shared partners and cross-cutting tools like GeoKrishi. Further enhancements include developing a results dashboard to improve data visualization and monitoring.

The revised Framework should incorporate outcome-level indicators such as the percentage of municipalities with dedicated budgets for NbS and GRB operations, mandatory use of SuTRA coding, and disaggregated beneficiary data to track genuine inclusion. Output indicators should emphasize quality of support—for example, the number of lagging municipalities completing targeted coaching and the adoption of officially endorsed templates. Process indicators could include municipal performance scorecards and corrective action logs to ensure accountability.

The accompanying MEL Plan must operationalize this through tiered data collection, mandatory disability-disaggregated data, and formal adaptive management loops. Quarterly reviews should analyze disparities and trigger required management actions, such as targeted support for underperforming municipalities.

Ultimately, the updated MEL system must explicitly measure integration and systemic change tracking operational linkages between DRR, livelihoods, and GEDSI, and monitoring the progression of initially low-performing municipalities. This transforms the framework from a passive reporting tool into an active engine driving consistent, sustainable implementation.

Specifically, the project should:

- **Establish "GRID Convergence Municipalities":** Select 2-3 pilot municipalities (e.g., one from a hill district like Dhankuta and one from the Madhesh plains) to receive a concentrated, sequenced package of interventions across all Intermediate Outcomes (IOs). The objective is to visibly demonstrate how **GEDSI-responsive planning (IO1/4) enables the adoption of specific DRR solutions (IO2), which then directly protect and enhance climate-resilient, inclusive value chains (IO3).** This integrated model becomes the primary unit for learning, documentation, and subsequent scaling.
- **Explicitly Link IOs in the Revised ToC Narrative and Indicators:** The Theory of Change must be revised to articulate and measure these specific synergies:
    - **IO2 → IO3:** GEDSI-responsive DRR solutions (e.g., CBFEWS, water harvesting) must be explicitly linked to livelihood resilience. **Indicator concept:** *Percentage of value-chain farmers using climate/DRR advisories generated by project-supported systems.*
    - **IO3 → IO1/4:** Successful, inclusive value chains should generate economic data and organized stakeholder groups that can advocate for and inform better municipal planning and budgeting.
    - **IO1/4 → IO2:** Approved municipal budgets and policies must be tracked as the source of sustainable funding for DRR solution operation and maintenance.
- **Refine the Livelihoods (IO3) Approach:** For the remaining project period, move beyond the broad "pro-poor" concept. Instead, focus on **demonstrable market linkages and access to finance** for prioritized value chains. This shift allows for clearer measurement of economic outcomes and a more direct connection to DRR solutions that mitigate business risks.

Annex 12 below shows the log frame/ ToC of the overall project providing different expected outcomes and targets before implementation of the project. And the log frame with status at mid-point and proposed interventions can be accessed in *Annex 13*.

Lessons learned

Various key lessons have emerged from the mid-term evaluation of the HI-GRID Project which have been summarized below:

IO1: DRR Plans

Awareness alone does not ensure action: Despite GEDSI training, progress in implementing inclusive DRR plans has been uneven across municipalities. As noted in the Findings section, IO1 has been achieved in 4 municipalities (Maulapur, Dhankuta, Tilathi Koiladi and Gaur) for the fiscal year 2081/82. A further 3 municipalities (Chhathar Jorpati, Balwa and Bardibas) have shown partial adoption, while 3 municipalities (Gujara, Ishnath and Bhangaha) have demonstrated minimal or no progress.

Targeted follow-up by the HI-GRID team will be essential during the remaining project period to support lagging municipalities and achieve the target of 10 municipalities implementing GEDSI-responsive DRR plans.

IO4: Gender Responsive Budgeting

The implementation of gender-responsive budgeting (GRB) across HI-GRID municipalities highlights several key lessons. Continuous and follow-up training is essential, as a one-time orientation is insufficient for municipal staff to effectively understand and apply GRB principles, including coding within SuTRA. Municipalities that encouraged internal knowledge sharing—particularly through departmental coordination and ward-level engagement—demonstrated stronger ownership and more consistent application of GRB practices.

Integrating GRB into existing planning and budgeting systems has proven far more effective than treating it as a standalone activity. Strong leadership from municipal executives, along with clear communication between planning, finance and social development sections, has further strengthened implementation.

However, several constraints have affected consistency, including limited staffing, high staff turnover, low digital literacy and time pressures during the budgeting cycle. These findings underscore that institutionalisation, coordination and ongoing capacity-building are critical to sustaining GRB outcomes.

IO2: Responsible Tourism

Local ownership is critical. Registering homestays with municipalities and engaging local governments early builds trust and ensures continuity of interventions.

Technology must be simple and context-specific. Low-cost, gravity-based water systems and bio-sand filters have proven effective, as they are easy to operate and maintain without electricity.

Multi-stakeholder collaboration enhances impact. Partnerships between ICIMOD, CHN, Smart Paani and HUSADEC created strong synergies by combining technical expertise, private sector innovation and local implementation capacity.

Behaviour change takes time. Demonstration sites and exposure visits were essential in building confidence among communities, local government officials and implementation partners. For example, visits by the Nepal Tourism Board, DFAT, travel bloggers and media helped community members recognise the potential of community homestays.

GEDSI integration requires inclusive design. While gender and social inclusion have been well integrated, some DRR technologies need further adaptation to support persons with disabilities. For instance, the rainwater harvesting system in Khambela—designed as a water spout—is difficult to access for people with mobility challenges. Future interventions should prioritise accessibility to ensure equitable benefits.

Monitoring and reporting need streamlining. The use of multiple reporting formats over the past two years has created inefficiencies for local partners (e.g. CHN). A unified system would improve coordination, reduce reporting burden and strengthen learning.

IO2: CBFEWS

Upgrading CBFEWS to CBFFEWS: Enhancing the existing Community-Based Flood Early Warning System (CBFEWS) by exploring opportunities with DHM and other agencies to incorporate a Flood Forecasting (FF) component making a CBFFEWS. This addition would significantly increase the lead time and strengthen the communities' ability to anticipate and prepare for flood events. It has been found that HI-GRID is planning to integrate High-Impact Weather Assessment Toolkit (HIWAT) developed by ICIMOD into CBFEWS. This can be a potential step towards CBFFEWS. It has been found that Integration Concept Note has been prepared in Q1 of 2025 and currently HI-GRID team is assessing the data for further integration and planning to operationalize in 2026.

Data Management Plan (DMP): A crucial element that seems to be missing is the disaster management plan linked to or using the EWS as input to the comprehensive community-based disaster risk management (CBDRM) plan. This typically includes a community-level risk maps and preparedness plan for different magnitude of floods (based on the CBFFEWS). Local communities with the support of CSOs, NGOs like the Red Cross can develop, operate and manage such a CBDRM with the FFEWS.

Expanding the CBFEWS to other vulnerable areas will be useful, subject to resource availability.

Linking CBFEWS with Livelihood and Income generation activities in coordination with municipalities will be useful either in the remaining phase of the project or next potential

project, if any: In addition to CBFEWS, the river territory should be delineated based on the Land Use Act –2076. Then, the river's territory should be protected from human encroachment. Based on experts' advice, surplus sediment (which has contributed to rise in the riverbed) can be excavated and sold as construction materials (which not only reduces the chance of inundation but also helps improve Municipality income). Ms. Ratna Lama, Deputy Mayor, Gujara Municipality, Rautahat mentioned that they have a lot of land along the riverbank of Lal Bakiya, where if collective farming is promoted, it would help farmers and create good opportunities for agriculture.

Water scarcity is a critical issue alongside flooding. Interventions that capture and store excess water for use during the dry season would be highly beneficial. Mr Rambabu Prasad Sah, DRR and GEDSI Focal Person and Acting Chief Administrative Officer of Maulapur Municipality, Rautahat, noted that wildlife—particularly nilgai (blue bulls)—are dying due to lack of water. He emphasised that even without additional funding, technical guidance and knowledge transfer from ICIMOD on addressing water scarcity would be extremely valuable. This concern was echoed in focus group discussions in Paroha Municipality, Rautahat, where communities reported that the Lal Bakaiya River dries up completely during winter, leading to the death of many wild animals and birds, especially nilgai**.**

GEDSI Consideration

The project's experience yields several critical lessons for integrating GEDSI into local governance. First, a significant gap exists between policy and practice; while drafting inclusive policies is achievable, their practical implementation, particularly for disability inclusion, is far more complex and requires moving beyond theoretical plans to address ground realities. This underscores the second lesson: disability inclusion demands specific, targeted strategies that consider practical needs like accessible communication and caregiver involvement, as generic approaches consistently fail. Third, sustainable change is achievable through institutionalization, evidenced by success where GEDSI principles were embedded into municipal budgets, planning software, and official policies. However, this depends heavily on the fourth lesson: the indispensable role of active local leadership, as progress directly correlated with committed municipal partners and stalled where leadership was lacking. Fifth, effective GEDSI must be understood as a cross-cutting principle for identifying and removing systemic barriers for all marginalized groups, not just targeting isolated demographics. Finally, investing in cascading capacity building—such as Training of Trainers models proves powerful, empowering local actors to integrate inclusion into planning and create a multiplier effect for sustainable change.

Conclusion and Recommendations

The HI-GRID project is on a solid trajectory, demonstrating high relevance, strong coherence with policies, and promising early impacts, particularly in institutionalizing GEDSI-responsive planning and deploying effective DRR solutions like CBFEWS. The project has successfully shifted municipal mindsets and created foundational frameworks for inclusive, climate-resilient governance. However, to fully achieve its ambitious end-of-investment outcomes, the project must now prioritize depth over breadth and integration over parallel implementation. The remaining period should focus on creating tangible proof of concept in integrated municipalities, deepening inclusion for the most marginalized (especially PWDs), and strategically scaling what works. By strengthening the linkages between disaster resilience, nature-based solutions, and pro-poor livelihoods, HI-GRID can deliver the transformative, sustainable development outcomes envisioned in its Theory of Change for the vulnerable communities of the Lower Koshi River Basin.

Summary of recommendations at the project level

EQs: KEQ (Relevance): To what extent does the HI-GRID project align with primary stakeholders (women and marginalized communities in targeted municipalities) needs, municipal and national government priorities? How appropriate was the project design and is it still valid within the current situation?

Key Findings: The project aligns well with community, municipal, and national priorities. The project design was generally appropriate, supported by a 2022 scoping study ahead of the May 2023 launch, though the value-chain component shifted from pro-poor objectives toward market linkage.

Recommendations: For the remainder phase of the project, continue the momentum in addressing the needs and priorities of targeted communities and municipalities (unreached till date). Also, update/revise Results Framework to reflect changes in project design (e.g. value chain).

Priority: High

Addressed to: Project team

EQs: KEQ (Effectiveness): What progress has been made towards the project's outputs, intermediate outcomes, and end of investment outcomes? How can the effectiveness of the project improve to deliver results in the remaining period?

Key Findings: The project demonstrates **High** effectiveness, with GRB trainings on track and strong delivery of DRR/NbS solutions—CBFEWS in Khando, Ratu, and Lal Bakaiya, water recharge ponds, rainwater harvesting, and responsible tourism in Nibuwa–Tankhuwa. However, value chains remain a clear weak area with Moderate effectiveness: despite digital platforms,

engaged farmer entrepreneurs, and identified value chains (Mango, Vegetables and Mithila Arts), outcomes are deviated from pro-poor focus, with late-season mango processing training limiting application and insufficient production support and buyer linkages.

Recommendations: A special focus on prioritizing value chain work will be needed such as scheduling relevant trainings early; establishing ward-level hubs with demo plots and aggregation centers; incentivizing Krishidoots for continuous mentoring; designing tailored modules for arts (branding, packaging); and linking farmers and artisans to buyers through contracts and exhibitions.

Priority: High

Addressed to: Project team

EQs: KEQ (Efficiency): How well has the project delivered results from value for money perspectives?

Or is the project making appropriate and efficient use of DFAT and ICIMOD's time and resources to achieve outputs and expected outcomes?

Key Findings: HI-GRID has demonstrated **moderate efficiency overall**, with Responsible Tourism rated highly efficient due to low-cost technologies such as bio-sand filters and rainwater harvesting; while no overall budget increase is required, greater flexibility in reallocating resources is recommended to improve efficiency in the remaining phase—both across implementing partners (e.g., allocating more to partners covering more municipalities) and across IOs, where current funding is highest for IO2 (DRR/NbS solutions) followed by IO3 (value chains), IO1 (DRR plans) and IO4 (GRB); in particular, refresher trainings under IO1 and IO4 may require additional resources, and IO2 may also need increased funding to deliver ongoing and planned construction activities.

Recommendations: Allocate the resources more efficiently based on the ground realities with a flexibility to transfer among IOs as needed.

Allocate the resources more efficiently based on the ground realities with a flexibility to transfer among IOs as needed.

Priority: Moderate

Addressed to: Project team

EQs: KEQ (Coherence): To what extent does the HI-GRID project complement other similar programmes and policies?

Key Findings: HI-GRID has demonstrated **High coherence** with national policies, with interventions aligned to Nepal's Disaster Risk Reduction and Management Act (2017), Local

Government Operations Act (2017) and the National Policy on Gender Equality and Social Inclusion (2021), while GRB directly supports Ministry of Finance requirements for gender and DRR coding; Responsible Tourism also advances national priorities on tourism diversification and climate adaptation, contributing to NDC targets for climate-resilient destinations. Coherence with other programs is **Moderate to High**, but requires improvement, as duplication of CBFEWS devices was observed in parts of Madhesh (e.g. by People in Need in Nijgadh (Bara-Lal Bakaiya) and by DHM in Bardibas (Mahottari-Ratu)) and alignment between municipal programs and the project's value chain work remained limited there, whereas in Dhankuta, interventions such as Responsible Tourism and Water Recharge Ponds were highly coherent and complemented municipal initiatives.

Recommendations: Initiate communication with other program stakeholders (e.g. People in Need, DHM) who have launched similar interventions in HI-GRID study area. Also, strengthen municipal coordination and joint monitoring for value-chain activities.

Priority: Moderate

Addressed to: Project team

EQs: KEQ (Sustainability and Impact): To what extent has the project established measures which can ensure sustainability and generate long-term impacts? How can project improve its strategies for sustainability and impact?

Key Findings: HI-GRID shows **Moderate to High sustainability and High impact** across capacity development and DRR/NbS interventions—restored water recharge ponds improved water availability, CBFEWS in Ratu, Khando and Lal Bakaiya contributed to zero human casualties, and GEDSI/GRB/DRR trainings drove clear behavioural change and more inclusive municipal planning and budgeting, reinforced by stronger municipal ownership (e.g., Madhesh basket funds for CBFEWS O&M and formal registration of community homestays in Dhankuta). In contrast, the value-chain component demonstrates Low sustainability and impact due to weak market linkages (notably for Mithila arts), limited income/production gains, and gaps in storage/aggregation and inclusive access to digital tools and credit.

Recommendations: Focus on value chain component for achieving high sustainability and impact so that HI-GRID's performance will be improved over all components. Also, continue involving municipalities in contributing to operation and maintenance fund for sustaining DRR solutions introduced under HI-GRID.

Priority: High

Addressed to: Project team

EQs: Assessment of progress towards EOI

Key Findings: EOI-1: The integration of Gender Equality, Disability, and Social Inclusion (GEDSI) principles into local governance and budgeting shows a mixed but progressive outcome. Achievement is confirmed in policy/strategy development and specific capacity-building initiatives, including DRR/GEDSI focal person trainings and multi-level GRB training for officials across 11 municipalities. However, implementation in planning and budgeting is uneven across municipalities. While Dhankuta, Maulapur, Tilathi Koiladi, and Gaur demonstrated partial integration into budgets and programs, and Chhathar Jorpati, Balwa, and Bardibas showed partial adoption, municipalities like Gujara, Ishnath, and Bhangaha exhibited minimal to no progress. Community involvement in GEDSI-responsive DRR planning was conducted in 9 municipalities, excluding Ishnath and Gujara. Participation in processes was partially achieved, with notable involvement of women, Dalits, and disabled groups in some municipalities and a 38% female participation rate in ward-level GRB training, though participation of Persons with Disabilities remained very low. Leadership engagement was partially secured through gender assessment training for 8 deputy mayors/vice-chairpersons and orientations on PSEAH and a draft Code of Conduct in two municipalities, with the draft later reviewed by representatives from all 11 municipalities.

Recommendations: To institutionalize GEDSI and GRB, shift from advocacy to enforcement by integrating them into mandatory systems, supported by sustained capacity building and accountability.

> **Mandate Systems:** Make GRB coding in SuTRA compulsory and provide standardized templates for GRB and gender-responsive DRR plans.
>
> **Build Sustained Capacity:** Replace one-time training with refresher sessions and coaching, particularly for lagging municipalities.
>
> **Enforce Accountability:** Link GRB progress and SuTRA compliance to municipal performance reviews.
>
> **Strengthen Coordination:** Formalize inter-departmental coordination and facilitate structured peer-learning between municipalities.
>
> **Embed in Governance:** Integrate GEDSI and DRR principles into municipal bylaws and annual planning cycles for long-term sustainability.

Priority: High

Addressed to: Project team

EQs: Assessment of progress towards EOI

Key Findings: EOI-2: Progress across DRR, GEDSI integration, and livelihood support is marked by partial achievements and inconsistent implementation.

While eight DRR solutions were identified and three GEDSI-responsive ones (CBFEWS, Water Recharge Ponds, Responsible Tourism) were implemented, broader GEDSI mainstreaming into municipal budgets and programs remains uneven, with only 4 out of 11 municipalities showing partial integration.

Livelihood and enterprise development shows measurable outputs—such as three supported value chains (Mango, Vegetables, Mithila Art), 25 entrepreneurs, and active digital platforms (GeoKrishi app, e-Chautari)—but outcomes are weakened by a lack of depth and pro-poor focus.

Key gaps include inactive physical infrastructure (e.g., Bardibas incubation centre), a deviation from core pro-poor input strategies toward marketing, weak municipal follow-up, and partnerships that prioritize quantity over quality, limiting the sustainable impact of integrated livelihood plans in the four municipalities that adopted them.

Recommendations: To enhance impact and sustainability, scale Nature-based Solutions (NbS), water-smart practices, and livelihood models by embedding them into municipal systems and ensuring they are interconnected, accessible, and technically supported.

> **Scale & Integrate NbS/DRR:** Accelerate implementation of assessed solutions (e.g., CBFEWS, recharge ponds, bio-engineering) in all high-risk watersheds. Mandate interlinkages between solutions, disaster plans, and livelihood activities (e.g., tourism), and integrate accessibility features for persons with disabilities.
>
> **Secure Resources & Build Capacity:** Advocate for dedicated municipal operation & maintenance budgets for NbS. Create a basket fund for CBFEWS and expand Training of Trainers (ToT) models. Strengthen local technical capacity and private-sector partnerships for sustainability.
>
> **Enhance Livelihood Value Chains:** Move beyond basic market linkages by integrating production, processing, and branding. Bundle interventions (e.g., high-value crops, Mithila arts) within ward-level hubs and provide tailored training in value addition, packaging, and e-commerce. Embed the Krishidoot model into municipal plans.
>
> **Strengthen Coordination & Monitoring:** Ensure upstream-downstream coordination in watersheds. Implement a unified monitoring system to track long-term resilience and income gains. Improve municipal coordination to align interventions with local priorities and avoid overlaps.

Priority: High

Addressed to: Project team

EQs: KEQ on GEDSI: How effectively are GEDSI principles integrated into the planning, execution, monitoring and follow up of the HI-GRID project? Has GEDSI analysis, including relevant consultations, cycled-back into the project for better implementation?

Key Findings:

GEDSI is successfully integrated at the **strategic and policy level**. The project has developed GEDSI-responsive policies and conducted targeted capacity-building (e.g., trainings for DRR/GEDSI focal persons, gender assessment for deputy mayors).

There are positive examples of GEDSI-responsive execution, such as the implementation of three assessed DRR solutions (CBFEWS, Water Recharge Ponds and Responsible Tourism) and the involvement of women, Dalit, and disabled groups in planning processes in some municipalities. The review of the draft PSEAH Code of Conduct by representatives from 11 municipalities is a clear example of consultation feedback directly shaping a project tool. But, the persistent and documented disparities between municipalities—where some advance while others lag with "minimal or none" integration—are the strongest indicator that learnings and analysis from successful municipalities (e.g., Dhankuta, Tilathi Koiladi) are not being systematically captured, shared, and used to course-correct underperforming municipalities (e.g., Gujara, Ishnath). The project monitors outcomes (e.g., "% female participation") but does not demonstrate using that analysis to fix identified problems like minimal PWD involvement or inactive infrastructure.

Recommendations: The project has established a **strong GEDSI foundation in policy and capacity building** but has not built a robust operational system to ensure consistent, quality implementation and accountability across all locations and components. GEDSI is treated as a **cross-cutting theme that is sometimes "cross-cut" or sidelined**, rather than as a non-negotiable, rigorously managed standard. For integration to be effective, the project must shift focus from creating plans and training officials to enforcing implementation, ensuring inclusive participation (especially of PWDs), and establishing a strong monitoring mechanism that triggers mandatory follow-up actions when GEDSI gaps are identified.

Priority: High

Addressed to: PMR and project team

EQs: KEQ on Safeguarding and Risk: How effectively has ICIMOD been managing safeguarding and other project-related risks? Which aspects of its risk management approach require improvement?

Key Findings:

Safeguarding: Analysis of safeguarding efforts across partner municipalities reveals a foundational level of progress. Specifically, essential frameworks including Code of Conduct (CoC) documents, child protection policies, and training on Protection from Sexual Exploitation and Abuse (PSEA) have been successfully established in key locations. However, a significant gap remains in the uneven implementation of these policies across different municipalities, leading to inconsistency in safeguarding standards and practices.

Risk Management: It was found that HI-GRID Risk Management Framework is in place with pre-identified potential risks and mitigation measures. Partners identify field level risks in quarterly reports; outcome focal points monitor risks continuously; project officer maintains the risk register and Project Lead reviews and consolidates updates. Similarly, monthly meetings with DFAT act as a platform to validate risks and mitigation strategies. In addition, depending on the emergence of new risks, the risk register was found to be updated frequently as needed.

Recommendations:

For safeguarding: To address disparity across municipalities and ensure a unified, high standard of protection, it is recommended that safeguarding principles be systematically mainstreamed into all project training modules and communication materials.

For risk management: A robust well-functioning risk management framework for HI-GRID Project in general was observed and is recommended to continue the ongoing efforts in the remaining period of the project as well.

Priority: High

Addressed to: Project team

EQs: KEQ: How coherent and logical is the Theory of Change and Results Framework currently used by the project? How effectively do the indicators represent intended outcomes and outputs?

Key Findings: Theory of change

The project's ToC is coherent in design but inconsistently realized in practice. It logically connects inputs (trainings, tools) to outputs (trained personnel, DRR solutions) and long-term outcomes (institutionalized GEDSI, scaled NbS). However, the critical assumptions underpinning the ToC are often unmet:

It assumes uniform capacity and commitment across municipalities, but reality shows stark disparities (e.g., advanced progress in Dhankuta vs. minimal progress in Gujara).

It assumes that training and policy adoption automatically lead to implementation and budgeting, yet findings repeatedly highlight weak follow-up, inactive systems, and a lack of mandatory application (e.g., SuTRA not used post-training).

It assumes successful pilots will be organically scaled, but without structured peer-learning and accountability, replication remains ad hoc.

Recommendations:

To address non-uniform capacity: Institutionalize Tiered Support and Leadership Accountability.

Evidence: The stark disparity between advanced municipalities (Dhankuta, Tilathi Koiladi) and lagging ones (Gujara, Ishnath).

To ensure training leads to implementation: Link all capacity building to mandatory use and sustained coaching.

Evidence: "One time training is not enough," "weak follow-up," and the "lack of mandatory use of SuTRA."

To catalyze organic scaling: Replace ad hoc replication with structured peer-learning and resourced replication plans.

Evidence: Successful, interlinked models exist (e.g., Dhankuta's DRR-livelihood ecosystem) but are not systematically transferred.

Priority: High

Addressed to: DFAT, HI-GRID project team

EQs: N/A

Key Findings: Results Framework and MEL Plan

A strengthened Results Framework and MEL Plan must directly address the identified gaps by shifting from measuring activity delivery to enforcing institutional functionality, equity, and sustainability.

ICIMOD has transitioned its MEL function from the SPMEL unit to a dedicated Planning, Monitoring and Reporting (PMR) unit, which now provides advisory support to project teams and capacity-building for partners. MEL responsibilities are structured across three levels: implementing partners track ground-level activities and outputs; the HI-GRID project team, led by Saswata, conducts monitoring and oversight; and the PMR unit offers technical guidance, ensures DFAT reporting compliance, and builds partner capacity on indicators and frameworks. The MEL plan is actively used, with regular partner and donor meetings to review progress, and continuous capacity support for partners. Key findings show progress in Gender Responsive Budgeting (GRB), with tangible budget increases in two municipalities following training,

though integration in others is slower due to political disruptions. Disability inclusion efforts face practical constraints, leading to engagement with caregivers and potential indicator revisions during the Mid-Term Review, alongside new partnerships with organizations like CBM. For Outcome 3, the focus has shifted from pro-poor value chains to market-linkage strengthening, as reportedly agreed with DFAT, acknowledging varying stakeholder priorities—with municipalities focused on DRR/NbS and the private sector more engaged in value chains. While Outcome 3 appears somewhat standalone, convergence is maintained through shared partners and cross-cutting tools like GeoKrishi. Additional improvements include the development of a results dashboard to enhance data visualization and monitoring.

Recommendations:

The revised Framework should incorporate outcome-level indicators such as the percentage of municipalities with dedicated budgets for NbS/GRB operations, mandatory use of SuTRA coding, and disaggregated beneficiary data to track real inclusion. Output indicators need to focus on the quality of support—like the number of lagging municipalities completing targeted coaching and the adoption of endorsed templates—while process indicators should include municipal performance scorecards and corrective action logs to ensure accountability. The accompanying MEL Plan must operationalize this through tiered data collection, mandating disability-disaggregated data, and establishing formal adaptive management loops. Quarterly reviews must analyze disparities and trigger mandatory management responses, such as targeted support for lagging municipalities. Ultimately, the updated MEL system should explicitly measure integration and systemic change—tracking the operational linkages between DRR, livelihoods, and GEDSI, and monitoring the progression of initially low-performing municipalities. This transforms the framework from a passive reporting tool into an active engine for driving uniform, sustainable implementation.

Priority: Moderate

Addressed to: IEU and PMR of program

Summary of detailed operational recommendations at the Intermediate Outcome level

Summary of recommendations on Intermediate Outcome 1

EQ Criteria: Relevance

Key Findings: IO1 addresses systemic gaps in municipal planning and responds to local needs for inclusive disaster planning. Municipalities have integrated GEDSI principles into fiscal policies and plans, but progress is uneven across municipalities.

Recommendations: Accelerate GEDSI integration in lagging municipalities through targeted support and peer learning. While policies are in place, budget/program adoption is partial in 7 municipalities and minimal or none in 3 others.

Priority: High

Addressed to: Project Team, Municipalities

EQ Criteria: Effectiveness

Key Findings: Capacity building and institutionalization of GEDSI principles achieved, but gaps in representation and sustainability persist due to bureaucratic hurdles.

Recommendations: Introduce refresher sessions and coaching to ensure implementation.

One time training for GRB is not enough.

Priority: Moderate

Addressed to: Project Team, Local Implementation Partners

EQ Criteria: Efficiency

Key Findings: Use of existing planning structures and improved coordination has enhanced efficiency. However, gender-responsive DRR plans are still under development.

Recommendations: Fast-track development of gender-responsive DRR plans by providing templates and technical assistance; monitor progress quarterly.

Priority: Moderate

Addressed to: Municipalities, Project Team

EQ Criteria: Coherence

Key Findings: Strong alignment with national policies and synergy with local partners; interventions complement municipal DRR Acts without creating parallel systems.

Recommendations: Continue fostering partnerships and ensure municipal bylaws embed GEDSI and DRR practices for long-term coherence.

Priority: High

Addressed to: Municipalities, Project Team

EQ Criteria: Impact

Key Findings: Significant behavioral and social change observed; improved inclusion.

Recommendations: Scale successful practices e.g. Involvement of community members at the designing phase of project and document case studies for replication.

Priority: High

Addressed to: Municipalities, Project Team

EQ Criteria: Sustainability

Key Findings: Institutionalization of policies and budget mechanisms underway; inclusion of marginalized groups show promise, but some initiatives risk fading without continued support.

Recommendations: Embed GEDSI and DRR practices into municipal bylaws and annual planning cycles; advocate for inclusion in school curricula.

Priority: Moderate

Addressed to: Municipalities, Implementation Partners

Summary of recommendations for Intermediate Outcome 4

EQ Criteria: Relevance

Key Findings: GRB is highly relevant to local governance, aligns with national frameworks (SuTRA, SDGs, Gender Equality Policy), and supports inclusive DRR and climate resilience. Municipalities recognize GRB as essential for equitable resource allocation.

Recommendations: Continue promoting GRB as a core governance tool; integrate GRB indicators into municipal bylaws and annual planning cycles to institutionalize relevance.

Priority: High

Addressed to: Project Team, Municipalities

EQ Criteria: Effectiveness

Key Findings: GRB training improved awareness and application; and are planning to used data for municipal planning. Some show partial progress due to capacity gaps and delays.

Recommendations: Shift from one-time GRB training to sustained refresher courses and coaching, linked to municipal accountability frameworks and annual performance reviews.

Priority: High

Addressed to: Project Team, Local Municipalities

EQ Criteria: Efficiency

Key Findings: Efficiency improved through SuTRA coding and structured budgeting, reducing duplication and improving clarity. However, gaps remain due to limited staff, time constraints, and weak coordination.

Recommendations: Make GRB coding mandatory in SuTRA; develop user-friendly templates and checklists; strengthen internal coordination between planning, finance, and social development sections.

Lack mandatory use of SUTRA at municipal level after training in all study area.

Priority: Moderate

Addressed to: Municipalities

EQ Criteria: Coherence

Key Findings: External coherence strong (aligned with national policies and DRR strategies); internal coherence weak in some municipalities due to poor knowledge sharing and fragmented implementation.

Recommendations: Institutionalize coordination via inter-departmental meetings, cross-municipal learning, and ward-level GRB integration. This must include mandating the use of SUTRA tools at the municipal level post-training to ensure application

Priority: Moderate

Addressed to: Municipalities, Project team

EQ Criteria: Impact

Key Findings: Early impacts include increased budget allocations for marginalized groups, improved transparency. Long-term impacts depend on consistent implementation and monitoring.

Recommendations: Scale successful GRB practices like gender-disaggregated budgeting across all municipalities and establish outcome monitoring systems. Sustained support is needed, as one-time training is insufficient.

Priority: High

Addressed to: Municipalities, Project team

EQ Criteria: Sustainability

Key Findings: Sustainability promising where GRB integrated into ward-level planning and SuTRA system; risks include staff turnover, lack of refresher training, and dependence on external technical support.

Recommendations: Embed GRB into municipal bylaws and annual planning cycles; expand ToT model; ensure regular refresher training. One time training for GRB may be not enough.

Priority: Moderate

Addressed to: Municipalities, Implementation Partners

Summary of recommendations for Intermedia Outcome 2

EQ Criteria: Relevance

Key Findings: Interventions (Responsible Tourism, CBFEWS, Water Recharge Ponds, NbS) directly address TMTL water challenges and align with local needs and national policies. Responsible Tourism integrates livelihood diversification and water-smart practices; CBFEWS responds to urgent flood risks; recharge ponds tackle water scarcity; NbS aligns with climate resilience strategies.

Recommendations: NbS and water-smart solutions are scaling in high-risk watersheds, integrating disability access and upstream-downstream coordination. In Dhankuta, two municipalities adopted rainwater harvesting, responsible tourism, and recharge ponds. In Rautahat's Lal Bakaiya Watershed, four municipalities adopted CBFEWS, linked to CBDRM and livelihoods.

Priority: High

Addressed to: Project Team

EQ Criteria: Effectiveness

Key Findings: High effectiveness in Responsible Tourism (16 registered homestays, 90% women-led, improved income and water access); CBFEWS provides timely alerts with lead time up to 4 hours; recharge ponds revived springs and improved water availability; NbS training completed, hard measures pending.

Recommendations: Accelerate bio-engineering (check dams) implementation. Strengthen CBFEWS into CBFFEWS by integrating forecasting and linking its data to disaster plans. Of eight identified DRR solutions, only a few (CBFEWS, recharge ponds, tourism) were assessed. The rest need implementation and all solutions must be interlinked.

Priority: Moderate

Addressed to: Project Team

EQ Criteria: Efficiency

Key Findings: Responsible Tourism and water solutions are cost-effective (low-cost, easy maintenance); CBFEWS uses combined events for resource optimization; recharge ponds built with local materials.

Recommendations: Allocate dedicated O&M funds for recharge ponds; improve CBFEWS resource allocation based on ground realities; mandate unified monitoring system for all interventions; enhance local technical capacity for NbS and water-smart technologies.

Priority: Moderate

Addressed to: Project Team

EQ Criteria: Coherence

Key Findings: Strong internal coherence in Responsible Tourism (tourism-water-GEDSI integration); CBFEWS aligns with DRR policies but external coherence needs improvement (avoid duplication with other agencies); recharge ponds complement municipal water projects; NbS aligns with ICIMOD and national strategies.

Recommendations: Ensure NbS measures complement existing infrastructure; strengthen multi-stakeholder collaboration for scaling interventions across HKH countries.

Priority: High

Addressed to: Project Team, Local Government

EQ Criteria: Impact

Key Findings: High social and economic impact from Responsible Tourism (women's empowerment, income diversification); CBFEWS significantly reduced human casualties; recharge ponds improved water security and reduced migration; NbS impact pending but expected to enhance resilience.

Recommendations: Scale proven models (homestays, CBFEWS, recharge ponds) to new municipalities, link CBFEWS to school curricula, and monitor long-term livelihood and resilience impacts. In Dhankuta, integrated DRR solutions—including responsible tourism with trained homestay owners—form a cohesive ecosystem that strengthens local livelihoods.

Priority: High

Addressed to: Project Team, Local Implementation Partner

EQ Criteria: Sustainability

Key Findings: Responsible Tourism shows strong sustainability (registered homestays, reinvestment, municipal co-financing); CBFEWS sustainability agreements signed (basket funds planned but delayed); recharge ponds managed by committees but lack dedicated O&M funds; NbS sustainability depends on institutionalization and technical capacity.

Recommendations: Expedite basket fund creation for CBFEWS; embed NbS and water-smart practices into municipal bylaws; allocate municipal budgets for pond maintenance; expand ToT models for tourism and DRR technologies; strengthen private sector partnerships for technical and financial sustainability.

Priority: High

Addressed to: Local Government, Project Team

Recommendation for IO3

EQ Criteria: Relevance

Key Findings: Mango, vegetables, and Mithila arts interventions are highly relevant to local livelihoods, food security, and cultural heritage. Mango is strategic for Madhesh Province; vegetables fit agro-ecology and quick returns; Mithila arts have strong tourism potential. However, arts were sidelined due to agriculture-centric approach.

Recommendations: Continue focus on high-value crops and cultural enterprises, integrating Mithila arts into tourism and branding. Ensure alignment with municipal priorities. Current gaps include a lack of agricultural value addition and unlinked arts-tourism opportunities in key municipalities.

Priority: High

Addressed to: Project Team

EQ Criteria: Effectiveness

Key Findings: Mango: Low (late-season training, weak buyer linkages); Vegetables: High (riverbed farming adoption, but limited market assurance); Mithila Arts: Low (minimal support for branding and market linkage). Overall effectiveness mixed due to fragmented implementation and lack of integrated production-to-market pipelines.

Recommendations: Schedule early trainings and create ward-level hubs with demo plots and aggregation centers. Incentivize Krishidoots for ongoing mentorship. Develop tailored modules for product branding/packaging and link producers to buyers via contracts and exhibitions. This addresses the current lack of tailored training.

Priority: High

Addressed to: Project Team

EQ Criteria: Efficiency

Key Findings: Mango and Mithila arts interventions lacked efficiency due to scattered trainings and minimal resources; vegetable farming moderately efficient but needs better coordination. Duplication of beneficiaries and weak follow-up reduced cost-effectiveness.

Recommendations: To address the lack of tailored training, bundle all interventions within integrated ward-level hubs. These hubs would streamline beneficiary lists, coordinate production-to-marketing support, and provide dedicated digital tools, improving municipal coordination to eliminate overlap

Priority: High

Addressed to: Project Team

EQ Criteria: Coherence

Key Findings: Moderate for agriculture (some alignment with municipal priorities); weak for arts (no integration with cultural bodies or tourism offices). Coordination gaps led to duplication and fragmented efforts.

Recommendations: Strengthen municipal coordination and joint monitoring by integrating cultural enterprises into tourism and agricultural value chains. This will establish synergy between sectors and address the current lack of municipal participation in value chain development.

Priority: High

Addressed to: Project Team, Implementation Partners, Private Agencies

EQ Criteria: Impact

Key Findings: Mango and vegetables show limited income gains; vegetables have isolated success (riverbed farming); Mithila arts impact negligible. Awareness improved, but scaling requires infrastructure, market assurance, and branding.

Recommendations: Scale successful riverbed farming and agro-branding, investing in storage, processing, and flood protection. Expand Mithila arts markets through e-commerce and tourism, while systematically monitoring income and production gains.

Priority: High

Addressed to: Project Team, Local Implementation Partner

EQ Criteria: Sustainability

Key Findings: Mango and vegetables sustainability weak due to lack of storage, irrigation, and buyer contracts; Mithila arts sustainability moderate but depends on branding and market expansion. Digital tools and credit systems promising but need accessibility and local language support.

Recommendations: Embed Krishidoot model into municipal agriculture plans; provide micro-investments for storage and processing; develop dedicated digital platforms for arts; expand

access to credit and CSA advisory; advocate for Mithila arts recognition as cultural heritage at provincial/federal level.

Priority: High

Addressed to: Project Team, Private Agencies

Annexes

Annex 1: Mid-term evaluation instruments

Hyperlink: Qualitative Instruments.docx

Hyperlink: Quantitative Instruments.docx

Annex 2: List of Stakeholders interviewed

Hyperlink: List of Stakeholders interviewed.xlsx

Hyperlink: Testimonials from KIIs.docx

Annex 3: Safeguard & Survey Protocols for HI-GRID Mid-Term Evaluation

Hyperlink: Safeguard and Survey Protocols for HI GRID Mid Term Evaluation.docx

Annex 4: Preliminary Findings from Desk Review of the Project Documents

Hyperlink: Preliminary Findings.xlsx

Annex 5: Reference documents

Hyperlink: Reference Documents

Annex 6: Key actions and year wise achievements of the Intermediate Outcome1

Summary of key actions and year wise achievements of the Intermediate Outcome 1

Year: 2023

Key Actions: **Awareness and Capacity Building**

- GEDSI-focused training for **28 municipalities** raised awareness about discriminatory practices and the need to prioritize vulnerable groups.
- **Inception workshop** fostered cross-learning among municipalities.

Achievements:

- Mayors and Chairperson, Chief Administrative Officers and Planning Officers trained from 28 municipalities.
- Awareness raised on GEDSI practices and initial GRB integration.

Year: 2024

Key Actions: **Diagnostic and Design**

- Dhankuta, Gujara, Maulapur, Gaur, Bardibas, Balwa, Bhangaha, Mithila municipality, Chhathar Jorpati, and Tilathi Koiladi Rural Municipality have GEDSI review of DRR plans through the capacity-building workshops (e.g., Inclusive Disaster Resilience: Amplifying Voices of People with Disabilities) informed targeted recommendations.

Achievements: GEDSI review of DRR plans in **10 municipalities** identified gaps:

- Lack of gender-disaggregated data.
- Limited representation of women and PWDs in DRR committees.
- Vulnerable groups are framed as passive victims rather than active participants.

Year: 2025

Key Actions: **Implementation and Institutionalization**

- Participatory planning in 5 (Gaur, Maulapur, Tilathi Koiladi, Dhankuta and Balwa) municipalities; co-development of DRR template; FGDs with marginalized groups
- Ward level sensitization and training on Gender Responsive Budgeting conducted in all municipalities focusing on GEDSI principles and their need into planning process and most importantly the 3rd step out of the 7 steps of planning process.

Achievements:

- Municipalities are positioned as active agents of an inclusive DRR planning.
- Strategic partnerships (e.g., Christian Blind Mission (CBM)) enhanced technical depth on disability inclusion.

Annex 7: GRB Categorized Ranking Status of Municipalities

Summary of GRB Categorized Ranking Status of Municipalities

Municipality: **Dhankuta**

GRB Categorize Ranking[10]: Specified (>60%)

Justification of the respondents:

- The Finance Officer stated that *"We still think that the budget separated for gender is more than 60%."*
- GRB coding is operational; SuTRA data is generated.
- The municipality is confident they fall under specified.

Municipality: **Tilathi Koiladi**

GRB Categorize Ranking[10]: Specified (>60%)

Justification of the respondents:

- GRB dissemination across all 8 wards.
- Women strongly represented in budgeting and planning.
- GRB internalized as a core municipal procedure.
- Strong gender inclusion and practical impact.

Municipality: **Chatthar Jorpati**

GRB Categorize Ranking[10]: Helpful (10–59%)

Justification of the respondents:

- Coding has begun but not completed.
- Gender allocated budget exist but not yet fully integrated.
- Staff are still preparing for detailed coding.
- No claim of crossing 60%.

Municipality: **Bardibas**

GRB Categorize Ranking[10]: Helpful (10–59%)

Justification of the respondents:

- Budget lines for women, children, PwD started this year.
- Coding not completed; benefits "yet to be observed."
- Staff still unclear about GRB practices.
- They claim that the GRB is an early supportive ranking.

Municipality: **Mithila**

GRB Categorize Ranking[10]: Helpful (10–59%)

Justification of the respondents:

- Budget allocations for women, children, elderly, PwD introduced.
- Coding in SuTRA not yet done.
- Not all representatives understand GRB.
- Too early to reach 60%.

Municipality: **Gaur**

GRB Categorize Ranking[10]: Helpful (10–59%)

Justification of the respondents:

- Wards now separate budget lines for women, children, elderly, Dalits.
- GRB & DRR coding used with help of trainers.
- Implementation progressing but not yet fully institutionalized.

Municipality: **Maulapur**

GRB Categorize Ranking[10]: Helpful (10–59%)

Justification of the respondents:

- Coding is applied during project selection process
- They not clear understanding of Nirdrishta (specified) vs supportive rank
- Municipality officials stated that "We already implement coding in project prioritization."
- They indicate systematic GRB application use

Municipality: **Balwa**

GRB Categorize Ranking[10]: Neutral (0–10%)

Justification of the respondents:

- Staff learned GRB coding but have not applied coding themselves.
- Municipality plans to integrate coding next year.
- Separate budgeting for different groups planned but not executed.

Municipality: **Gujara**

GRB Categorize Ranking[10]: Neutral (0–10%)

Justification of the respondents:

- GRB training received, but no coding implemented.
- Budget still not passed.
- Very limited GRB adoption.
- They recognize the system but have not applied it practically.

Municipality: **Bhangaha**

GRB Categorize Ranking[10]: Neutral (0–10%)

Justification of the respondents:

- GRB implemented, coding left.
- Orientation incomplete; Involved on first stage training, not participated TOT training, Official said that municipalities moved at different speeds.
- Consistent but partial use of GRB principles.

Municipality: **Ishnath**

GRB Categorize Ranking[10]: Neutral (0–10%)

Justification of the respondents:

- Acknowledges GRB integration in planning discussions.
- GRB coding system not yet implemented.
- Needs refresher training, not involved on TOT GRB training

Annex 8: Evaluation data collection measures

Table: Data collection methods used for the MTE assessment

KII	No. of assessments	KII in Local Government	No. of KII	FGD	No. of assessments	Observations	Location	No. of observations	Quantitative Data	No. of assessments
Local Government	38	Dhankuta	3	Recharge Ponds	1	Rainwater harvesting	Dhankuta	2	CBFEWS	31
Private Stakeholders	3	Chhathar Jorpati	4	Community Homestay	1	Recharge Ponds	Dhankuta and Chatthar Jorpati	4	Responsible Tourism	25
Local Implementation Partners	4	Gujara	4	CBFEWS	2	CBFEWS	Lal Bakaiya River	1	Value Chain	15

KII	No. of assessments	KII in Local Government	No. of KII	FGD	No. of assessments	Observations	Location	No. of observations	Quantitative Data	No. of assessments
Krishidoots	4	Bardibas	5	N/A	N/A	CBFEWS	Ratu River	1	Water Recharge Ponds	12
ICIMOD	4	Baluwa	2	N/A	N/A	CBFEWS	Khando River	1	N/A	N/A
Rainwater Harvesting	1	Maulapur	3	N/A	N/A	Mithila Enterprises	Janakpur	2	N/A	N/A
CBFEWS Caretakers	3	Tilathi Koiladi	3	N/A	N/A	Krishidoots	Mithila	2	N/A	N/A
Recharge Ponds	3	Mithila	4	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Gaur	5	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Bhangaha	3	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Isnath	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Janakpur	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	60	Total	38	Total	4	Total	N/A	7	Total	83

Annex 9: List of Municipalities

1. Dhankuta municipality (Dhankuta district, Nibuwa-Tankhuwa watershed)
2. Chhathar Jorpati rural municipality (Dhankuta district, Nibuwa-Tankhuwa watershed)
3. Gujara municipality (Rautahat district, Lal Bakaiya watershed)
4. Maulapur municipality (Rautahat district, Lal Bakaiya watershed)
5. Ishnath municipality (Rautahat district, Lal Bakaiya watershed)
6. Gaur municipality (Rautahat district, Lal Bakaiya watershed)
7. Bardibas municipality (Mahottari district, Ratu watershed)
8. Balawa municipality (Mahottari district, Ratu watershed)
9. Bhangaha municipality (Mahottari district, Ratu watershed)
10. Janakpur municipality (Dhanusha district, Ratu watershed)
11. Mithila municipality (Dhanusha district, Ratu watershed)
12. Tilathi Koiladi municipality (Saptari district, Khando watershed)
13. Paroha municipality (Rautahat district, Lal Bakaiya watershed)
14. Yamunamai rural municipality (Rautahat district, Lal Bakiya watershed)
15. Jaleshwor municipality (Mahottari district, Ratu watershed)
16. Dewahigonahi municipality (Rautahat district, Lal Bakaiya watershed)
17. Madhab Narayan municipality (Rautahat district, Lal Bakaiya watershed)
18. Rajdevi municipality (Rautahat district, Lal Bakaiya watershed)
19. Ekdara rural municipality (Mahottari district, Ratu watershed)
20. Mahottari rural municipality (Mahottari district, Ratu watershed)
21. Gausala municipality (Mahottari district, Ratu watershed)

22. Rajbiraj rural municipality (Saptari district, Khando watershed)
23. Karjanha municipality (Siraha district)
24. Phatuha Bijayapur municipality (Rautahat district)
25. Katahariya Municipality (Rautahat district)
26. Baudhimai Municipality (Rautahat district)
27. Rajpur muniucipality (Rautahat district)
28. Nijgadh Municipality (Bara district)

Annex 10: Spatial Scope of MTE

Out of the 28 municipalities, the following 12 municipalities are selected for evaluation based on the activities being implemented directly by HI-GRID project in those municipalities:

1. Dhankuta municipality (Dhankuta district, Nibuwa-Tankhuwa watershed)
2. Chhathar Jorpati rural municipality (Dhankuta district, Nibuwa-Tankhuwa watershed)
3. Gujara municipality (Rautahat district, Lal Bakaiya watershed)
4. Maulapur municipality (Rautahat district, Lal Bakaiya watershed)
5. Ishnath municipality (Rautahat district, Lal Bakaiya watershed)
6. Gaur municipality (Rautahat district, Lal Bakaiya watershed)
7. Bardibas municipality (Mahottari district, Ratu watershed)
8. Balawa municipality (Mahottari district, Ratu watershed)
9. Bhangaha municipality (Mahottari district, Ratu watershed)
10. Janakpur municipality (Dhanusha district, Ratu watershed)
11. Mithila municipality (Dhanusha district, Ratu watershed)
12. Tilathi Koiladi municipality (Saptari district, Khando watershed)

The remaining other municipalities are the beneficiaries from Community-based Flood Early Warning System (CBFEWS) installed upstream of Lal Bakaiya and Ratu watersheds out of which the following three municipalities are selected to take insights to facilitate the evaluation of CBFEWS:

1. Paroha municipality (Rautahat district, Lal Bakaiya watershed)
2. Yamunamai rural municipality (Rautahat district, Lal Bakiya watershed)
3. Jaleshwor municipality (Mahottari district, Ratu watershed)

The remaining municipalities covered by CBFEWS and/or by GEDSI-focused preliminary training but not directly evaluated are:

1. Dewahigonahi municipality (Rautahat district, Lal Bakaiya watershed)
2. Madhab Narayan municipality (Rautahat district, Lal Bakaiya watershed)
3. Rajdevi municipality (Rautahat district, lal Bakaiya watershed)
4. Ekdara rural municipality (Mahottari district, Ratu watershed)
5. Mahottari rural municipality (Mahottari district, Ratu watershed)
6. Gausala municipality (Mahottari district, Ratu watershed)
7. Rajbiraj rural municipality (Saptari district, Khando watershed)
8. Karjanha municipality (Siraha district)
9. Phatuha Bijayapur municipality (Rautahat district)
10. Katahariya Municipality (Rautahat district)
11. Baudhimai Municipality (Rautahat district)
12. Rajpur muniucipality (Rautahat district)
13. Nijgadh Municipality (Bara district)

Additional than 28 covered under CBFEWS

1. Rupani municipality (Saptari district, Khando watershed)
2. Mahadeva municipality (Saptari district, Khando watershed)
3. Loharpatti municipality (Mahottari district, Ratu watershed)
4. Mathiyana municipality (Mahottari district, Ratu watershed)

Annex 11: Field Photographs

Hyperlink: Photos

Annex 12: HI-GRID log frame

Summary of HI GRID Log frame showing the desired result, indicators, activities and indicative targets

Project Marker: End of Investment Outcomes 1 (EOIO1:)

Desired Result: 1. Municipalities integrate GEDSI responsive DRR approaches in their plans and budgeting process

Indicators:

1.1. Number of municipality plans and budget reflect the GEDSI responsive DRR approaches.

1.2. Number of municipalities integrated GEDSI budgeting as part of their planning process

1.3. Number of municipalities allocate budgets to implement jointly developed plans for watershed management.

Indicative Targets:

1.1. 5 municipalities

1.2. 5 municipalities

1.3. 3 municipalities

Project Marker: End of Investment Outcomes (EOIO2:)

Desired Result: 2. GEDSI responsive innovative DRR solutions and GRID-based value chains and enterprises scaled up in other municipalities in Nepal and two countries of HKH region.

Indicators:

2.1 Number of GEDSI responsive solutions scaled up in xx number of other municipalities and replicated in xx HKH countries

Indicative Targets:

2.1 5 solutions, 3 municipalities, 2 HKH countries

Project Marker: Intermediate Outcomes (IO): 1

Desired Result: 1. Municipalities actively engaged in delivering collaboratively designed, GEDSI responsive and evidence-based DRR plans.

Indicators:

1.1. Number of municipalities of the pilot province adopt (in policy, plans, strategies, practice) HI-GRID recommended inclusive DRR approaches (described in outcomes 2,3 & 4).
1.2. % of participation of disadvantage communities in local development planning process and programmes of the pilot areas

Indicative Targets:

1.1. 10 municipalities
1.2. 3 community groups, % of disadvantage people participated in DRR planning

Project Marker: Output 1.1

Desired Result: 1.1. Selected municipality officials supported to implement GEDSI responsive, and evidence based DRR plans in a collaborative manner.

Indicators:

1.1.1 Number of DRR and GEDSI focal points (women and men) from targeted municipalities trained on GEDSI responsive DRR approaches.

Indicative Targets:

1.1.1 15 officials

Project Marker: Intermediate Outcome (IO) 2

Desired Result: 2. GEDSI responsive DRR solutions including NbS adopted at pilot level and 1 jointly developed watershed management plan scaled up in 1 new watershed.

Indicators:

1. # of municipalities of the pilot sub basins adopt GEDSI responsive NbS and DRR solutions which were co-designed, tested and well documented.
2. # of municipalities scaled up and implement the jointly developed GEDSI responsive watershed management plan

Indicative Targets:

2.1. At least 7 municipalities

2.2. 5 municipalities

Project Marker: Output 2.1

Desired Result: 2.1. Potential integrated DRR solutions including NbS are identified and assessed

Indicators:

2.1.1. # of GEDSI responsive DRR solutions including NbS identified and assessed **Indicative Targets:**

2.1.1 At least 2 solutions in the watershed (8 DRR solutions identified but not all assessed, however some DRR solutions such as CBFEWS, water recharge pond and responsible tourism seem well assessed so achieved)

Project Marker: Output 2.2

Desired Result: 2.2. GEDSI responsive DRR solutions co-developed with local stakeholders and implemented

Indicators:

2.2.1 # of GEDSI responsive DRR solutions co-developed and piloted

Indicative Targets:

2.2.1 At least 7 solutions

Project Marker: Output 2.3

Desired Result:

2.3. Municipalities and local stakeholders capacitated to implement GEDSI Responsive DRR solutions.

Indicators:

2.3.1. # of municipalities supported in planning process to integrate GEDSI responsive DRR solutions

2.3.2. # No of individuals trained on GEDSI Responsive DRR solutions disaggregated by local organizations, community groups, and municipality officials.

Indicative Targets:

2.3.1 At least 10 municipalities

2.3.2 16 individuals

Project Marker: Output 2.4

Desired Result:

2.4. Municipality political leaderships engaged on for scaling DRR solutions

Indicators:

2.4.1. # of political leaders participated in cross learning events

Indicative Targets:

2.4.1. Leaders from at least 7 municipalities

Project Marker: Output 2.5

Desired Result:

2.5. Documentation, review, and analysis of the existing watershed management approach for scaling in 1 additional watershed in the project area.

Indicators:

2.5.1. Existing Nibuwa Tankhuwa Watershed Management plan (Dhankuta) planning process reviewed and documentation and make it available for Ratu Watershed (new) readily available for potential scaling.

Indicative Targets:

2.5.1. 1 document

Project Marker: Output 2.6

Desired Result:

2.6. Co-design and co-implemented integrated watershed management plan in 1 additional watershed in the project area

Indicators:

2.6.1 At least one more municipality supported for adopting integrated watershed management plan based on learnings from Dhankuta

Indicative Targets:

2.6.1 plan developed with co-development process

Project Marker: Output 2.7

Desired Result:

2.7. Municipalities and local stakeholders capacitated to implement an integrated watershed management plan.

Indicators:

2.7.1. # of municipalities supported in planning process to integrate watershed management plan.

2.7.2 # No of individuals trained on GEDSI Responsive integrated watershed management disaggregated by local organizations, community groups, and municipality officials

Indicative Targets:

2.7.1. 5 municipality

2.7.2. 13 individuals

Project Marker: Intermediate Outcome (IO) 3

Desired Result:

3. Local Organizations enabled to develop and support value chains and enterprises and made available for scaling to benefit marginalized and vulnerable group

Indicators:

3.1. Number of local organizations/ groups disaggregated by NGOs, SMEs, Farmers groups (especially from vulnerable groups) supported for pro-poor value chain and enterprise development.

3.2. # of new incubation centers set-up in pilot basin demonstrate upgraded business model towards sustainability.

3.3. # of new incubation centers set-up in pilot basin demonstrates upgraded business model towards sustainability.

Indicative Targets:

3.1. At least 16 organizations/ groups

3.2. 2 municipalities

3.3. 2 incubation centers

Project Marker: Output 3.1

Desired Result:

3.1. Potential pro-poor value chains are identified, and their supporting mechanism is assessed.

Indicators:

3.1.1. # of pro poor value chains reviewed and assessment report with details on supporting mechanism readily available for implementation reference.

Indicative Targets:

3.1.1. 6 value chains

Project Marker: Output 3.2

Desired Result:

3.2. GRID-focused value chains and enterprise developed and implemented.

Indicators:

3.2.1. Number of value-chain enterprises supported that use GRID approach

Indicative Targets:

3.2.1. value-chains 3 enterprises

Project Marker: Output 3.3

Desired Result:

3.3. Local organisations capacitated on developing pro-poor value chains and enterprises through strengthening support services Establish networks

Indicators:

3.3.1. # of municipalities supported

3.3.2. # of local organization supported

3.3.3.# of Networks established

3.3.4. # of partnership established (SMES, municipalities etc)

3.3.5. # of online platform established

Indicative Targets:

3.3.1. 5 municipalities

3.3.2. 10 local organizations

3.3.3. 10 farmer groups 1 network

3.3.4. At least 3 partnerships

3.3.5. 1 online platform

Project Marker: Intermediate Outcome (IO) 4

Desired Result:

4. municipalities have skills and knowledge to implement GEDSI responsive DRR budgeting guidelines.

Indicators:

4.1. # of policy (DRR) and municipality plans consider (reflects in review) the differential needs of the most vulnerable groups (GEDSI) as identified in relation to poor water risk management and its consequences in LKRB.

4.2. # of policy, plans and programs rated as satisfactory or above by GEDSI representative a group for addressing poor water risk management and its consequences.

4.3. # Pilot municipality adopt the co-designed and co-tested GEDSI solutions in relation to poor water risk management and its consequences.

Indicative Targets:

4.1. 7 policy and municipality plans

4.2. 3 policies, plans and program

4.3. 5 municipalities

Project Marker: Output 4.1

Desired Result:

4.1. Key and relevant municipality officials trained on GEDSI responsive budgeting

Indicators:

4.1.1. # of municipality officials trained on GEDSI responsive budgeting.

Indicative Targets:

4.1.1. 80% of the GEDSI representatives rate their capacity as satisfactory or above by the end of 4 years. (Need Clarity) 10 chosen municipality for the GRB training from 28 municipality until 2026.

Project Marker: Output 4.2

Desired Result:

4.2. Municipality political leaderships capacitated on GEDSI responsive DRR budgeting guidelines.

Indicators:

4.2.1. # of Municipality political leaderships participated in events related to GEDSI responsive DRR budgeting guidelines.

Indicative Targets:

4.2.1. 10 municipality leadership

Project Marker: Output 4.3

Desired Result:

4.3. Municipalities supported GEDSI responsive community consultation process for ensuring GEDSI responsive budgeting for DRR.

Indicators:

4.3.1. # of municipalities supported

Indicative Targets:

4.3.1. 10 municipalities

Annex 13: Overall progress on Log Frame, Status, and Proposed Interventions

Summary of overall progress on the Log Frame, status at MTE and proposed interventions

Project Marker: End of Investment Outcomes (EOI)

Desired Result:

1. Municipalities integrate GEDSI responsive DRR approaches in their plans and budgeting process
2. GEDSI responsive innovative DRR solutions and GRID-based value chains and enterprises scaled up in other municipalities in Nepal and two countries of HKH region.

Indicators:

1.1. # of municipality plans and budget reflect the GEDSI responsive DRR approaches.

1.2. # of municipalities integrated GEDSI budgeting as part of their planning process

1.3. # of municipalities allocate budgets to implement jointly developed plans for watershed management

2.1. Number of GEDSI responsive solutions scaled up in xx number of other municipalities and replicated in xx HKH countries

Indicative Targets:

1.1. 5 municipalities

1.2. 5 municipalities

1.3. 3 municipalities

2.1. 5 solutions in 3 new municipalities 2HKH countries

Status: Not achieved

Impact (constraint / opportunities): *

Proposed Intervention: *

Project Marker: Output 1.1

Desired Result:

1.1. Selected municipality officials supported to implement GEDSI responsive, and evidence-based DRR plans in a collaborative manner.

Indicators:

1.1.1. Number of DRR and GEDSI focal points (women and men) from targeted municipalities trained on GEDSI responsive DRR approaches.

Indicative Targets:

1.1.1. 15 officials

Status: Achieved: 3 trainings for the DRR and GEDSI focal persons from 11 municipalities

Impact (constraint / opportunities): Sensitization and Awareness of government personnel regarding GEDSI responsive DRR approaches

Proposed Intervention: Disaggregated data collection

Project Marker: Output 2.1

Desired Result:

2.1. Potential integrated DRR solutions including NbS are identified and assessed **Indicators:**

2.1.1. At least 2 solutions in the watershed

Indicative Targets:

2.1.1. At least 2 solutions in the watershed

Status: N/A

Impact (constraint / opportunities): Successful need assessment in collaboration with local government and communities for the necessary solutions.

Proposed Intervention: N/A

Project Marker: Output 2.2

Desired Result:

2.2. GEDSI responsive DRR solutions co-developed with local stakeholders and implemented

Indicators:

2.2.1 # of GEDSI responsive DRR solutions co-developed and piloted

Indicative Targets:

2.2.1 At least 7 solutions

Status: Partially Achieved:

3 GEDSI responsive DRR Solutions (Water Recharge Ponds, Responsible Tourism and CBFEWS) implemented

Impact (constraint / opportunities):

Improved water restoration and increased springs water flow

Improved Livelihood of the vulnerable and marginalised group at Dhankuta Municipality through Responsible tourism.

CBFEWS has helped warn communities with threat of flood decreasing casualties however loss of property has not decreased.

Proposed Intervention: Scale up potential DRR solutions to new municipalities and provide ownership to local government and community groups.

Project Marker: Output 2.4

Desired Result:

2.4.Municipality political leaderships engaged on for scaling DRR solutions

Indicators:

2.4.1. # of political leaders participated in cross learning events

2.4. Municipality political leaderships engaged on for scaling DRR solutions

Indicative Targets:

2.4.1. Leaders from at least 7 municipalities

Status: Achieved

Impact (constraint / opportunities):

Participation in events is achieved, which is a necessary first step for awareness and buy-in.

Proposed Intervention:

Identify 2-3 politically influential and engaged leaders from the cross-learning events. Ensure political leaders are briefed on the findings from GEDSI-representative group consultations (Output 4.3). Frame it as directs voter feedback on their performance regarding community safety.

Project Marker: Output 2.5

Desired Result:

2.5. Documentation, review, and analysis of the existing watershed management approach for scaling in 1 additional watershed in the project area.

Indicators:

2.5.1.Existing Nibuwa Tankhuwa Watershed Management plan (Dhankuta) planning process reviewed and documentation and make it available for Lal Bakaiya Watershed (new) readily available for potential scaling.

Indicative Targets:

2.5.1. 1 document

Status: Achieved

Impact (constraint / opportunities):

Foundational work is solid. A model is documented, and a co-design process for a new watershed (Lal Bakaiya) is underway. This is a key strength for knowledge-based scaling.

Proposed Intervention:

Ensure the co-design process explicitly addresses the shortcomings observed in Nibuwa Tankhuwa's implementation, particularly budget integration and GEDSI responsiveness. Build those lessons directly into the new plan's governance and monitoring framework.

Project Marker: Output 2.6

Desired Result:

2.6. Co-design and co-implemented integrated watershed management plan in 1 additional watershed in the project area

Indicators:

2.6.1. At least one more municipality supported for adopting integrated watershed management plan based on learnings from Dhankuta

Indicative Targets:

2.6.1. 1 plan developed with co-development process

Status: In process (Lal Bakaiya WMP)

Impact (constraint / opportunities):

Capacity is highly concentrated. Only Dhankuta and Chhathar Jorpati are demonstrating implementation capacity, creating a "islands of success" scenario. Training 13 individuals is positive but insufficient for wide-scale applications.

Proposed Intervention: N/A

Project Marker: Output 2.7

Desired Result:

2.7. Municipalities and local stakeholders capacitated to implement an integrated watershed management plan.

Indicators:

2.7.1. # of municipalities supported in planning process to integrate watershed management plan.

2.7.2. # No of individuals trained on GEDSI Responsive integrated watershed management disaggregated by local organizations, community groups, and municipality officials

Indicative Targets:

2.6.1. 1 plan developed with co-development process

Status: Partially Achieved (Only achieved by Dhankuta and Chatthar Jorpati and in process for municipalities in Lal Bakaiya watershed. **Achieved**

Impact (constraint / opportunities):

Capacity is highly concentrated. Only Dhankuta and Chhathar Jorpati are demonstrating implementation capacity, creating a "islands of success" scenario. Training 13 individuals is positive but insufficient for wide-scale applications

Proposed Intervention:

Contextualise at Lal Bakaiya watershed management. In Dhankuta or Chhathar Jorpati, explicitly link watershed management (Output 2.7) with pro-poor value chains (Output 3.2). For example, promote agroforestry/bamboo plantation on vulnerable slopes (watershed protection/DRR) with a forward market linkage for bamboo products (livelihoods). This demonstrates the "GRID" approach in practice and makes both interventions more economically and politically attractive to municipalities.

Project Marker: Intermediate Outcome (IO) 3

Desired Result:

3: Local Organizations enabled to develop and support value chains and enterprises and made available for scaling to benefit marginalized and vulnerable groups

Indicators:

3.1. Number of local organizations/ groups disaggregated by NGOs, SMEs, Farmers groups (especially from vulnerable groups) supported for pro-poor value chain and enterprise development.

3.2. Number of municipalities that include new provisions for effective GRID livelihood opportunities and enterprise development in their plans and budgets.

3.3. # of new incubation centers set-up in pilot basin demonstrate upgraded business model towards sustainability.

Indicative Targets:

3.1. At least 16 organizations/ groups

3.2. 2 municipalities

3.3. 2 new incubation centres

Status:

Achieved: Partners and groups engaged include NGOs/CSOs: CDAFN, SMEs/platforms: GeoKrishi, R&D Innovative Solutions, Pathways Technologies & Services; farmer structures: Krishi Doot 25 with 4 KCC Holders (Vegetable:13 Mango:9 Mithila Art:3) need to focus on quality over quantity however deviated outcomes for pro poor value chain.

Not Achieved: weak follow up on activities, focus is currently on marketing, essential step for pro poor value chain of input seems missing, there is a deviated focus from municipalities

Partially achieved: 1 incubation centre in Bardibas is inactive, however the E-chautari by Geo Krishi is continued

Impact (constraint / opportunities):

Positive: Created a foundational ecosystem with digital platforms (GeoKrishi), engaged farmer entrepreneurs (Krishi Doots), and identified key value chains. A network is active.

Engagement is skewed towards easier "marketing" and "platform" linkages. The core of pro-poor value chain development—ensuring the most vulnerable can access quality inputs, finance, and inclusive governance within the chain—is missing. Municipalities are not effectively integrated, seeing this as external project activity rather than core planning. Incubation centers lack sustainability models.

Proposed Intervention:

Conduct a rapid "pro-poor filter" assessment for each value chain. Mandate that support to SMEs/NGOs includes specific strategies to reach and benefit land-poor farmers, women-led groups, and marginalized castes/ethnicities (e.g., input credit schemes, collective bargaining agreements).

Shift from "awareness" to "co-investment." Facilitate joint sessions where municipalities, SMEs, and farmer groups co-develop one concrete, small-scale livelihood activity to be included in the next municipal annual plan and budget (e.g., municipal subsidy for organic fertilizer for vegetable groups, market stall space for Mithila Art).

Move from physical centers to a hub-and-spoke model. Use one successful center as a hub providing virtual/ mobile mentorship. Tie support to entrepreneurs/Krishi Doots to clear business plans with milestones for graduation and linkage to municipal or private sector support.

Project Marker: Output 3.1

Desired Result:

3.1. Potential pro-poor value chains are identified, and their supporting mechanism is assessed.

Indicators:

3.1.1. # of pro poor value chains reviewed and assessment report with details on supporting mechanism readily available for implementation reference.

Indicative Targets:

3.1.1. 6 value chains

Status: Partially Achieved: (Mango, Vegetables, Bamboo and Mithila Art)

Impact (constraint / opportunities):

Value chains are identified, but support mechanisms are not fully assessed or implemented with a pro-poor lens. Enterprise support is counting individuals reached but not systemic change.

Proposed Intervention: Finalize the assessment for Bamboo and other potential chains with a explicit focus on constraints for the poor (e.g., land tenure for bamboo cultivation, access to processing technology).

Project Marker: Output 3.2

Desired Result:

3.2. GRID-focused value chains and enterprise developed and implemented.

Indicators:

3.2.1. Number of value-chain enterprises supported that use GRID approach

Indicative Targets:

3.2.1. 3 value-chains 3 enterprises

Status: Achieved: 3 value chains (Mango, Vegetables, Mithila Art), enterprises: 25 entrepreneurs supported,

Impact (constraint / opportunities):

Value chains are identified, but support mechanisms are not fully assessed or implemented with a pro-poor lens. Enterprise support is counting individuals reached but not systemic change.

Proposed Intervention: For each of the 3 value chains, document one clear example where a GEDSI-responsive, Resilience-focused, Inclusive, and Development-oriented approach was applied (e.g., a women's vegetable group using drought-resistant seeds (R) with a contract that ensures fair pricing (I) and sells to a school meal program (D)).

Project Marker: Output 3.3

Desired Result:

3.3 Local organizations capacitated on developing pro-poor value chains and enterprises through strengthening support services Establish networks

Indicators:

3.3.1# of municipalities supported

3.3.2# of local organization supported

3.3.3. # of Networks established

3.3.4. # of partnership established (SMES, municipalities etc)

3.3.5. # of online platform established

Indicative Targets:

3.2.1. 3 value-chains 3 enterprises

Status:

Partially Achieved: 4 municipalities supported integrated livelihoods/enterprise into plans (Janakpur Sub-Metropolitan, Bhangaha, Mithila, Bardibas).

3 Organizations: Partnerships with CDAFN, GeoKrishi, R&D Solutions, 22 Farmers Groups reached by Krishidoots

Achieved: 1 network of farmers active one chautari platform, connected via Geo Krishi

Partially Achieved:

1 with Geo Krishi: providing agro-based forecasting and agri-inputs to farmers

1.with R&D Innovative Solution market linkage.

Achieved: 1 Geo Krishi app and e-chautari

Impact (constraint / opportunities):

Capacity building has occurred, but partnerships are few and not deeply leveraged. The online platform is a significant achievement but risks being a standalone tool.

Proposed Intervention:

Facilitate partnerships that address the missing "input" link. For example, partner an input supplier with the Krishidoot network for last-mile delivery and a micro-finance institution for credit.

Work with the 4 municipalities that have integrated livelihoods into plans to promote and potentially co-brand the GeoKrishi platform as a municipal agricultural advisory service. Train municipal agricultural staff to use its data for planning.

Project Marker: Intermediate Outcome (IO) 4

Desired Result:

4.Municipalities have skills and knowledge to implement GEDSI-responsive DRR budgeting guidelines.

Indicators:

4.1. # of policy (DRR) and municipality plans consider (reflects in review) the differential needs of the most vulnerable groups (GEDSI) as identified in relation to poor water risk management and its consequences in LKRB.

4.2. # of policy, plans and programs rated as satisfactory or above by GEDSI representative a group for addressing poor water risk

4.3. # Pilot municipality adopt the co-designed and co-tested GEDSI solutions in relation to poor water risk management and its consequences

Indicative Targets:

4.1. 7 policy and municipality plans

4.2. 3 policies, plans and program

4.3. 5 municipalities

Status:

Partially Achieved: Achieved for only policies and strategies in municipal budget and programs for 4 municipalities for the fiscal year 2081/82 (Maulapur, Dhankuta, Tilathi Koiladi, Gaur); partial adoption in 3 (Chatthar Jorpati, Balwa, Bardibas); minimal or none in 3 (Gujara, Ishnath, Bhangaha)

Not Achieved: The GEDSI representatives reported relevant learnings from the project but its translation to policies, plans and program is in process by municipalities.

Partially Achieved: 2 municipalities Dhankuta and Chatthar Jorpati have co designed GEDSI responsive water solutions like Rain water Harvesting, Bio sand filter and watershed management to reduce water burdens.

Impact (constraint / opportunities):

Significant progress in building awareness and skills (trainings, ToTs). However, translation into formal plans, budgets, and satisfactory GEDSI-responsive programs is critically weak. Policies are being adopted on paper but not yet meaningfully implemented or judged as satisfactory by the communities.

Proposed Intervention:

Move from Adoption to Implementation Tracking: Establish a simple, collaborative tracking dashboard with municipalities. Monitor not just if GEDSI/DRR is in the plan, but the percentage of the relevant budget line tagged GEDSI-specific activities and its execution rate.

Concrete Piloting with Budget Allocation: For the 2 municipalities (Dhankuta, Chhathar Jorpati) with co-designed solutions, focus all support on getting these solutions into the next fiscal year's budget with a dedicated line item. Document the entire process as a blueprint.

Project Marker: Output 4.1

Desired Result:

4.1. Key and relevant municipality officials trained on GEDSI responsive budgeting

Indicators:

4.1.1. # of municipality officials trained on GEDSI responsive budgeting.

Indicative Targets:

4.1.1. 80% of the GEDSI representatives rate their capacity as satisfactory or above by the end of 4 years. (Need Clarity) 10 chosen municipality for the GRB training from 28 municipality until 2026.

Status:

Achieved: 2023: GRB training (36 officials) at Dhankuta municipality. 2024: SUTRA GRB/Climate Coding (31 officials from 11 municipalities from Saptari, Dhankuta, Mahotari and Rautahat districts; 28 men and 20 women municipal personnel) 2025: Ward-level GRB ToTs in all 11 municipalities

Impact (constraint / opportunities):

It shows success that the targeted groups are trained for GRB which was properly executed by the ICIMOD.

Good reach in training officials and some leadership. The community consultation process is fragmented and not systematically leading to budget changes.

Proposed Intervention:

These training must be replicated in other municipalities.

Project Marker: Output 4.2

Desired Result:

4.2. Municipality political leaderships capacitated on GEDSI responsive DRR budgeting guidelines.

Indicators:

4.2.1. # of Municipality political leaderships participated in events related to GEDSI responsive DRR budgeting guidelines.

Indicative Targets:

4.2.1. 10 municipality leadership

Status:

Partially Achieved: 8 deputy mayors/ vice-chairpersons for Gender assessment training; Orientation of PSEAH and draft code of conduct at Dhankuta and Chhathar Jorpati municipality with 20 municipal officers and Deputy mayor/chairperson. Draft of CoC for PSEAH was reviewed by 11 municipalities representative in training for trainers.

Impact (constraint / opportunities):

Sensitization and awareness on PSEAH and code of conduct among focal person of municipalities.

Proposed Intervention:

Knowledge Transfer among the local government personnel

Local municipalities take the ownership Regular monitoring

Establish a quarterly forum for trained officials across municipalities to share challenges and successes in coding budgets for GEDSI/DRR, facilitated by a shared resource person.

Project Marker: Output 4.3

Desired Result:

4.3. Municipalities supported GEDSI responsive community consultation process for ensuring GEDSI responsive budgeting for DRR.

Indicators:

4.3.1. # of municipalities supported

Indicative Targets:

4.3.1. 10 municipalities

Status:

Partially Achieved: Municipalities supported GEDSI responsive community consultation process for ensuring GEDSI responsive budgeting for DRR only in 9, Ishnath and Gujara not involved in TOT

Impact (constraint / opportunities):

Sensitization and Awareness of government personnel regarding GEDSI responsive Budgeting.

Proposed Intervention:

Support Municipalities with added training on GEDSI responsive budgeting for DRR.

Annex 13: Summary of Quantitative Data

Hyperlink: Summary of Quantitative Data

Annex 14: Budget[10] allocation in HI-GRID project distributed over its Intermediate Outcomes

Table 5: Budget allocation in HI-GRID project distributed over its Intermediate Outcomes

Budget			**Cost allocation by year**			
Intermediate Outcome (IO)	**Description**	**Amount in AUD**	**April 2023 - March 2024**	**April 2024 - March 2025**	**April 2025 - March 2026**	**April 2026 - March 2027**
IO1	Municipalities actively engaged in delivering collaboratively designed, GEDSI responsive and evidence based DRR plans.	**541,488**	205,652	181,384	98,309	56,143
IO2	GEDSI responsive DRR solutions including NbS adopted at pilot level and 1 jointly developed watershed management plan scaled up in 1 new watershed	**1,190,027**	220,261	373,761	364,255	231,750
IO3	local organisations enabled to develop and support value chains and enterprises and made available for scaling for benefiting marginalized and vulnerable groups.	**902,479**	198,122	332,992	282,618	88,747
IO4	GEDSI: municipalities have skills and knowledge to implement GEDSI responsive DRR budgeting guidelines.	**410,506**	54,382	135,487	164,202	56,435
Shared to all IOs	Program monitoring and evaluation	**305,000**	140,000	25,000	-	140,000
N/A	Total Direct Program Cost	3,349,500	818,417	1,048,624	909,384	573,075
N/A	Indirect Cost	500,500	122,292	156,691	135,885	85,632
N/A	Total Cost	**3,850,000**	940,709	1,205,315	1,045,269	658,707

[10] This is the proposed HI-GRID Project budget submitted by ICIMOD to The Australian Embassy, Nepal on March 2023.

Annex 14 – Alt image descriptions

Figure 1:The image provides a detailed look of the study area in Southern and Eastern Nepal with the relevant municipalities of Dhankuta, Dhanusha, Mahottari, Rautahat and Saptari identified in different colors. Physical features like municipal boundaries, rivers and country boundaries are also shown. A legend is also provided to help understand these features.

Figure 2: A visual representation of the HI-GRID project's End of Investment Outcomes and their interlinkages with Intermediate Outcomes. This representation shows the co-dependencies in the work areas and their influence on the project's outcomes.

Figure 5a: A pie chart showing the percentage of community members satisfied with benefits received from the installation of a Community Based Flood Early Warning System. Out of all respondents, 83.9% have responded positively, while 16.1% have disagreed.

Figure 5b: A pie chart showing the level of satisfaction shown by community members with community-based Flood Early Warning System, installed in their respective municipalities. While 71% have expressed that they're satisfied, 22.6% are very satisfied, and 6.5% of the respondents are neutral.

Figure 6a: A pie chart that captures the responses of community members involved in the process of identifying recharge ponds. While 83.33% of respondents confirmed that they have been involved, 16.67% responded 'No'.

Figure 6b: A pie chart showing the perception of community members in how recharge ponds address urgent water-related challenges in their respective communities. While 75% have responded positively, 25% have responded that the recharge ponds do not address water-related challenges.