



Annual Report

2080/81

FOREWORD

I am delighted to share the incredible progress of the RERP (SAMRIDHI) project, a partnership between the Government of Nepal (GoN) and the International Fund for Agricultural Development (IFAD). By adopting a strategic supply chain approach across key agro and non-agro sectors, this project has played a crucial role in creating valuable economic opportunities for smallholder farmers.

As this is the last year of the project, I am proud to present the Annual Progress Report for the fiscal year 2080/81 BS (FY 2023/24 AD). This report captures our journey, celebrating the milestones we've reached, the challenges we've faced, and the strategies we've used to overcome them. Our focus remains on strengthening rural economies and improving people's lives. With a strong commitment, RERP aimed to reach 90,000 households, with another 45,000 benefiting through MRC/MID. I am pleased to report that we have not only met but also overachieved many of our targets, reflecting our dedication to making a positive difference at the grassroots level. The impact of our work is evident in the success stories of communities that have been uplifted and empowered.

I am also pleased to share that the Project Completion Mission rated our project 5 out of 6, a clear sign of the progress we've made. IFAD has recognized this as one of their best projects. Additionally, the end-line survey and independent evaluation have confirmed the positive impact we've had on the rural economy.

I want to extend my heartfelt thanks to all the project staff and consultants for their outstanding efforts. In our pursuit of innovation and progress, producer groups have adopted new technologies and infrastructure. From sheds and fodder cultivation to livestock breeding, tunnels, bio-floc systems, chap cutters, irrigation canals, ponds, and motor pumps, their work within the supply chain demonstrates our commitment to holistic growth.

I am deeply grateful to the Secretaries of MoICS and local authorities for their continuous support. Special thanks go to the Mayors, Deputy Mayors, and Ward Chairpersons of the implementing Palikas. Their dedication and enthusiasm have driven our efforts at the grassroots level. I also want to express my appreciation to the producer groups, cooperatives, and service providers, whose commitment has been vital to our success.

A big thank you goes to IFAD headquarters, the Asia Pacific team, and the Nepal Country Team for their guidance and unwavering support. The Supervision Mission Team of IFAD has provided valuable insights and mentorship that have been crucial to our progress. To the exceptional RERP project team, both in management and field roles, I offer my deepest appreciation. Your hard work and dedication are the foundation of our success. I am also thankful to our partner organizations, including HELVETAS, AEC, and SKBBL, for their collaboration and shared vision.

As we close this chapter of the RERP project, we reflect on the significant impacts we've made and the valuable lessons we've learned along the way. The stories of change and empowerment are a testament to our collective efforts. These experiences not only shape our current achievements but also pave the way for future initiatives that will continue to uplift and empower rural communities. Looking ahead, I am confident that the insights gained and the relationships built will inspire continued progress and success.

Saroj Prasad Guragain
Project Manager

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ABBREATIONS

ADBL:	Agriculture Development Bank Ltd.
AEC:	Agro-Enterprises Centre
AWPB:	Annual Work Plan and Budget
B2B:	Business to Business
B2S:	Business to Supplier
BDS:	Business Development Service
CCI:	Chamber of Commerce and Industry
COPOMIS:	Cooperative and Poverty Management Information System
DCCIs:	District Chambers of Commerce and Industries
EDF:	Economic Development Facilitator
FCD:	Fish Cluster Development
FCMO:	Fish Carrier & Mobile Outlet
FEB:	Foreign Employment Board
FEEK:	Financial Education and Entrepreneurship Knowledge
FNCCI:	Federation of Nepal Chambers of Commerce & Industries
FY:	Fiscal Year
GALS:	Gender Action Learning System
GESI:	Gender Equality and Social Inclusion
HH:	Household
KM:	Knowledge Management
LAM:	Leading to Apprenticeship Model
M&E:	Monitoring and Evaluation
MAPs:	Medicinal Aromatic Plants
MID:	Migration Information Desk
MoU:	Memorandum of Understanding
MRC:	Migration Resource Centre
MSP:	Multi-Stakeholder Platform
NSTB:	Nepal Skills Testing Board
NVQS:	Nepal Vocational Qualification System
PG:	Producer Group
PM&E:	Planning Monitoring and Evaluation
PMO:	Project Management Office
PMT:	Project Management Team
PPI:	Poverty Probability Index
RERP:	Rural Enterprises and Remittances Project
RMSE:	Rural Micro-Small Enterprises
SC:	Supply Chain
SKBBL:	Sana Kisan Bikas Laghubitta Bittiya Sanstha Ltd.
TVET:	Technical & Vocational Education and Training
VST:	Vocational Skill Trainings

PROJECT FACTSHEET

Country	NEPAL
Title of the Report	Annual Progress Report 2023/24
Project Title	Rural Enterprises and Remittances Project (RERP) "SAMRIDDHI"
Project ID Number	1100001724
Donor Agency	Loan No.: 2000000701; Grant No.: 2000000702
Lead Program Agency	International Fund for Agricultural Development (IFAD)
Partners	Helvetas - Nepal, Agro Enterprise Centre and SKBBL
Location of the Project	Koshi Province = 8 Districts, Madhesh Province = 7 Districts and Bagmati Province = 1 District
Fiscal Year/Reporting Year	2023/24
Reporting Period	16 July 2023 to 17 July 2024
Year of Implementation	8th Year
Total Project Budget (US\$)	23.23 million
Project Period (Original)	10 Dec 2015 to 30 Dec 2022
Project Technical Redesign	Dec. 2017
MTR Date	3-Dec-18
Revised Project Completion / Closure	30 July 2024 / 31 Dec 2024
Financial Achievement of the Reporting year	NRs. 518.67 million
Households covered till reporting year	104803 Households
No. of Women Beneficiaries till reporting year	(75.22% of total target: 78839)
No. of indigenous beneficiaries reporting year	41049 (39.16 % of total outreach:104803)
No. of Youth beneficiaries reporting year	73109 (69.75 % of total outreach)

EXECUTIVE

Rural Enterprises & Remittances Project (RERP) "SAMRIDHI" stands as a collaborative venture between the Government of Nepal (GoN) and the International Fund for Agricultural Development (IFAD). With execution overseen by the Ministry of Industry, Commerce, and Supplies across 16 districts encompassing Province-1, Madhesh Province, and Bagmati province, SAMRIDHI's vision is to combat poverty and foster lasting peace through a paradigm of employment-centric, equitable, and inclusive economic development.

SAMRIDHI's core objectives centers on establishing viable Rural Micro, Small, and Medium Enterprises (RMSEs) within both farming and off-farming domains. This catalytic effort aims to secure sustainable income sources for rural underprivileged households, migrant families, and returnees. Managed by the Project Management Office (PMO) and supported by two Corridor Offices and a Liaison Office, SAMRIDHI has now completed with outstanding result.

This annual progress report marks an integral juncture in SAMRIDHI's journey. The document systematically chronicles achievements across outreach, output, and outcomes, offering an insightful overview of the project's holistic impact on diverse facets of development. Notably, significant strides have been taken even in the face of challenges posed by the pandemic and the intricate interplay of agreed supervisory actions and targeted objectives.

The project outreach of supply chain development progress is 11522 HHs i.e., 115%. RMSE Development (27, CCI strengthening) has achieved 29,307 decent jobs progress by 97.7%, and social mentoring by 138%. Productive investment; financial inclusion by 153% mobilizing migrant resources and skills by 169%, Institutional strengthening and development; knowledge management and M&E to provide evidence-based learning and improvement and project management for institutional support. Project outreach by gender; female 75.2%, youth 71.4% and ethnicity out of 104803HHs; Muslim 3%, Madeshi 17%, Janajati 40%, Dalit 12% Others 28%. The Supply chain outreach to poor households is 85% (11522 HHs)

Innovation remains pivotal within SAMRIDHI's trajectory. The project's inventive practices, such as Fish Cluster Development Approach was endorsed by the Municipal Executive Board

SUMMARY

(6 Palikas; NPR 14.62 million co-financing). The Palikas have started collecting revenues from the Fish farmers for the Fish Cluster Development Fund. Collective marketing Practices have been implemented for all commodities (Fish, Goat, Vegetable, Milk and MAPs). Major changes in farming practices (tunnel farming, stall feeding, the utilization of barren land for MAPs). VST in Agriculture has been piloted, benefiting 1300 individuals. Apprenticeship through Industrial Association: Apprenticeship in collaboration with FNCCI has been much more beneficial, resulting 84% employment rate and is also found being more sustainable in providing employment. The project has adopted a result-based financing and co-financing approach for VST training, with 12 local governments participating and providing 10% co-financing for 1445 trainees. There has been active engagement of youth, girls, and women in non-traditional trades, such as tailoring and beautician training, to promote gainful employment. The engagement of local governments in the selection and monitoring of training has enhanced women's participation and the effectiveness and efficiency of training. The GALS approach adopted through a cost-sharing basis from a couple of local government and two cooperatives. The Project MIS is being adopted by MoICS, as well as IFAD projects of Maldives (MAP) and Swaziland-(FINCLUDE). The project has initiated the development of a sustainable agriculture strategy and operational plan prepared by 10 Palikas, identifying intervention areas through the provincial MSP and ensuring co-investment support based on a sequential investment pathway for optimal utilization of co-investment funds.

As we conclude this year of the RERP project, it's clear that the progress we've achieved has been both impactful and transformative. Despite some challenges, including budgetary constraints, our accomplishments in household coverage, inclusion, and income generation stand as significant milestones. The groundwork laid in advancing producers' organizations through the value chain approach has set the stage for sustainable growth and stronger business relationships. The lessons we've learned and the successes we've shared serve as a solid foundation for future endeavors. With the insights gained and the strong partnerships we've built, I am confident that the momentum we've created will carry forward, ensuring continued progress and lasting benefits for the rural communities we serve.

Project Overview

The Rural Enterprises and Remittances Project (SAMRIDDHI) is a collaborative initiative between the Government of Nepal (GoN) and the International Fund for Agricultural Development (IFAD), implemented in 16 districts through a corridor approach. This approach involves eight districts in the eastern part, integrating the Koshi-Sagarmatha Corridor which includes Bhojpur, Tehrathum, Dhankuta, Khotang, Udayapur, Okhaldhunga, Sunsari, and Morang. Similarly, Saptari, Siraha, Dhanusha, Mahottari, Sarlahi, Rautahat, Bara, and Sindhuli are encompassed within the catchment area of the Janakpur Corridor Office.

In December 2015, the GoN and IFAD signed an agreement to implement the Rural Enterprises & Remittances (RERP) “SAMRIDDHI” project from 2017 AD to 2024 AD. The project's central objective is to provide sustainable income sources to impoverished households, migrant families, and foreign employment returnees in Nepal's Eastern and Central Regions. It supports the establishment and expansion of family incomes and rural enterprises, spanning both farming and off-farming sectors. With a total budget of USD 23.23 million, including a USD 4.24 million contribution from the Government of Nepal, the project aims to uplift communities and enhance economic resilience and sustainable growth.

The project's primary vision is to foster the creation and enhancement of the Rural Micro and Small Enterprises across its operational districts. It also aims to harness the potential of remittances from migrants along with their practical skills, channeling them into productive sectors of the country. With the overarching goal of reducing poverty and establishing sustainable peace, SAMRIDDHI seeks to achieve the goal by focusing on employment opportunities with equitable, and inclusive economic development.

The project aligns with national development plans, industry policies, and agricultural strategies, diversifying economic activities to support the growth of viable rural enterprises, both within agriculture and beyond. RERP, along with its implementing partners including the Agriculture Enterprise Center (AEC), local Chambers of Commerce and Industries, HELVETAS, SKBBL, and local

financial institutions, is entrusted with executing the project's initiatives.

The project's reach extends across demographics, promoting gender equity and youth participation, and embracing various ethnic groups. Innovation remains a driving force, with practices like the Fish Cluster Development Approach and collective marketing practices demonstrating the project's commitment to transformative change.

With a robust institutional framework, RERP efficiently manages its operations through the PMO and Corridor Offices. The report acknowledges the challenges the project faces, from apprenticeship coordination to financial access, yet underscores that RERP has successfully achieved its goals related to household coverage, inclusion, and additional income.

1.1. Goal of the Project

Reducing poverty and achieving sustainable peace through employment focused, equitable and inclusive economic development.

1.2. Objectives of the Project:

The Project Development Objective is “viable rural micro/cottage and small enterprises(RMSEs), both in farming and off-farming sectors.”Provide sustainable source of income to rural poor households, migrants families and returnees.

1.3. Project Components

Component 1: RMSE & Jobs Promotion: This component has the following four sub-components:

Sub-Component 1.1: Supply Chain Development: Creating RMSE and job opportunities for producers, including smallholders, and other enterprises in competitive agricultural and non-agricultural clusters.

Sub-Component 1.2: RMSE Development: Enterprise Service Centers and CCI strengthening). Building sustainable business services to create opportunities for local RMSEs.

Sub-Component 1.3: Decent Jobs: Decent jobs through TVET, jobs placement and apprenticeships

Sub-Component 1.4: Inclusion and Mobilization (GALS)
- Social mentoring of households and groups to address common social risks using the household methodology from sub-component 1.1.

Component 2: Productive Investment:

This component has two sub-components.

Sub-component 2.1: Financial Inclusion - financial & business education: improved supply of financial services via strengthening of co-ops, partnerships with FIs and risk sharing instruments.

Sub-component 2.2: Mobilizing Migrant Resources and Skills: develop sustainable migrant services, especially

at local level, via migrant resource centers, info desks and online services.

Component 3: Institutional Support & Project Management:

This component has two sub-components.

Sub-component 3.1: Knowledge management and M&E- This sub-component is envisaged to provide evidence-based continuous learning and improvement and support scaling-up of best practices in the project and by other actors.

Sub-Component 3.2: Project Management: Overall Planning, Financial Control and Management of the Project Activities.

Background of the **Report**

The annual report offers an in-depth insight into the Rural Enterprises and Remittances Project (RERP) known as "SAMRIDHI," a collaborative endeavor between the Government of Nepal (GoN) and the International Fund for Agricultural Development (IFAD). This partnership is committed to fostering sustainable economic development and alleviating poverty through employment-centric strategies. The SAMRIDHI's scope encompasses 16 districts spread across Province 1, Madhesh, and Bagmati province, and it operates under the guidance of the Ministry of Industry, Commerce, and Supplies.

In this annual report, the comprehensive journey of SAMRIDHI unfolds, chronicling its achievements, challenges, and impacts across various dimensions of development. Despite the adversities posed by the pandemic and the intricacies of operational alignment, the report showcases significant progress and milestones achieved by the project.

The report highlights the robustness of SAMRIDHI's outreach, as evidenced by the progression of supply chain development involving 11522 households, which translates to 115% of the target. The advancement of

Rural Micro and Small Enterprises (RMSEs) development and the creation of decent jobs demonstrated noteworthy strides, with 29,307 jobs realized, achieving 97.7% of the intended goal. Social mentoring activities also exceeded expectations at 138% completion.

Gender, youth, and ethnic inclusivity remained integral, with a substantial female (75.2%) and youth (71.4%) engagement, reflecting SAMRIDHI's commitment to diversity. The project's innovative practices, such as Fish Cluster Development and Collective Marketing Practices, yielded favorable outcomes.

The report underscores the significance of innovation in SAMRIDHI's journey, including the adoption of technology in agriculture and tailored vocational training programs. Collaborations with industrial associations and financial institutions were pivotal in enhancing employment prospects. The initiation of a sustainable agriculture strategy, coupled with operational plans and co-investment support, reinforced the project's commitment to optimal utilization of resources.

Despite several achievements, challenges persist, including the need for accredited apprenticeship courses,

improved coordination between training providers and employers, enhanced access to credit, and the refinement of policies related to insurance and financial inclusion.

With a focus on household coverage, inclusion, and income augmentation, SAMRIDHI successfully met its objectives. Moreover, it embarked on a strategic path to bolster producer organizations and foster enduring business relationships among various stakeholders.

2.1 Purpose of the Report

- To update and share the annual progress status of RERP to IFAD, project implementing support partners and stakeholders.
- To explore the major outputs, issues, challenges, and lesson learnt of implementation.

2.2 Project Coverage

The project encompasses 16 districts across three provinces of Nepal: Koshi Province (Morang, Sunsari, Bhojpur, Dhankuta, Khotang, Tehrathum, Udayapur, and Okhaldhunga), Madhesh Province (Saptari, Siraha, Dhanusa, Mahottari, Sarlahi, Rautahat, and Bara), and Bagmati Province (Sindhuli).

2.3 Target

The direct beneficiaries are smallholder producers, including impoverished rural individuals, migrants, foreign employment returnees, and youth. Youth members (aged 18 to 40) constitute 60% of the target, with the aim to benefit 80% from economically disadvantaged backgrounds and 50% women. Additionally, secondary target groups encompass other primary and secondary actors within the supply chain, such as cooperatives, small and micro-enterprises, agribusinesses, service providers, collectors, and medium to large-scale traders.

2.4 Project Approaches

The Rural Enterprises & Remittances Project (RERP) "SAMRIDHI" adopts a multifaceted approach to achieve its overarching goal of reducing poverty and fostering sustainable peace through employment-centric, equitable, and inclusive economic development. The project's approaches are aligned with its core objectives and are designed to drive impactful change across various facets of development.

- **Corridor Implementation Strategy:** The project employs a corridor approach, focusing on the Koshi-Sagarmatha Corridor and Janakpur Corridor. This strategy links hill districts with Terai markets, facilitating the smooth flow of goods, services, and economic activities.

Each corridor office provides technical and managerial support, fostering collaboration with local Chambers of Commerce & Industries and technical partners.

- **Supply Chain Development:** SAMRIDHI recognizes the significance of supply chains in rural economic growth. The project concentrates on building competitive agricultural and non-agricultural clusters through supply chain development. This involves creating opportunities for producers, smallholders, and other enterprises within these clusters. Collaborative efforts enhance market access, value addition, and income generation.
- **Rural Micro and Small Enterprise (RMSE) Development:** SAMRIDHI focuses on bolstering rural micro, small, and cottage enterprises. Enterprise Service Centers and Cluster Coordination Initiatives (CCI) are established to facilitate sustainable business services, nurturing local RMSEs. The project aims to create a favorable ecosystem that enables the growth and success of these enterprises.
- **Decent Jobs and Technical Vocational Education and Training (TVET):** To address unemployment and skill gaps, SAMRIDHI promotes decent jobs through TVET programs, job placements, and apprenticeships. By training and placing individuals in various sectors, the project seeks to enhance employment opportunities and bridge the gap between industry demand and workforce skills.
- **Inclusion and Mobilization:** The Gender Action Learning System (GALS) is utilized for the social mentoring of households and groups, mitigating common social risks. SAMRIDHI employs a participatory approach to ensure the inclusion and mobilization of vulnerable populations, including women, youth, migrants, and returnees.
- **Financial Inclusion and Business Education:** SAMRIDHI recognizes the importance of financial literacy and access to financial services. The project aims to improve the supply of financial services by strengthening cooperatives, forming partnerships with financial institutions, and introducing risk-sharing mechanisms. Business education equips individuals with essential financial management skills.
- **Migrant Resource Mobilization:** Leveraging the potential of remittances and skills of migrants, SAMRIDHI establishes migrant resource centers, info desks, and online services. By channeling migrant resources into

productive sectors, the project aims to create sustainable income sources and opportunities for both migrants and their communities.

- **Knowledge Management and Monitoring & Evaluation (M&E):** The project emphasizes evidence-based learning and continuous improvement through knowledge management and M&E practices. Best practices and lessons learned are documented and scaled up, fostering an environment of ongoing enhancement.
- **Project Management and Institutional Support:** SAMRIDHI places a strong emphasis on effective project management, financial control, and planning. Institutional support and partnerships with stakeholders, such as the Agriculture Enterprise Center (AEC), local Chambers of Commerce & Industries, HELVETAS, and SKBBL, contribute to the project's successful execution.
- **Supply Chain Approach:** SAMRIDHI adopts a supply chain approach to enhance producers' organizations and promote business connections between agribusinesses and producer groups. This approach aims to create sustainable linkages that optimize investments and prioritize the well-being of beneficiaries.

2.5 Implementation Arrangement

Adopting a North-South Road corridor approach to connect hill districts with the Terai market, the project employs a corridor implementation strategy. The Koshi-Sagarmatha Corridor and Janakpur Corridor offices play pivotal roles in providing technical and managerial support. The Agro Enterprise Centre (AEC), under the Federation of Nepal Chambers of Commerce & Industries (FNCCI), collaborates with District/Palika level Chambers of Commerce & Industries and HELVETAS as technical partners, aiding the Project Management Team (PMT) in executing project activities. For efficient project management and implementation, a robust institutional framework has been established. This includes the Project Management Office (PMO) in Itahari and the Project Liaison Office in Kathmandu.

2.6 Status of Key Performance Indicators

S. N.	KEY PERFORMANCE INDICATORS	END TARGET	ACHIEVED TILL MAY 2022	PROGRESS IN (%)
1	Total number of households members reached	420,000	548811	131%
2	Total number of persons receiving services	90,000	104803	120%
3	No of people with more profitable and resilient households - or small enterprises or secure remunerative skills-based jobs	10,200	21747	213%
4	Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices	8,000	7028	88%
5	Percentage of partner CCLs achieve minimum score of 135 points (N=27)	60	67	111%
6	Persons trained in Business skills (FEEK2)	8,000	9,895	124%
7	Number of partner cooperatives accessing wholesale finance or linkage banking	135	161	119%
8	Business-to-business linkage events, including MSPs, in supported supply chains with representatives of producer organizations, buyers, and service providers.	300	480	160%

Table 1: Status of key performance indicators

In this table, the key performance indicators (KPIs) for the Rural Enterprises and Remittances Project (RERP) are presented, along with the corresponding targets and achievements up to June 2024. These KPIs serve as crucial measures of the project's success and impact.

By June 2024, the project has surpassed many of its key performance targets, achieving remarkable progress across various indicators. The total number of household members reached has exceeded the goal of 420,000, reaching 548,811, which is 131% of the target. Similarly, 104,803 individuals have received services against a target of 90,000, reflecting 120% progress. The project has significantly impacted households' profitability and resilience, with 21,747 individuals benefiting compared to the target of 10,200, marking a 213% achievement. Adoption of environmentally sustainable and climate-resilient technologies and practices is at 88%, with 7,028 households adopting such measures out of the targeted 8,000. Among partner CCIs, 67% have achieved a minimum score of 135 points, exceeding the

target of 60%. Training in business skills (FEEK2) has reached 9,895 individuals, achieving 124% of the target. Additionally, 161 partner cooperatives have accessed wholesale finance or linkage banking, surpassing the target of 135, reaching 119% progress. Lastly, 480 business-to-business linkage events, including MSPs, have been conducted, far exceeding the target of 300, achieving 160% progress.





The project has made substantial progress across various KPIs, indicating its positive impact is evident in increased average incomes, greater female leadership representation, and the development of key policies and guidelines. Looking forward, the project remains committed to building upon these achievements and addressing areas with potential for further growth. As we move forward, continued efforts will be directed toward achieving and surpassing these goals while addressing areas that require additional focus.

Major Achievement of the Project

- The end-line evaluation reveals that the level of satisfaction in terms of project support and services among project participants was very high (81%) against the projected target (70%).
- In addition, 76% of respondents reported the profits made through RMSEs that they are making profits from the enterprises compared to the 15% of control respondents.
- 72% of women aged 15-49 years had diverse eating pattern (cereals, lentils, vegetables and milk products) in the last evening.
- At least 69% of respondents reported their assets increased compared to before the project.
- 90% of the trainee respondents reported that they were engaged in gainful employment after 6 months of training, being 54% of them were women.
- The ending remuneration showed 63% of individuals have gained income above the threshold (Rs. 17,300) of 125% (Rs. 21,625).
- 65% of the respondents of MAPs reported that there were increments while comparing before and after.
- Similarly, the highest increments (89%) were reported by vegetable growers. More than 66% of respondents were having accounts opened in formal financial services as a result of FEEK.
- The end-line evaluation reveals that the level of satisfaction in terms of project support and services among project participants was very high (81%) against the projected target (70%).
- In addition, 76% of respondents reported the profits made through RMSEs that they are making profits from the enterprises compared to the 15% of control respondents.
- 72% of women aged 15-49 years had diverse eating pattern (cereals, lentils, vegetables and milk products) in the last evening.
- At least 69% of respondents reported their assets increased compared to before the project.

- 90% of the trainee respondents reported that they were engaged in gainful employment after 6 months of training, being 54% of them were women.
- The ending remuneration showed 63% of individuals have gained income above the threshold (Rs. 17,300) of 125% (Rs. 21,625).
- 65% of the respondents of MAPs reported that there were increments while comparing before and after.
- Similarly, the highest increments (89%) were reported by vegetable growers. More than 66% of respondents were having accounts opened in formal financial services as a result of FEEK.
- Out of 14, 12 MRC/MID hands covered to local governments.
- 6-migration and reintegration policy and 7MRC operation guidelines developed and endorsed by the respective local government (Dhankuta first in the country).
- Overall average income increased by 83 % under the Supply Chain.
- 57.68% of women are in leadership positions (chairperson, vice-chairperson, secretary, treasurer) in their groups.
- 77 cooperatives have prepared their Model Policies after intervening in the project.
- Starting to handover the complete Agriculture Strategic Plan to the concerned local governments with technical backstopping support. – Take it to ACHIEVEMENTS.
- 21% returnees out of 29,307 are trained and engaged in gainful employment through decent jobs.
- Major changes in farming practices such as tunnel farming, goat rearing system from open grazing to stall feeding, use of barren land of forest for Medicinal and Aromatic Plants - MAPS.
- Collective Marketing Practice in supply chain commodities (Milk, Goat, MAPs, Fish, Vegetable).
- Change in Market system: Introduction of Live Goat Weighing System in goat commodity.

Outreach of the Project

Comp onent	 Sub-components	 Target	 Achievement	 Remarks
1	1.1. Supply Chain Development (HHs)	10,000	11,522	Progress 115.22% + 1759 Spillover HHs
	1.2. CCI Strengthening (No. of CCI)	27	27	Progress (100%)
	1.3. Decent Job (Persons)	30,000	29,307	Progress (97.69%)
	1.4. Inclusion and Mobilization (GALS) HHs	1,000	1378	Progress (137.8%)
2	2.1. Access to Rural Finance Services a) Cooperatives (No.) b) FEEK Beneficiaries (Persons)	150 60,000	236 91,616	Coops (157.33%) and FEEK (152.69%) .
	2.2. Receiving Migration Services (Persons)	45,000	75,864	Progress (168.59%)
3	3.1. PME & KM, 3.2. Project Management	-	-	Both Sub-components are cross cutting for all sub-components
	Total No. of People (Beneficiaries)	4,20,000	5,48,811	Progress (130.67%)

3.1 Component 1.1: Supply Chain Development

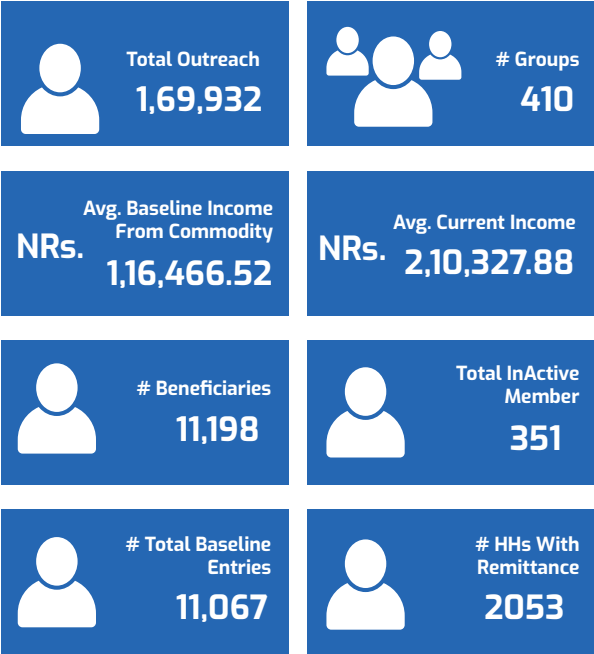


Figure 1: Snapshot of supply chain outreach from PME&KM MIS

The above figure represents an overall snapshot of the Supply Chain Development Components of the project. A total of 410 producer groups (11198 active beneficiaries and 351 inactive) are being supported in supply chain development activities through various projects like:

- Involving the representative of producer’s groups, service providers, input suppliers, etc. in multi-stakeholder platforms.
- Support in establishing business-to-business linkages whereby the producer groups and traders enter an agreement to start a transaction with each other.
- Support in establishing a business to service linkages whereby the producer groups are expected to contact the service providers to attain the quality of input and service they require.
- Involving representatives of producer groups, traders, and service providers in exposure visits with the expectation that they will replicate what they see during the visit, as well as raise the level of awareness among the producer groups regarding the good practices that they witness during the visits.
- Post-harvest/livestock management training enables the producer groups to have a basic understanding of different aspects of commercial farming.
- Financial education and business literacy

project.

- Apart from skills and knowledge transfer, the SAMRIDDHI Fund (Co-investment with producers’ groups) is provisioned to financially support producer groups, traders, and resource centers. Utilizing this fund helps producer groups as well as traders in making required investments in respective supply chain development activities, identifying the major suppliers of their respective inputs, as well as enabling them to understand the documentation regarding the procurements and rules and regulations of the Government of Nepal.

The above figure 1 also indicates that the average baseline income of beneficiaries has increased by 162.23% (i.e., from an average baseline income of NRs. 114466.52 to NRs. 210,327.88), whereas the average number of households with remittances is 2053.

Among the 410 groups supported by RERP for supply chain development activities, vegetable commodities cover the highest number of groups (126), i.e., 30.7%. This is followed by Milk with 107 groups, i.e., 26.1%, Goat with 66 groups, i.e., 16.1%, and MAPs with 46 groups, i.e., 11.2%. Fish 64 i.e., 15.6% Others are represented by 1 group receiving support from the program, respectively.

Figure 2: Group by commodity

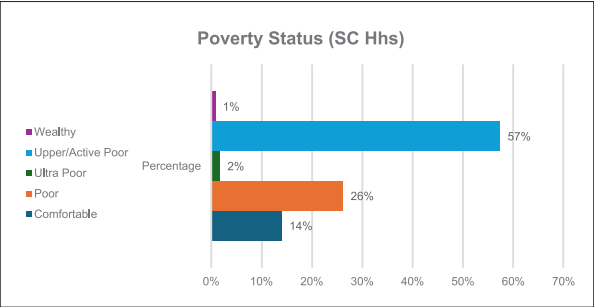
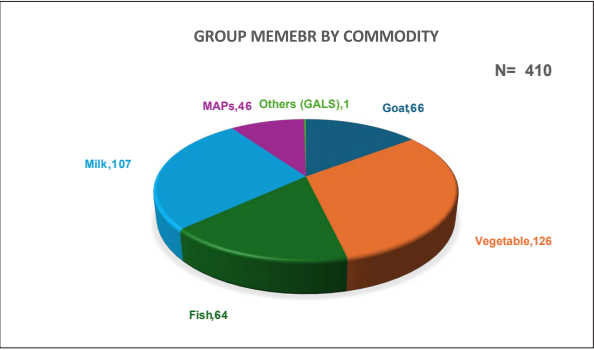


Figure 3: Poverty Probability Index (PPI) - status of beneficiaries

The PPI status figure above indicates that 14% of the total beneficiaries covered by supply chain development

activities are classified as ultra-poor (having a PPI score between 0 and 20). About 26% of the total beneficiaries fall under the poor category, 2% fall under the upper active poor, and 57% fall under the comfortable category.

Meanwhile, only 1% of the beneficiaries are categorized as wealthy. Special strategies are being developed by the project to address the needs of the ultra-poor population.

Presentation of changes in different indicators of beneficiaries:

The main theme of supply chain promotion activities is to increase the income of project-supported households. Hence, to track the progress of supply chain promotion, a few indicators are monitored and recorded in our database, based on which the successful approach can be identified. The following are the main indicators that were tracked and recorded in our database through the farmer's diary.

- Average income of beneficiaries
- Average production of beneficiaries
- Change in the cost of production of beneficiaries.

Average Income					
Commodities	Baseline	FY 78/79	FY 79/80	FY 80/81	% of change from baseline
Fish	257,369	474,743	491,835	652,634	154%
Goat	42,148	42,278	77,753	104,492	148%
MAPS	37,878	61,943	62,876	59,676	58%
Milk	102,607	178,464	196,672	221,849	116%
Vegetable	84,283	222,649	178,599	232,282	176%

Table 2: changes in average income of Beneficiaries

The above table shows that the average income of beneficiaries thorough out all the supply chain promoted to increase the commodities when compared to the baseline data. The income of beneficiaries involved in the vegetable commodities increased the highest by 152.95% over the three years.

Average Production					
Commodities	Baseline	FY 78/79	FY 79/80	FY 80/81	% of change from baseline
Fish	1,135.94	2,123.00	2,129.03	2,737.60	141%
Goat	70	62	124	152	117%
MAPS	24	40	42	54	125%
Milk	2,248.00	4,070.00	3,791.00	3,912.00	74%
Vegetable	3,345.00	8,498.00	5,984.00	8,549.00	156%

Table 3: change in average production of Beneficiaries

The above table shows the changes in the production quantity of beneficiaries. The average production quantity of all the promoted supply chain commodities has significantly increased compared to the baseline data. The average production quantity of fish commodity beneficiaries has increased by 90.3%, which is the highest among all the commodities.

Cost of Production					
Commodities	Baseline	FY 78/79	FY 79/80	FY 80/81	% of change from baseline
Fish	133	133	133	131	-2%
Goat	235	237	391	306	30%
MAPS	280	913	663	527	88%

Milk	27	26	29	24	-11%
Vegetable	10	11	12	10	0%

Table 4: changes in the cost of production of beneficiaries

The above table shows the changes in the cost of production for beneficiaries. After the intervention of the project, it is expected that the cost of production for beneficiaries will decrease, which is the case for 3 commodities (Fish, MAPs, and Milk). However, the cost of production for Goat and Vegetable has increased. The main reason for the increased cost of production under the goat commodity is the practice of breed improvement, which has just been adopted by the producer group. However, the expenses to do so have already occurred, and it is expected that the cost of production will decrease once the improved breeding buck/doe starts production and is ready to be sold. In the case of vegetables, new technology and methodologies, which took time for farmers to get used to, resulted in low production yield during the initial year. Another major reason is the increased cost of input supply due to COVID, shortages of fertilizers, and chemical manure, which also resulted in low productivity, playing a significant role in increasing the cost of production.

3.2 Component 1.2: RMSEs: Development (CCI strengthening) of the Agro Enterprise Centre (AEC) in Implementing RERP

The Agro Enterprise Centre (AEC), the agricultural division of the Federation of Nepalese Chambers of Commerce and Industry (FNCCI), is an implementing partner of the RERP. AEC takes the lead in promoting and supporting private sector-driven economic growth by focusing on agribusiness development. The strategic priority of AEC is to promote agribusiness in the country. The core concerns of AEC are policy advocacy to create an enabling environment for private investment, entrepreneurship development, the agricultural market, and trade facilitation.

According to the Project design document of RERP, AEC is responsible for implementing the RMSE (Rural Micro and Small Enterprises) development sub-component under Component 1. AEC's primary role in the Project is to provide business service support to entrepreneurs, farmers' groups/cooperatives, and the business community, with the aim of ensuring sustainable growth for selected enterprises. Local business communities, such as District Chambers of Commerce and Industry, play a crucial role in achieving sustainable business growth, and all Project areas' PCCIs/CCIs are considered important local partners.

AEC is solely responsible for the capacity development of all CCIs in the Project areas, as it is crucial for their involvement in business facilitation and contract facilitation once the project concludes in 2023. Additionally, AEC is responsible for providing services necessary for the development of 'Enterprise Service Centers and Chambers of Commerce and Industry (CCIs) strengthening,' aiming to create opportunities for local RMSEs and contribute to other components of the project as needed. This will ensure sustainable business services and the achievement of the project's intended goals.

Major Accomplishments in the year 2080/2081

In alignment with the principles of federalism, a provincial counterpart of FNCCI has been established at the provincial level, termed Provincial FNCCI. This entity operates under the overarching FNCCI framework and serves as a federation for the business community at the provincial level. Concurrently, at the district and municipal levels, there exist the Chambers of Commerce and Industries (CCIs), which act as comprehensive platforms representing the private sector. These district and municipal CCIs play a pivotal role in driving the growth of small-scale businesses and industries at the local levels. Their functions encompass the provision of business information, advisory services, consultation, promotional efforts, and a range of supportive services for businesses and industries. The Agro Enterprise Centre (AEC) serves as a facilitating organization dedicated to advancing agribusiness within the private sector. Its primary role involves strengthening the capabilities of CCIs in the designated project regions, focusing on agribusiness and entrepreneurial growth. The RERP has also given a mandate to AEC to provide business service support to entrepreneurs, farmers' groups/cooperatives, and the business community, with the aim of ensuring sustainable growth for selected enterprises. AEC works through the CCIs at different levels to achieve the intended targets of the project. In accordance with this mandate, AEC is actively engaged in delivering its services throughout the project. Within the defined scope of AEC's operations, the following accomplishments have been achieved in the fiscal year 2079/2080.

3.2.1. Capacity Building of CCI at Different Levels

Provincial, district, and municipal Chambers of Commerce and Industries (CCIs) play a dynamic role in providing a range of business services, including information, advisory, consultancy, and promotional support for businesses and industries at the district/municipal level. The Agro Enterprise Centre (AEC), an autonomous division of FNCCI, focuses on fostering the agribusiness sector and collaborates with CCIs to enhance agribusiness and entrepreneurship development among entrepreneurs.

The project framework prioritizes the reinforcement of Provincial FNCCLs/CCIs across various levels and the expansion of business services, recognizing their significant impact on the local business environment. These chambers have a history of advocating for businesses and have a robust network within the business community.

Under Component 1.2 of the project, AEC partnered with PFNCCLs, DCCIs, and CCIs for the capacity enhancement of their CCIs, board members, and general members. In previous years, a comprehensive assessment of the CCIs was conducted, resulting in the formulation of tailored capacity development plans. The project team from AEC actively engaged with 27 CCIs, including two provincial FNCCLs, assisting in institutional development, business advisory, plan development, women's entrepreneurship, web page updates, and evidence-based advocacy.

Throughout the fiscal year 2079/2080, a series of capacity-building activities were undertaken to empower both the CCIs and their officials. This included diverse activities such as the capacity building of business development service providers, entrepreneurship development for women members of CCIs, ICT training for web page maintenance, market price collection, and dissemination of agricultural commodities, as well as an assessment of the business operational environment for women entrepreneurs.

3.2.2. Business Development Service Providers Capacity Building Training

The Agricultural Enterprise Center (AEC) organized a comprehensive three-day training program aimed at enhancing the capacity of business development service providers, comprising representatives from the Chambers of Commerce and Industries (CCI) in both the Sagarmatha-Koshi and Janakpur corridors. Two distinct training events were held in Itahari for the Sagarmatha-Koshi corridor and in Chandrapur for the Janakpur corridor.

The principal objective of this training program was to develop the capacity of CCI officials as well as focal persons of respective CCIs in business development service providing skills so that every CCI would be able to offer business development services within their command areas to the targeted beneficiaries. The ultimate goal was to empower these individuals to provide high-quality business development services to entrepreneurs within their areas. The training aimed to equip participants with the necessary skills to effectively address business development challenges and opportunities.



A total of 34 participants took part in this training program, with 17 attending the Itahari event and an equal number engaging in the Chandrapur event. Only four female participants attended in Itahari, while only one female participant attended in Chandrapur.

The training comprised a comprehensive curriculum, involving the following main areas:

Getting Started: Inaugural proceedings, participant introductions, aligning expectations, establishing a conducive learning environment.

- Business Idea Generation
- Business Development Process
- Role of BDS Providers for SMEs
- Process of BDS
- Business Plan Essentials
- Entrepreneurship Skills
- Local-Level BDS Needs

3.2.3. Entrepreneurship Development Training for CCIs Women Members

- AEC organized two events of a two-day entrepreneurship development training for women entrepreneurs from the respective CCIs in both corridors: one in Itahari for the Sagarmatha-Koshi corridor and another in Lalgaadh, Dhanusha for the Janakpur corridor.

The primary objectives of the entrepreneurship development training were as follows:

- Enhance the skills of women entrepreneurs in identifying appropriate business opportunities.
- Improve the entrepreneurial competencies of women members of the respective CCIs.
- Increase the individual participants' skills in effectively managing and growing their enterprises.

A total of 42 women participants from 13 districts participated in the training program, with 23 participants in Itahari and 19 in Lalgarh, Dhanusha.

The training was delivered using a participatory approach, combining lectures, discussions, simulations, practical exercises, visual aids, and group discussions. The program began by gathering participants' expectations to tailor the course content accordingly. Practical sessions were conducted for the financial aspects of the business plan, while in other sessions, discussions and participatory tools with experience sharing from different cases were utilized. A team of resource persons facilitated the training events in both locations. The resource persons included experts in program development, agribusiness, agriculture, banking, taxation, and entrepreneurship development.

3.2.4. Training on Enhancing the AEC Web Application



The AEC organized a one-day training program on "MIS & WEB APPLICATIONS" for CCI representatives and focal persons from the Sagarmatha-Koshi and Janakpur corridors. The training aimed to deliver essential skills in Management Information Systems (MIS) and the



operation of the CCI web pages developed in support of AEC. The training event took place on Falgun 1, 2079 (13 February 2022) in Itahari, involving participants from both provinces.

The objective of this training was to empower participants with the capabilities to proficiently navigate MIS systems and effectively manage the web pages of their respective CCIs. The training content was strategically designed to facilitate data entry of market price information into the MIS system and to enable continuous updates and operational management of local Chambers of Commerce and Industry (CCIs) web pages. Moreover, the training focused on troubleshooting, ensuring participants were able to address operational challenges that might arise during the handling of the website.

A proficient technical team was mobilized to deliver the training sessions. The training facilitators included Mr. Suroj Paudel from AEC/FNCCI, along with Mr. Prakash Shrestha, an IT Specialist, and Mr. Rajendra Maharjan, an IT Expert. The training began with opening ceremonies and participant introductions, delved into the background of MIS and web applications, shared valuable insights gained from user experiences, and conducted situational analyses to arrive at effective solutions. The agenda also included engaging group work sessions, providing a platform for valuable feedback collection, and formally closing the training event.

Participant feedback confirmed a positive sentiment, underscoring the training's value in cultivating business-oriented skills and knowledge. While the training was successful in its effectiveness, some participants expressed the desire for a more extended duration to delve deeper into skill development on MIS and webpage operations.

In summary, the training proved to be a success, effectively bridging the gap in participants' proficiency in MIS utilization and local webpage management. The training's impact echoed in the enhanced capacity of participants to navigate the difficulties of MIS systems, efficiently manage web pages, and address operational challenges in the local context.

3.2.5. Capacity Re-assessment of Chamber of Commerce and Industries

During this year, the Agro Enterprise Centre (AEC) supported the Chambers of Commerce and Industry (CCIs) in assessing their organizational capacity and subsequently developing action plans. The district and municipal-level CCIs support small-scale businesses and industries, providing support services and advocating for business rights. AEC supports provincial, district, and municipal CCIs in agribusiness and entrepreneurship development. AEC supported 25 district and provincial CCIs from the Koshi and Madhesh provinces in assessing their capacity involving their executives. The assessment identified the strengths and weaknesses of their CCIs in nine different areas and developed an action plan to improve their status in the years ahead.

The objectives of the reassessment were:

- to review the strong and weak aspects of the provincial FNCCI/CCIs based on action plans and identify areas for improvement.
- to involve PCCI/CCIs in a participatory reassessment of the Capacity Development Plan and assess the support provided by the project and AEC.
- to inform the newly formed executive board of these chambers about the development of linkages with new entrepreneurs in their catchment areas.

The RESPIRATION Tool, developed by the High Value Agriculture Project (HVAP) with support from SNV was used, which assessed governance, management, service delivery, and inclusion in the organizational setting. During the assessment, CCIs rated their performance in each area. Nine indicators (RESPIRATION) of the tool evaluated various aspects, which were broken down further. The assessment was conducted in a participatory manner involving the executives of the CCIs. The assessment revealed the strengths and weaknesses of the CCIs, contributing to strategic planning.

A total of 25 CCIs (13 from Koshi Province and 12 from Madhesh Province) were assessed during this fiscal year. The number of participants and total scores obtained by assessment areas are presented in the following table.

A. Participants	Koshi Province	Madhesh Province
Male	175	186
Female	40	28
Total	215	214
B. Assessment Area		

1. Resources Mobilization and Management	16.46	15.42
2. Social Diversity and Inclusion	15.62	13.92
3. Program and Planning.....	14.23	14.00
4. Internal Organization	17.92	16.83
5. Range of Knowledge Management and Quality of Services	15.15	14.58
6. Advocacy	18.23	17.67
7. Team Inspiration and Commitment	16.54	16.83
8. Operation of Entrepreneurship and Business Service Development	15.62	13.50
9. Networking and Relationship with Stakeholders	17.62	16.79

Table 5: Number of participants in capacity assessment and score obtained in nine assessment areas by provinces.

During the assessment process, participants were introduced, and the scope of the assessment was agreed upon. Past scores and action plans developed during the assessment were reviewed, support areas were identified, and chambers' visions were revisited. Results indicated varied scores across different thematic areas, summarized briefly below.

Board Governance: Chambers' effectiveness depended on active executive board involvement. Long-standing chambers had stronger governance compared to newly established chambers. Some challenges included unclear policies and staff-board communication issues. The average assessment scores of CCIs in Koshi and Madhesh provinces under Board Governance theme was as in the table below:

Board Governance – Work Areas	Average Scores in Madhesh Province (%)	Average Scores in Koshi Province (%)
2. Social Diversity and Inclusion	59.64	72.5
3. Program and Annual Planning	60	66.07
4. Internal Organization	72.14	83.21
Avg. Scores in Percentages	63.92	73.92

Table 6: Average Scores of CCIs in 'Board Governance' theme

Secretariat Management: Effective secretariats require proper resources and support from the board. The lack of qualified staff and direction impacted the effectiveness of the CCIs. This area needed capacity development of the CCI board and staff members. Average assessment scores of CCIs in Koshi and Madhesh Provinces under Secretariat Management were found to be as in the table below:

Secretariat Management – Work Areas	Average scores in Madhesh Province (%)	Average scores in Koshi Province (%)
1. Resources Mobilization and Management	66.07	76.43
2. Range of Knowledge Management and Quality of Services	62.5	70.36
3. Team Inspiration and Commitment	72.14	76.79
Average Scores in Percentages	66.9	74.53

Table 7 : Average Scores of CCI in 'Secretariat Management' theme

Promoting Business Activities: Chambers mainly focused their activities on advocacy but lacked substantial support to its members on business development services. Efforts to expand memberships, form commodity associations, and strengthen entrepreneurial ecosystems were emphasized for coming days. Average Assessment Scores of CCIs in Koshi and Madhesh Provinces under promoting business activities were found to be as in the table below:

Work areas: Business-related services	Average Scores in Madhesh Province (%)	Average Scores in Koshi Province (%)
1. Advocacy	75.71	84.64
2. Operation of Entrepreneurship and Business Service Development	57.86	72.5
Avg. Score in Percentages	66.79	78.57

Table 8: Average Scores of CCIs in 'Business related Services' theme

Networking and Linkages: Networking strength of the CCIs was varied. Chambers with strong networking with local governments and partners achieved effective changes.

Work areas – Network and Linkages	Average Scores in Madhesh Province (%)	Average Scores in Koshi Province (%)
Networking and relationship with stakeholders	71	81
Avg. scores in Percentages	71	81

Table 9: Average Scores of CCIs in 'Networking and Linkages' theme

Some important assessment findings were:

The following major areas are identified for improvement of the functioning of the CCIs.

- Entrepreneurship and Business development services
- Range of knowledge management and quality
- Social diversity and inclusion
- Program planning

The way forward recommended by the assessment team as per the discussions with CCI members during the capacity assessment for enhancement of the CCIs' capacity are:

- Dynamic Software for account management, membership record, and business service record.
- Website construction of all CCI.
- Business plan training for CCIs staff project staff and some people from the private sector.
- Facilitate preparation of periodic plan, CCI profile, and personnel and financial policy.
- Chamber Management and secretariat management training for all CCIs.
- Action points for capacity enhancement of the organization, its board members, general members, and staff were identified and agreed upon for its implementation.

Overall, the assessment highlighted the areas for improvement and growth of the CCIs. The results reflect diverse strengths and weaknesses among CCIs.

3.2.6. Awareness of taxation provisions for CCI member entrepreneurs

As requested by the respective CCIs, AEC supported ten events to enhance the capacity of CCI member entrepreneurs in raising awareness of taxation provisions by different levels of government. This year, nine CCIs organized tax awareness events that informed their member entrepreneurs, managed local resource persons from the local tax office, and delivered a one-day orientation program. A total of 561 entrepreneurs, including 155 women entrepreneurs, were oriented on taxation provisions. The details of the participants of the program are given in the table 13.

S. N	Name of CCI	No. of Awareness Events	No. of participants	Remarks
1	Okhaldhunga CCI	1	25	Female – 4
2	Bhojpur CCI	1	123	Female – 35
3	Dhankuta CCI	2	72	Female – 19

S. N	Name of CCI	No. of Awareness Events	No. of participants	Remarks
4	Inaruwa CCI	1	40	Female – 4
5	Udayapur CCI	1	36	Female – 6
6	Triyuga CCI	1	62	Female – 15
7	Sundardulari CCI	1	28	Female – 15
8	Saptari CCI	1	25	Female – 7
9	Janakpur CCI	1	150	Female – 50
	Total	10	561	Female – 155

Table 10: Number of participants of the tax awareness program organized by CCIs

3.2.7: Enhancement of Supply Chain

Implementation of Business-to-Business Program

The Chamber of Commerce and Industry (CCI) is an umbrella organization of the private sector established at the provincial/district/local level to lead in promoting small-scale businesses and industries. These chambers provide information, advisory, consultative, promotional, and service support to entrepreneurs, in addition to advocating for the rights of the business community. In this regard, it is important to promote the business of entrepreneurs by developing linkages and upgrading knowledge. To support these CCI objectives, AEC facilitated the organization of events on "Business to Business (B2B) through CCI members involving value chain stakeholders."

The objective of organizing B2B events is as follows.

- To share the knowledge and business activities of each other.
- To build backward and forward linkages among the potential buyers and sellers.
- To explore the marketing opportunities of the value chain commodities.
- To develop the capacity of the participants to promote their enterprise.
- Support the supply chain management of the participating stakeholders.

During this fiscal year, nineteen out of the monitored 23 CCIs organized 47 Business-to-Business (B2B) events in value chain commodities supported by the SAMRIDDHI program (goat, fresh vegetables, fish, and dairy), involving 1308 stakeholders, primarily producers and traders. The summary data of these events is illustrated in the table below.

Commodities	No. of CCIs Organizing B2B	Events of B2B	Number of Participants
Goat	7	8	242
Fresh Vegetables	16	18	497
Fisheries	8	8	200
Dairy	13	13	369
Total	19	47	1308

Table 11: Summary data on B2B program organized by CCI

Business-to-business (B2B) interaction is an integral part of supply chain development. It is one of the major events carried out by component 1.1 (supply chain development) of the project. The B2B events allow buyers (traders of supply chain commodities) and farmers' groups (producers of supply chain commodities) to meet in one place and negotiate their terms of trade. Various aspects of the trade, such as the selling price of the commodity, production calendar, and the timing of sales, are negotiated through interactions with stakeholders during the B2B meeting.

Program Focal Persons and Supply Chain Officers were rigorously involved in this B2B process. They were responsible for contacting farmers' groups and traders and informing them about the time and venue of the event. Additionally, they were in charge of recording the minutes of the event and preparing event reports. Technical and financial support for organizing the B2B was provided by the AEC. The event reports of the B2B program organized by the CCIs are documented in the AEC.

3.2.8 Assessment/Studies

Assessment of Women Entrepreneurs' Business Environment and CCI Support

This assessment was finalized in January 2023. The assignment focused on assessing the business environment for women entrepreneurs in project areas, with the Agro Enterprise Centre (AEC) aiming to develop the capacities of 27 Chambers of Commerce and Industries (CCIs) at provincial, district, and municipal levels. The CCIs offer essential services, including information, advisory, and promotional support to businesses and industries. The study aimed to understand women entrepreneurs' perceptions of the prevalent business environment and challenges, facilitating improved support for them.

The study evaluated the status of women entrepreneurs at the local level and understood their perceptions of major constraints and opportunities. The scope involved reviewing existing information, assessing constraints and opportunities, and gathering women entrepreneurs' perceptions through a rapid survey. A comprehensive approach with a mix of quantitative and qualitative methods was used, including desk studies, data/information collection using a standard questionnaire, and data analysis.

The study involved interviews with a total of 39 women entrepreneurs. Among these, 41.03% were CCI members, while the rest were non-members. The women entrepreneurs who participated in the interviews were from Udayapur, Khotang, Dhankuta, Bhojpur, Mahottari, Morang, Rautahat, Sarlahi, Siraha, and Sunsari districts.

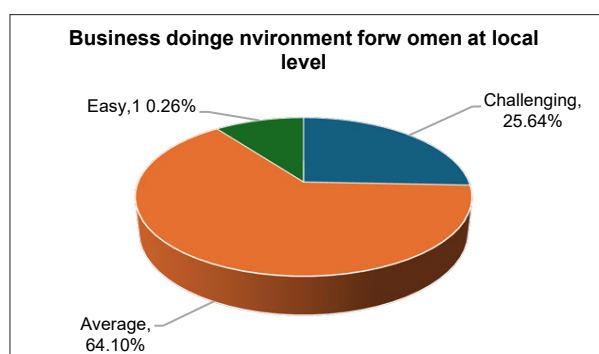


Figure 4 : Business environment for women at local level

The majority of the interviewed women entrepreneurs (64.1%) perceived the business environment as average, 25.64% perceived it as challenging, and 10.26% felt it was easy. They also highlighted various opportunities and challenges for their businesses.

Approximately 56% of women entrepreneurs received advisory services from CCIs, primarily on business registration, taxation, financial services, business plans, marketing of their products, and more. Women entrepreneurs faced challenges in areas such as investment management, business registration, skill and knowledge gaps, marketing, and family support. Opportunities for promoting businesses included the availability of government subsidies, targeted programs, local entrepreneurial support, and accessible business registration.

The entrepreneurial environment for women in Nepal presents challenges due to political, societal, legal, and economic factors. Despite efforts, gender disparity remains. However, a growing number of women are engaging in entrepreneurship, indicating progress.

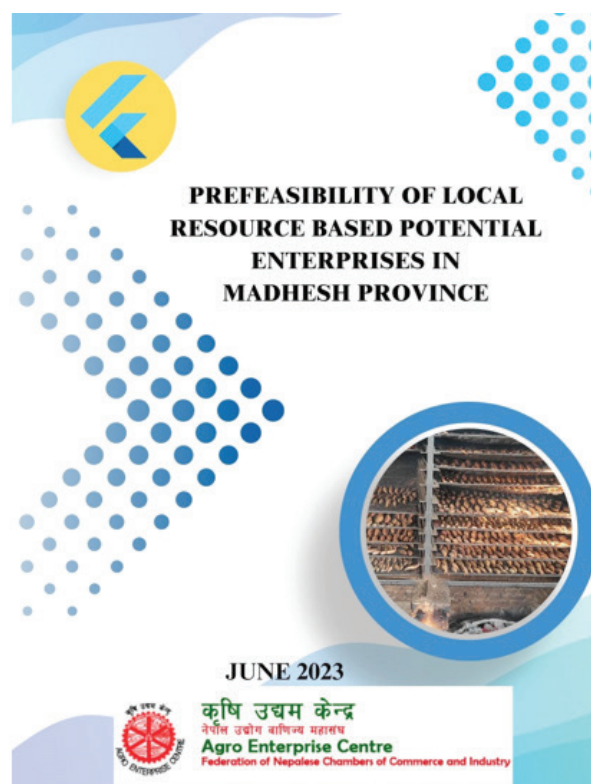
To improve the situation of women entrepreneurs, several steps listed below are suggested by the assessment:

- Continued skill enhancement programs to manage local women entrepreneurs.
- Regular interactions and discussions among potential women entrepreneurs are needed to understand their needs.
- Creating awareness of business analysis and development techniques.
- Promoting the importance of non-financial services provided by CCIs.
- Streamlining tax payment procedures.
- Timely dissemination of information about government subsidies and schemes.
- Offering guidance on production, marketing, business planning, and scheme identification.

In conclusion, the study reveals the challenges and opportunities faced by women entrepreneurs in Nepal's business environment. Addressing these issues through strategic support and capacity-building initiatives can help create a more conducive entrepreneurial landscape for women.

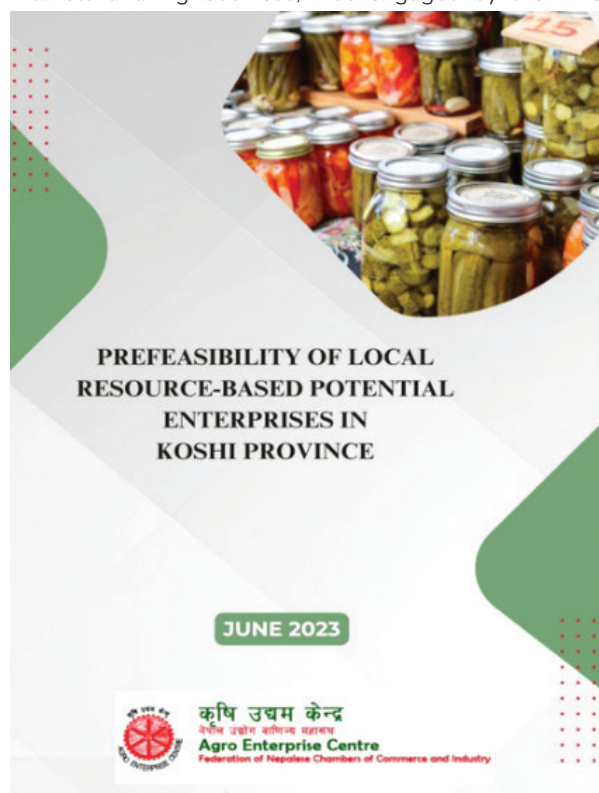
Assessment of Local Resource-Based Enterprises in the Koshi and Madhesh Provinces

The Agro Enterprise Centre (AEC) has successfully conducted pre-feasibility assessments on "Local Resource-based Potential Enterprises" in the Koshi and Madhesh provinces. This assessment aimed to present



preliminary findings on the feasibility of establishing enterprises within these two provinces that utilize locally available resources from the agriculture, livestock, fisheries, forestry, and agro-tourism sectors to produce marketable products. The goal of this assessment is to foster economic development, reduce import dependency, promote local production, increase incomes, and alleviate poverty by encouraging sustainable businesses that utilize local resources.

A group of experts, including specialists in Agriculture Markets and Agribusiness, was engaged by the AEC



to carry out the assessment. This team undertook a comprehensive approach involving the examination of secondary information and on-site engagements with key stakeholders at the provincial, district, and local levels to gather relevant information. Following a careful analysis of the gathered information, the assessment team generated two distinct assessment reports, one for the Koshi Province and another for the Madhesh Province. These reports present recommendations for potential enterprises grounded in locally available resources. Given the uniformity in geographic, climatic, and socio-cultural aspects across the districts of the Madhesh Province, the reports propose both general enterprises for the entire province and enterprises specific to individual districts.

Despite these potentialities, the reports have highlighted some pertinent challenges, such as inadequate market linkages, high production costs of agricultural products

compared to imported products, lack of investment, and limited value addition, which have hindered the growth of local enterprises. The report provides a comprehensive overview of potential local resource-based industries in the provinces' districts, highlighting opportunities for economic transformation, poverty reduction, and improved value chains through micro, small, and medium-sized enterprises (MSMEs) with accessible markets. After preparing the draft reports of the pre-feasibility assessment, consultation meetings at the provincial level in both provinces were organized to present the findings of the assessment to the provincial stakeholders, including representatives from government authorities such as the Ministry of Land Management, Agriculture, and Cooperatives, Provincial Agriculture Development Directorate, Directorate of Fisheries and Livestock Development, representatives implementing enterprises, representatives of the CCIs, and other experts involved in enterprise development. The feedback received from the consultation meetings was incorporated before finalizing the assessment reports.

The recommended enterprises in the Koshi and Madhesh Provinces are listed below:

A. Koshi Province

S.N.	Districts	Possible Enterprises
1.	Morang	Agro-tourism, paper factory, meat product diversification, ginger processing,
2.	Sunsari	Turmeric factory, broom factory, silage plant, custom hiring of agricultural equipment
3.	Jhapa	Silage production, vermi/compost production, agro-processing, meat processing and handling, agro-machinery fabrication, storage facility for cereal products.
4.	Udayapur	Cinnamon processing, spices production, goat breeding center, bamboo furniture and crafts,
5.	Dhankuta	Paper industry, bamboo furniture and craft, animal breeding center, fruit processing and product diversification
6.	Terhathum	Potato processing, Nepali hand-made paper, collection and marketing of indigenous crop products
7.	Bhojpur	Goat breeding center, veneer Udyog, allofiber and cloth production,

8.	Okhaldhunga	Buffalo dried meat production, marketing of indigenous agricultural products, bamboo furniture and crafts, processing of medicinal and aromatic plants, agro-tourism.
9.	Khotang	Goat breeding center, fruit processing, allo processing,
10.	Panchthar	Paper Production using Argheli and cardamom bark, Kiwi processing, goat breeding center, ginger processing, meat processing
11.	Ilam	Kiwi processing and product diversification, Nepali handmade paper, paper industry (using bamboo leaves, cardamom bark, and broom grass stem and leaves), coffee processing, milk product diversification.
12.	Sankhuwasabha	Sakhkhar processing, Nepali handmade paper, meat processing, veneer industry
13.	Taplejung	Nepali handmade paper, herbs processing, craft enterprise,
14.	Solukhumbu	Agro-tourism (trout fish based), handmade Nepali paper, allo processing, extraction of essential oil, marketing of indigenous food items

B. Madhesh Province:

In the Madhesh province, some common enterprises and district-specific enterprises are proposed in the report.

Common enterprises

- Fish processing and product diversification
- Milk supply chain management and milk product diversification
- Cereal and vegetable seed processing, packaging, and marketing
- Bio/compost fertilizer production
- Production and maintenance of agriculture equipment
- Paper industry

District Specific Enterprises in the Madhesh Province

SN	Districts	Possible Enterprises
1.	Saptari	Bamboo-based crafts and furniture, artisan enterprises, mango product diversification, goat resource center, agro-tourism
2.	Siraha	Goat resource center, silage production, pulses collection, processing, and marketing, mango product diversification, cold store, and mango ripening chamber

3.	Dhanusha	Vermi-compost plant, rice and wheat seed processing, agro-tourism
4.	Mahottari	Layers poultry production, cereal seed processing, value addition to Nepali makhana
5.	Sarlahi	Animal feed industry, poultry farming for egg production, cold store for potatoes and mangoes, turmeric processing, tomato processing, honey production, and processing
6.	Rautahat	Silage production, forage, and fodder resource center, Duna-Tapari Udyog, Agro-tourism/Aqua tourism
7.	Bara	Silage production, forage and fodder resource center, rice mill for the production of fine rice, agro/aqua tourism
8.	Parsa	Vermi-compost, rice and wheat seed processing, agro/aqua tourism

3.3. Sub-component 1.3: Decent jobs:

Outcome-1: At least 24,900 individuals from households classified as poor or nearly poor are in gainful jobs or skills-based self-employment for at least 6 months after completing the training or apprenticeship.

In the reported fiscal year, 12,872 youths were trained under Vocational Skill Training (VST) - III round, covering 38 different occupations from 11 sectors. 684 training events have commenced out of the total targeted 696. The three-month employment and income verification of VST showed that 92% of the verified graduates were earning NPR 11,901 per month, whereas the six-month income verification showed that 82% of the graduates were earning NPR 12,692 per month. Under Leading to Apprenticeship among 1081 individuals (797 in LAM I and 284 in LAM II), 73% and 86% respectively were gainfully employed during the first round. The graduates of LAM 1 (Round I) were found to be earning an average income of NPR 14,338 from the 3-month verification and NPR 15,623 from the 6-month verification. As for the second round of apprenticeship, 1239 individuals under model 1 and 297 under model 2 have been trained.

As agreed in the Supervision Mission of IFAD that took place in June 2022, training under VST III round targeted 13,380 trainees (including 10,850 for regular VST, 1090 for Agriculture TVET, and 1,440 for the local government) was completed to support them in institutionalizing the outcome-based payment modality for VST. A total of 806 supply chain members were trained on agricultural vocational skills, 1,445 under Palika partnership with 12 local governments with cost-sharing partnership, and the rest 10,621 were trained under general VST. The supply chain category aimed to promote agriculture-based vocational skills, whereas the partnership with

local government institutionalizes the result-based financing on VST, transferring the modality including Rapid Market Appraisal, Monitoring to Income, and Employment Verification system. An MoU with the National Skill Testing Board has been signed for a total of 11,411 graduates (1911 for LAM I and 9,500 for VST III).

Outcome - 2: 5,700 (95% of 6,000 apprentices), of which 50% are women, are in gainful employment for at least 6 months after training.

Output Indicator	Phase Target	Phase Achievements
Outputs related to Outcome 1		
1.1 # of persons trained in different types of vocational courses (390 hours, level 1) (50% of the trainees are women, 60% are from migrant HH)	30000 persons trained in different types of vocational courses	Altogether, 29307 youths were trained in 36 types of vocational courses of 390 hours, level 1. Among all trained 56% were women and 92% were individuals from disadvantaged communities.
1.2: # of persons who participated in skill test to be conducted by NSTB, # successfully passed the test	90% percents of participate in a skill test to be conducted by NSTB, and	26969 graduates have appeared for skill test conducted by NSTB during phase period with overall pass rate was 63%.
Outputs related to outcome 2		
2.1 # of persons trained in different types of Apprenticeship courses (one-year duration) (50% of the trainees are women, 60% are from migrant HH)	3000 of persons trained in different types of Apprenticeship courses (one-year duration) (50% of the trainees are women, 60% are from migrant HH)	2,437 apprenticeships (LAM 1 & LAM 2) in collaboration with private-led Training and Employment Service Providers (T&Es) and the Federation of Chamber and Commerce of Koshi Province with an average income NRs. 15605.00. 56% are women. The percentage of remittance-receiving households stood at 23%, with 8% being returnees.
2.2 # of persons (from apprenticeship model) participated in skill test to be conducted by NSTB, # successfully passed the test	1,800 persons will participate in the skill test to be conducted by NSTB and 90% of them would successfully pass the test.	1288 skills graduates appeared in skill test conducted by NSTB under apprenticeship training of LAM 1 and LAM 2 with pass rate of 69%.
Analysis of Trends and Deviations of the most significant Indicators		
In response to the devastating earthquake, economic blockade, and COVID-19 pandemic, 29,307 youths were trained in 36 different occupations to Level 1 standards set by CTEVT during the project phase. Overall progress under decent job component is 98 percent. This included 26,870 vocational skills trainings and 2,437 apprenticeships (LAM 1 & LAM 2) in collaboration with private-led Training and Employment Service Providers (T&Es) and the Federation of Chamber and Commerce of Koshi Province.		

Achievements under sub-component

Output 1.1: 30000 youths are trained in different types of vocational courses

29,307 youths were trained in 36 different occupations to Level 1 standards set by CTEVT during the project phase. Overall progress under decent job component is 98 percent. This included 26,870 vocational skills trainings and 2,437 apprenticeships (LAM 1 & LAM 2) in collaboration with private-led Training and Employment Service Providers (T&Es) and the Federation of Chamber and Commerce of Koshi Province.

Output 1.2: 90% youths participate in a skill test to be conducted by NSTB

26969 graduates have appeared for skill test conducted by NSTB during phase period with overall pass rate of 69%.

Output 2.1: 3000 persons are trained under the apprenticeship training under two different models (I and II).

2,437 apprenticeships (LAM 1 & LAM 2) in collaboration with private-led Training and Employment Service Providers (T&Es) and the Federation of Chamber and Commerce of Koshi Province with an average income NRs. 15605.00. 56% are women.

Output 2.2: 90% participate in a skill test to be conducted by NSTB,

1288 skills graduates appeared in skill test conducted by NSTB under apprenticeship training of LAM 1 and LAM 2 with pass rate of 69%.

Learnings: Outcome-based payments to service providers can lead to significant performance gains, as evidenced by the RERP vocational training programs. These programs were supported by rigorous monitoring and verification processes for fund release at each milestone. The results-based financing model was well-received by provincial and local governments, presenting an opportunity for wider replication within the federal context. The Leading to Apprenticeship Model (LAM 2) proved highly effective in meeting industry-based labor demand and facilitating job placements

within industries. It has become clear that policy-level interventions, curriculum updates, the design of industry-based training models, and improvements to basic training infrastructure within industrial areas are necessary to adapt to changing contexts under decent job component. Skills with business support services such as business awareness, financial literacy, business plan, market linkage should be envisioned in future for self-employment promotion and business eco-system development at local level.

3.4. Sub-Component 1.4: Inclusion and Mobilization (GALS)

Economic Mobilization and Social Mentoring

Under this sub-component, mainly two dimensions are being implemented. The first is economic mobilization, and the second is social mentoring. The activities under sub-components 1.1, 1.2, 1.3, 2.1, 2.2 are measured to determine whether they are on the right track as per the objectives and policies of RERP.

(GALS)

Likewise, under the social mentoring part, various activities related to the Gender Action Learning System (GALS) to promote economic mobilization for vulnerable women-led households in groups have also been initiated in this fiscal year, demonstrating the initiation of activities centered around the Gender Action Learning System (GALS) to drive economic empowerment among vulnerable women's groups. These initiatives have left a notable imprint through a series of comprehensive activities.

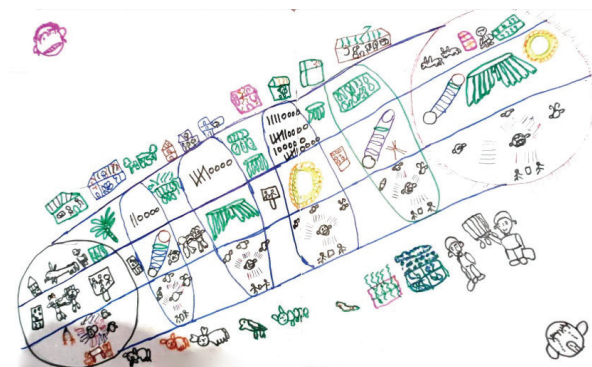


Figure 5: Road Vision Map

The process commenced with a Vulnerability Position Identification Survey. This process of identifying vulnerability positions is an essential tool for recognizing disparities related to economics, gender, and socio-culture within women-led households, with a special focus on pro-poor and marginalized groups in the

community. So, we are conducting 200 surveys within newly formed goat supply chain groups, and one group is for Mithila Painting, yielding 350 invaluable insights into the vulnerabilities faced by these communities, particularly in the context of goat farming. Subsequently, we embarked on the Selection of Potential GALS HHs, carefully handpicking 325 households from newly established groups. Importantly, this selection was made possible through collaborative cost-sharing agreements with 5 local municipalities (palikas).

To ensure the sustainability of GALS initiatives, GALS mentors were appointed, assembling a dedicated team of 69 mentors to provide continuous mentoring support and guidance to the GALS HHs, although a minor reduction in their numbers occurred mid-year. Mainly, they are responsible for intense HHs mentoring on the GALS methodology. They mentor and assist individuals and household groups in comprehending and confronting economic and gender-based inequalities and discrimination while pursuing their dreams. Additionally, they empower individual women to cultivate their leadership skills from within themselves.

Two GALS Catalyst Workshops played a pivotal role in equipping 56 new GALS champions with the essential knowledge and tools required for effective GALS implementation at the field level. The main objective of organizing a GALS catalyst workshop for GALS Champions is to empower and equip individuals who have already shown commitment to taking leadership in promoting GALS in their family and groups. The workshops serve to further advance their knowledge, skills, and abilities to become effective agents of change in their households, groups, and communities. This workshop was mainly focused on enhancing the skills, knowledge, and understanding of GALS Champions regarding GALS methodologies and tools. This includes deepening their grasp of GALS tools and techniques.

Additionally, we conducted one GALS Induction workshop for field staff, extending the commitment beyond field operations to staff capacity building, with comprehensive GALS induction for all field staff under the Janakpur corridor office. This induction workshop aims to introduce them to the fundamental principles, concepts, and methodologies of GALS. This workshop serves as an orientation and foundational training for all field staff who are working either with GALS or not. This investment in skill development bolstered our team's ability to execute GALS-related activities effectively.

Recognizing the significance of gender equality and social inclusion, we convened two GESI and GALS Review and Planning Workshops that brought together GALS staff and mentors. These sessions served as invaluable platforms

for collecting grassroots insights and strategically planning GALS activities.

The community engagement was further amplified through the organization of 14 Cluster-Level Happy Family Review events, fostering a sense of community and collective well-being among GALS households from diverse clusters. In these workshops, individuals and families assess their progress and the impact of the initiatives undertaken by families and individuals to improve their well-being, happiness, and gender equality by chasing their dreams.

Learning Route: One learning route was implemented exclusively for the senators and government officials of Madhesh Province. The implementation took place from 4th to 5th June 2023 and involved organizing visits to three women farmers' groups in Mahottari, as well as one group in Lalbandi districts, where GALS (Gender Action Learning System) practices were being implemented. The primary focus areas for learning during these visits revolved around two value chains: vegetable and dairy production. The senators representing the "Agriculture and Land Management Parliamentary Committee" and "Women and Children Welfare Committee" of "Madhesh Province," officers, and journalists took part in the learning route. The main objective of this learning route was to demonstrate GALS' impact on rural women's social and economic empowerment at multiple levels and organize discussions for policy influencing. Advocacy and policy outreach took center stage with the organization of this Learning Route. This event served as a platform to showcase the tangible impact and initiatives of our project to policymakers. International Delegation Explores GALS Implementation at RERP Project Areas. The delegation consisted of representatives from various international organizations and countries, including IFAD, Laos, Indonesia, Tanzania and Nepal. They were accompanied by language interpreter and staff from SAPPROS, Nepal. The visit highlighted the positive impact of GALS and RERP's comprehensive approach to rural development, earning commendation from both local stakeholders and international observers.

Training of Trainers: The drive for knowledge dissemination continued with a GALS Training of Trainers session, empowering 25 GALS champions to become trainers themselves, thus enabling the proliferation of GALS principles within their communities. Collaborating with Kolbhi Municipality, Nepal Entrepreneurial Women Federation (NEWF), and the Rural Enterprise and Remittance Project (RERP), we provided advanced skill training to 25 participants from marginalized women's groups, offering a pathway to significant empowerment.

In the spirit of tangible support, we extended the Dream

Support Fund to 502 GALS households from various supply chain producer groups, potentially catalyzing improvements in their livelihoods and overall well-being. The dedication to GALS initiatives was evident in the extensive GALS Follow-Up activities, engaging a remarkable 1378 HHs from farmers groups across seven districts within the Madhesh Province. They actively practiced various GALS tools, including the Road Vision Journey, Gender Balance Tree, Leadership Empowerment Map, and Multilane Highway.

Lastly, in the spirit of documentation and dissemination, we developed eight success stories highlighting the transformational journeys of GALS households. Additionally, we produced and broadcasted a GALS video documentary on NTV, effectively sharing the profound impact and benefits of our GALS initiatives with a broader audience.

Output Achieved:

1. Completed all five tools in the first and second lot groups including the group-level Happy Family Review.
2. 14 cluster-level Happy Family Reviews were conducted in GALS-implemented municipalities, and 55 group-level Happy Family Reviews were completed.
3. One Learning Route was Facilitated for the Members of Parliament (7 members of the Agriculture and Land Management Committee) of Madhesh Province.
4. Provided technical assistance to the Municipality for conducting GALS activities such as Catalyst workshops and skill trainings.
5. As part of the agreement, Gujra Municipality appointed 3 GALS mentors at their own cost.
6. 12 Groups (4 Fish, 4 MAPs & 2 Veg, 2 milk by SCs) have started GALS methodologies in FEEK 2 Session.
7. The Project trained 15-GALS mentors selected by partner Municipalities.
8. Facilitation support was provided to Koblhi Municipality for Documentation and Management of the advanced skill training for corn husk products.

3.5. Poverty Inclusion Fund

The Poverty Inclusion and Dream-Support Fund (PIDSF) is a grant mechanism within a larger project, specifically falling under Project Subcomponent 1.4 Economic Inclusion and Targeting. Its primary objective is to provide financial support to economically poor and highly vulnerable individuals, particularly those from marginalized backgrounds such as Dalits and Indigenous Peoples. The fund seeks to empower these individuals and households to pursue their dreams by participating in economic activities promoted by the project.

The Poverty Inclusion and Dream support fund aims to provide supplementary grant support that can be used as their contribution for investment in Samriddhi Fund Window 1 for chasing their dreams as well as promote economic inclusion to poor and marginalized households within the GALS households and supply chain Groups, who have motivation to participate in 2 supply chains promoted by the project. In exceptional case as decided by the project, the Individual HHs can undertake any potential enterprises suitable at local level. The specific objectives are to: → To capacitate the high-risk (economically & socially) families via financial support for being part of the Supply chain group to undertake economic activities for chasing their Dreams. → To strengthen social and economic security issues including food sufficiency of poor & vulnerable households.

PIF Achievement

288 poorer households under 24 different POs received a supplementary grant in 1st phase covering 70% of their contribution for Window-1 activities and in 2nd phase the left behind households within the cluster get 100% grant in groups. This indicates that these households received financial support from PIF to invest in achieving their dreams and participating in supply chain activities. The total amount is NRs. 1,02,60,974/- supported for HHs under the KS corridor.

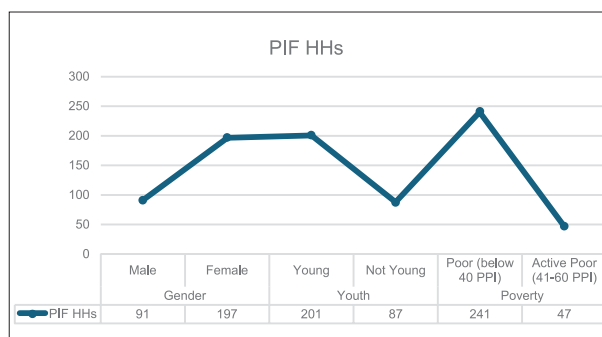


Figure 6: Poverty Inclusion Fund HHs

In the data presented in the figure above, it is evident that a significant portion of economically vulnerable beneficiaries comprises young females. Additionally, the figure below illustrates the ethnically categorized PIF beneficiaries specifically within the KS corridor, offering valuable insights into their distribution.

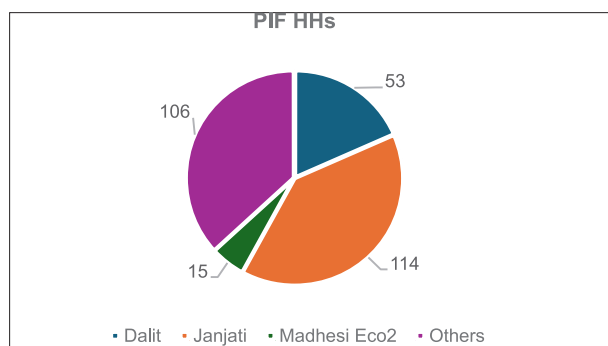


Figure 7: Ethnicity Status in PIE CHART

Overall, the PIDSF appears to be an initiative aimed at reducing poverty, promoting economic inclusion, and empowering marginalized households to improve their economic and social well-being by supporting their dreams and participation in economic activities.

3.6. Dream Support Fund

The Dream Support Fund takes immense pride in its achievements through the Gender Action Learning System (GALS). Two hundred seventeen poorer households under different twenty-three POs received a dream support fund of NRs. 1,40,23,500/- This innovative approach has been instrumental in empowering individuals of all genders to realize their dreams and aspirations.

Through GALS, we have witnessed remarkable progress in breaking down gender barriers and promoting gender equality. It has not only provided a platform for women and marginalized communities to voice their aspirations but has also enabled them to take tangible steps towards achieving their dreams. By fostering dialogue, education, and mentorship, GALS has not only changed individual lives but has also had a ripple effect on communities and societies, promoting inclusivity and social justice. We are committed to continuing our work through GALS to ensure that gender equality remains at the forefront of our mission, creating a world where dreams know no gender boundaries.

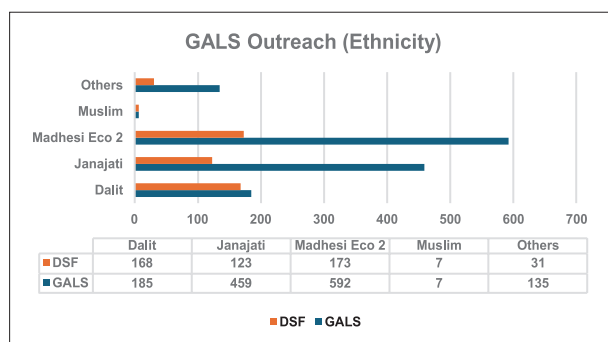


Figure 8: Ethnicity Status Of Dream Support Fund

In total, 502 members span across all ethnicities, providing an overview of the ethnic composition within the given context. The ethnic categories featured include Dalit, Janjati, Madhesi Eco2, and Others. Dalit constitutes the smallest portion, with 44 members, comprising roughly 20.28% of the total. Janjati, the largest group, accounts for 81 members, or about 37.33% of the whole. The Madhesi Eco2 group comprises 67 members, making up approximately 30.88% of the total distribution. The "Others" category, which likely encompasses individuals from smaller, unspecified ethnic groups, includes 25 members, representing approximately 11.52% of the total.

3.7. Gender Equality and Social Inclusion (GESI)

Gender Equality and Social Inclusion (GESI) is a critical aspect of development initiatives. Given its multifaceted nature, GESI is integral to RERP, which addresses a range of dimensions. Therefore, it is essential to provide an insightful overview from a GESI perspective within the framework of the RERP. As outlined in the RERP design report, the project identifies four key target groups: poverty, gender-specific initiatives, youth engagement, and migrant populations. Within this section of the report, the GESI viewpoints across all sub-components of the project are comprehensively elucidated and presented.

Gender Distribution

In the "Supply Chain" sub-component, the majority, comprising 67%, are women, while men make up 33% of the distribution. Likewise, in the "Decent Jobs" sub-component, there is a relatively even gender distribution, with 44% being men and 56% being women. The "FEEK 1" sub-component displays a significant gender disparity, with 86% of the distribution being women and only 14% being men. In the "Migration" sub-component, men are prominently represented, making up 83% of the distribution, while women account for 17%. On average, men constitute approximately 49%, and women make up about 51%, indicating that gender distribution is nearly equal between men and women across all components.

Component	Description	Men	Women	Total
1.1	Supply Chain	33	67	100
1.3	Decent Jobs	44	56	100
2.1	FEEK 1	14	86	100
2.2	Migration	83	17	100
	Average Percentage	49.00	51.00	100.00

Table 12: Gender Distribution Status

Figure 9: GESI Gender Distribution Status

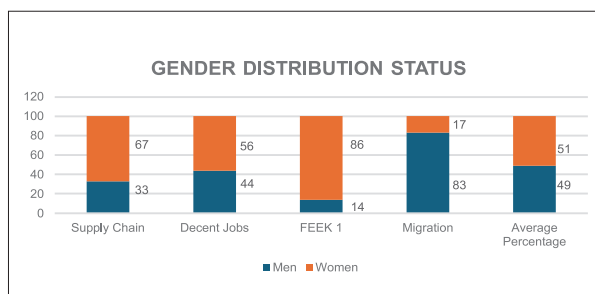
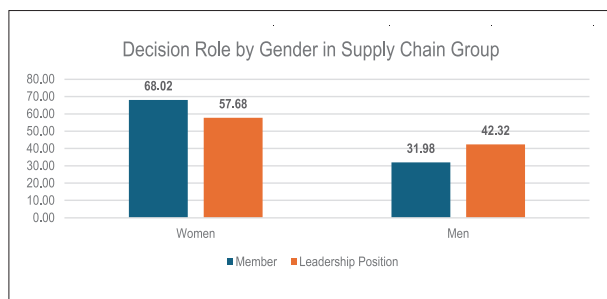


Figure 10 : decision role in supply chain group



Decision Role by Gender in Supply Chain Group

The provided data offers insights into the gender distribution within leadership positions in the Supply Chain Group. Among the members of the Supply Chain Group, 68.02% are women, while men make up 31.98% of the membership. This indicates a significant presence of women in the overall membership of the group. In leadership positions within the Supply Chain Group, women hold 57.68% of these roles, whereas men occupy 42.32% of leadership positions. This data highlights the gender distribution within the leadership hierarchy of the group. On average, women account for 66.71%, while men represent 33.29% of the total, across both member and leadership positions.

Description	Women	Men	Grand Total
Member	68.02	31.98	100.00
Leadership Position	57.68	42.32	100.00
Percentage	66.71	33.29	100.00

Table 13 : decision role in supply chain group

Ethnicity Distribution

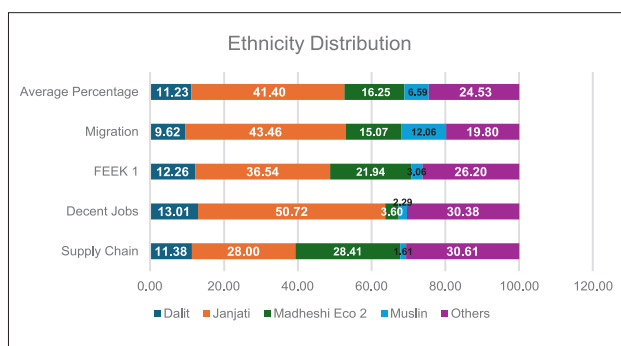


Figure 11: Gesi Beneficiary Ethnicity-Wise Distribution

The provided data presents the distribution of beneficiaries of the RERP across different ethnicities, along with the progress achieved in the fiscal year 2022/023. In the "Supply Chain," the highest proportion of beneficiaries belongs to the "Others" category (30.61%), followed by Janjati (28.00%) and Madheshi Eco 2 (28.41%). Likewise, in the "Decent Jobs" category, Janjati (50.72%) constitutes the largest group, followed by "Others" (30.38%) and Dalit (13.01%). Similarly, in the "FEEK 1" category, Janjati (36.54%) remains the most substantial group, followed by "Others" (26.20%) and Madheshi Eco 2 (21.94%). In the remaining sub-component "Migration," Janjati (43.46%) is the largest group, followed by "Others" (19.80%) and

Muslim (12.06%). On average, an aggregated view of the ethnic distribution of beneficiaries across all categories shows that Janjati (41.40%) represents the largest group, followed by "Others" (24.53%), Madheshi Eco 2 (16.25%), Dalit (11.23%), and Muslim (6.59%). It is evident that there is considerable ethnic diversity among beneficiaries, with Janjati consistently being a prominent group in multiple categories. "Others" also feature prominently in most categories.

Component	Description	Dalit	Janjati	Madheshi Eco 2	Muslim	Others	Total
1.1	Supply Chain	11.38	28.00	28.41	1.61	30.61	100.00
1.3	Decent Jobs	13.01	50.72	3.60	2.29	30.38	100.00
2.1	FEEK 1	12.26	36.54	21.94	3.06	26.20	100.00
2.2	Migration	9.62	43.46	15.07	12.06	19.80	100.00
Average Percentage		11.23	41.40	16.25	6.59	24.53	100.00

Table 14: Ethnicity Status

Youth Involvement

The involvement of youth, defined as individuals aged 18-40 years, in various sub-component activities during the fiscal year 2022/023, is notable. In the "Supply Chain" sub-component, youth participation stands at 67.63%, indicating that a significant portion of individuals involved in supply chain activities falls within the 18-40 age group, whereas non-youth participation accounts for 32.37% of the total. In the "Decent Jobs" sub-component, youth involvement is highly dominant at 92.48%, suggesting a strong focus on creating employment opportunities for the 18-40 age group, whereas non-youth participation is notably lower at 7.52%. Within "FEEK 1," youth participation is at 61.33%, indicating a substantial presence of young individuals engaged in the activities of this sub-component, whereas non-youth participation accounts for 38.67% of the total. In the "Migration" sub-component, youth involvement stands at 82.29%, signifying a significant representation of individuals aged 18-40 in providing counseling and information for safe and fruitful foreign employment. The non-youth participation comprises 17.71% of the total. On average, youth constitute a substantial portion, accounting for 75.91% of the total involvement, while non-youth participation averages at 24.09%.

Component	Description	Youth	Non-Youth	Total
1.1	Supply Chain	67.63	32.37	100.00
1.3	Decent Jobs	92.48	7.52	100.00
2.1	FEEK 1	61.33	38.67	100.00
2.2	Migration	82.29	17.71	100.00
Average Percentage		75.91	24.09	100.00

Table 15: GESI Youth Involvement

Migrants and Remittance Receiving Households

In the "Supply Chain" sub-component, there is significant participation from non-migrant households, constituting 48.62% of the total. Both migrant families and returnees beneficiaries make up 51.38% (migrant families - 30.62% and returnees - 20.76%). In the "Decent Jobs" sub-component, most participants are non-migrant

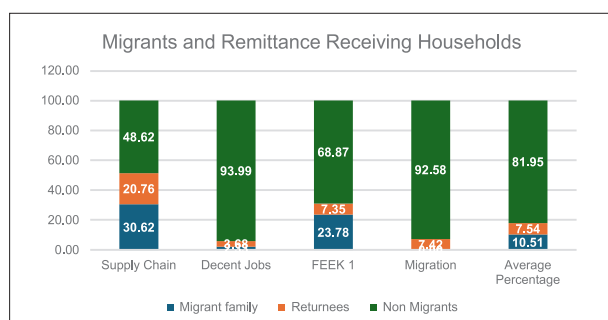


Figure 12: Migrants and Remittance Receiving Households

households, representing 93.99% of the total, whereas migrant families constitute 2.33%, and returnees make up only 3.68%. Within "FEEK 1," non-migrant households are the most actively engaged, accounting for 68.87% of participants, while migrant families represent 23.78%, and returnees comprise 7.35%. In the "Migration" sub-component, most participants are non-migrant households, contributing 92.58% of the total, while returnees account for 7.42%. On average, migrant families constitute 10.51%, returnees represent 7.54%, and non-migrants are the majority at 81.95%.

Component	Description	Migrant Family	Returnees	Non-Migrant	Total
1.1	Supply Chain	30.62	20.76	48.62	100
1.3	Decent Jobs	2.33	3.68	93.99	100
2.1	FEEK 1	23.78	7.35	68.87	100
2.2	Migration	0.00	7.42	92.58	100
Average Percentage		10.51	7.54	81.95	100

Table 16: Migrants and Remittance Receiving Households

Poverty Status as per Poverty Probability Index (PPI) in Supply Chain Group

The data provides a breakdown of individuals' poverty status within the Supply Chain Group of the RERP based on the Poverty Probability Index (PPI). It offers insights into the economic conditions and financial well-being of the group's members. A significant portion (14.28%) of individuals in this group falls into the "Ultra Poor" category, likewise, the "Poor" category encompasses 24.68% of the group, indicating they are grappling with extreme poverty. The majority (58.57%) falls into the "Comfortable" category, and a tiny minority (0.75%) is categorized as "Wealthy," indicating that most members are economically stable and not experiencing poverty.

PPI range	Poverty Status	Percentage
0-20	Ultra Poor	1.72
21-40	Poor	24.68
41-60	Upper/Active Poor	58.57
61-80	Comfortable	14.28
81-100	Wealthy	0.75
Totals		100.00

Table 17: PPI in Supply Chain Group

3.8. Component 2: Productive Investment/ Sub-component 2.1: Financial Inclusion-Financial & Business Education:

Major activities performed under Sub-component 2.1

Major Activities of Rural Finance

The primary goal of the Rural Finance sub-component is to enhance the accessibility and use of financial services by addressing both demand-side and supply-side constraints in the project areas. This involves closing the gaps between financial institutions and their prospective customers, which include individuals, households, producer groups, and RMSEs.

2.1 Demand-Side Interventions

RERP focuses on two main aspects of the demand side:

- Mapping Demand for Financial Services:
- Identifying the specific financial needs and preferences of potential customers in rural areas to tailor financial products accordingly.
- Improving the Quality of Demand:
- Enhancing the skills and knowledge of prospective financial service customers to enable them to make informed decisions about financial products. This is particularly important for obtaining loans for investment, requiring well-prepared investment plans, cash flow projections, risk assessments, and technical feasibility.
- Three key activities contribute to this objective:
- Business Skills and Financial Literacy Training (Comp 2.1) FEEK: Providing training to individuals, including overseas migrants, and members of producer groups to improve their financial literacy and business skills.
- Mentoring Producers via Cluster Development Processes (Comp 1.1) : Helping producers access technical services and inputs, establish sustainable links to buyers, and collaborate effectively in producer groups.
- Technical and Vocational Skills Training (Comp 1.2): Providing technical and vocational skills around which they can build a viable RMSE, being able to demonstrate to others that they have such skills via formal certification.

2.1.1 Financial Education and Entrepreneurial Knowledge Training (FEEK-1& 2):

Improving the quality of demand in the context of RERP involves enhancing the skills and knowledge of

prospective financial service customers. This ensures that they can make informed decisions about when and how to use specific financial products, especially in obtaining loans for investment. The aim is to enable these customers to present compelling investment cases that cover planned investments, likely cash flows, risks, and essential technical aspects, thereby increasing their chances of loan approval by banks, MFIs, and cooperatives.

RERP has different components, among them rural finance one of the focus areas of financial literacy and entrepreneurship skills among rural communities. Through FEEK training, including FEEK 1 through cooperatives and FEEK 2 for producer groups, the project empowers individuals to make informed financial decisions and cultivate entrepreneurial endeavours. The FEEK-1 model for cooperatives focuses on enhancing shareholder numbers, savings mobilization, effective loan management, promoting cooperative governance, and optimizing remittance utilization.

Financial literacy was crucial for RERP's objectives, aiming to alleviate poverty and foster sustainable peace through employment-focused economic development. Equipping beneficiaries with financial literacy skills enhanced their capacity to engage in income-generating activities, access financial resources, and contribute to project goals. Financially literate individuals were better equipped to participate in economic activities, stimulate job creation, and promote inclusive economic growth. RERP prioritized empowering vulnerable populations such as poor households, migrant families, and returnees through financial literacy programs, enabling them to manage finances effectively and create sustainable income sources. Addressing the gender gap in financial literacy was essential for promoting gender equality and women's economic empowerment, as in FEEK 1 above 70 %, and in FEEK 2 all women participant shows how much RERP prioritized women.

A. Financial Education and Entrepreneurial Knowledge (FEEK-1) Training through Cooperatives

The target beneficiaries of FEEK 1 training included the poor, particularly women, individuals returning from foreign employment, families of individuals working abroad, and young people. The training operation operated on a cost-sharing basis with cooperative organizations. Cooperatives were responsible for conducting the training sessions, which were required to last a minimum of 18 hours. These sessions could be structured as 3 hours per day for 6 days or as a continuous 6-hour session over three days, with the method determined by mutual agreement between

the project and the cooperative. The project provided financial support for the training, with 75 percent of the expenditure amount funded for the first 10 trainings, followed by decreasing percentages for subsequent training like the second set of 20 training courses, only 50 percent of the approved amount as per schedule was requested by the project, followed by subsequent trainings where only 25 percent of the approved amount as per schedule was requested. Each training session accommodated a minimum of 20 and a maximum of 25 participants. Facilitators underwent a 5-day long FEEK 1 ToT, ensuring that only trained trainers conducted FEEK-1. RERP also supported cooperative organizations by providing literacy training resource manuals and materials.

I. Achievement

The FEEK-1 facilitators diligently implemented the Financial Education and Entrepreneurial Knowledge (FEEK) program within the operational area of the cooperatives, aiming to enhance financial literacy and entrepreneurial acumen beyond the support provided by the RERP. The trainers subsequently organized a remarkable total of 170 FEEK-1 classes, reaching a wide audience and fostering financial empowerment at the grassroots level.

II. Challenges

Application of Learning: Older participants struggled to apply acquired knowledge, potentially impacting program outcomes. Traditional teaching methods, like textbooks, were less effective, highlighting the need for more engaging, pictorial materials.

Resources Limitation: One of the primary challenges is the availability of resources, which is crucial for expanding the program's reach. While local and provincial governments could potentially provide funding under their planning and budgeting frameworks, securing adequate resources remains a persistent hurdle.

Network Engagement: leveraging cooperative networks at various levels—from Palika to national—can play a vital role in advocating for the utilization of cooperative education funds for implementing FEEK. However, effective advocacy and lobbying efforts require concerted coordination and collaboration among stakeholders.

III. Scale Up

The FEEK (Financial Education and Entrepreneurial Knowledge) program has proven to be highly impactful, not only for the trainees but also for the organizations and communities involved. Here are some key points for

scaling up the program:

- **Community Integration:** FEEK facilitators, being local residents, have become invaluable resources for local authorities, cooperatives, and other organizations. This local expertise can be leveraged by local governments and cooperatives to continue offering financial education and entrepreneurial training to community members.
- **Policy Adaptation:** In addition to the pioneering efforts of Karjanha rural municipality in Siraha, Itahari Sub-metropolitan has also taken proactive steps by conducting financial literacy programs across all wards and incorporating provisions for it in their budget. This comprehensive approach to promoting financial literacy at the local level sets a strong example for other municipalities and regions to follow. By implementing policies such as "Financial Literacy for All" and allocating resources for such initiatives in their budgets, these local authorities are ensuring widespread access to essential financial education.
- **Cooperative Empowerment:** The FEEK training delivered through cooperatives has not only benefited individual trainees but has also strengthened the participating cooperatives. Palikas (local government bodies) can extend the FEEK training to all cooperatives within their compulsory activities which can contribute significantly to improving governance and addressing issues like fraud within the cooperative sector.
- **Positive Feedback and Demand:** Many Palikas have an interest co-financed FEEK programs and have provided positive feedback. Cooperatives like Deuri SFACL, Metri Multipurpose Cooperatives, Naba Bikas Saccos, etc have expressed a strong demand for scaling up FEEK, indicating its relevance and effectiveness in increasing awareness about cooperative norms and principles.
- **Resource Mobilization:** Currently, there is a growing interest among cooperatives to take the initiative in conducting financial literacy programs at their own expense. Reflecting their commitment to enhancing financial education within their communities, seven cooperatives have requested support from the RERP manual. This proactive stance from cooperatives highlights their recognition of the importance of financial literacy and their willingness to invest resources in promoting it among their members. By taking ownership of these initiatives, cooperatives are not only empowering

themselves but also contributing to the broader goal of improving financial knowledge and capabilities within their communities.

By leveraging local resources, adapting policies, empowering cooperatives, responding to positive feedback, and mobilizing resources effectively, FEEK can be scaled up to benefit more communities and contribute to Nepal's overall development goals.

IV. Sustainability

The FEEK program has not only equipped participants with valuable skills but has also transformed facilitators into indispensable community resources. Their expertise has garnered attention from local authorities and cooperatives, with many committing to sustain such training initiatives independently.

The positive feedback received from Palikas, many of which have co-financed FEEK initiatives, underscores the deepening collaboration with the project. Scaling up FEEK requires strategic resource allocation. Local and provincial governments can play a pivotal role by incorporating FEEK into their planning and budgeting frameworks.

A. Multi-stakeholder Platform (MSP) for Financial Linkage

The Provincial Level MSP workshop concluded with significant achievements aimed at strengthening the credit linkage between the Rural Enterprise and Remittance Project (RERP) and the Agriculture Development Bank Limited (ADBL). The workshop cultivated a collaborative environment among diverse stakeholders, including farmers, traders, suppliers, TVET graduates, and financial institutions, through strategic interventions designed to streamline and optimize credit linkage processes. Participants reached a common understanding of supply chain and cluster-based financing, comprehensively evaluated the credit linkage performance of ADBL branches involved in the RERP initiative, and identified major sub-sector constraints, challenges, and potential interventions. This comprehensive approach not only



facilitated the identification of market expansion areas but also encouraged the establishment of stronger relationships between traders and producers through targeted B2B interactions.

Moving forward, several recommendations were proposed to sustain and enhance the progress achieved. Promoting supply chain financing and fostering stakeholder engagement will help maintain consensus and ownership among supply chain actors. Facilitating close B2B/B2S interactions between producers and traders through organized events and networking platforms will strengthen business relationships and enhance market access. Additionally, sustainability initiatives focusing on responsible financial management and environmentally friendly practices will ensure the long-term viability of businesses within the supply chain.

B. Financial and credit linkages

The implementation of Financial Education and Entrepreneurial Knowledge (FEEK) and capacity development support packages has significantly enhanced financial linkages for unbanked producers and members with nearby cooperatives. This initiative also strengthened credit linkages between cooperatives and SKBBL for wholesale loans and between supply chain groups and various banks and financial institutions. Over 11,522 members of the supply chain, while 3,126 supply chain members from 188 groups members are linked with credit linkages. This resulted in substantial financial support, amounting to NPR 773.11074 million, for expanding dairy, MAPs, fish, vegetables, and goat production. However, the adoption of the cluster approach and better orientation of partner cooperatives to include project-supported supply chain groups as new shareholders could have further deepened these credit linkages.

For commodity-wise loans, fish farming received the highest total loan amount of NPR 312,966,000, with an average loan size of NPR 1,068,013. This is followed by vegetable farming with a total loan amount of NPR 228,764,900 and an average loan size of NPR 464,165. Goat farming and MAPS (Medicinal and Aromatic Plants) received lower total loan amounts, NPR 32,040,000 and NPR 7,876,000 respectively, with average loan sizes of NPR 179,011 and NPR 219,902.

In terms of financial institutions, cooperatives and other BFIs (Banks and Financial Institutions) proved to be the most accessible, this indicates their significant role in reaching a higher number of households, with cooperatives alone serving 1,563 households and other BFIs serving 621 households. Overall, the data indicates that while fish and vegetable farming received the highest total loans, cooperatives, and other BFIs

(Commercial, Development, Finance, and Microfinance besides Agricultural Development Bank, Laxmi Bank, and Rastriya Baniya Bank) were the most accessible financial institutions, effectively distributing loans across a large number of households.

Access to finance particularly the Agricultural Development Bank Limited (ADBL), has proven to be more accessible compared to other banks and financial institutions. ADBL alone covered 133 households, showcasing its crucial role in providing financial support in agricultural sectors. Moreover, another IFAD-funded project, VITA, has also played a crucial role in improving access to finance in Province 2. The VITA project complements the efforts of the RERP by expanding financial opportunities for rural households. This collaboration between IFAD projects ensures that financial services reach underserved populations, promoting economic development and stability in rural areas.

Gender	3126	Ethnicity	
Female	2034	Dalit	372
Male	1092	Janjati	822
		Madheshi Eco2	783
BFI		Muslim	32
AD Bank	133	Others	1117
Laxmi Bank Ltd	82	Migration	
Rastriya Baniya Bank	39	Migrants Family	937
Other BFI (Listed in MIS)	682	Returnee	666
Cooperative & Other BFI	2184	Other	1523

Commodity	HH	Total Amount (NPR)
Fish	623	312966000
Dairy	841	191463840
Vegetable	1233	228764900
Goat	340	32040000
MAPS	89	7876000
Total	3126	773110740

Commodity	Household	Loan Demand (NPR)
Fish	19	26600000
Maps	7	4200000
Milk	86	43250000
Veg	80	39050000
Total	192	113100000

C. Quality Loan Demand Collection

The data collected from the field, which is being forwarded to ADBL for integration with another project under IFAD named VITA, showcases the loan demand across various commodities. The commodities listed include Fish, Maps, Milk, and Vegetables (Veg). A total of 192 households have expressed a combined loan demand of NPR 113,100,000.

In many cases, we have coordinated with banks such as Laxmi Bank, ADBL, SBI, as well as various cooperatives to facilitate connections between community groups and financial institutions. This primary method of linking groups to these financial entities is essential for securing the necessary funding to support their agricultural activities.

2.2 Supply-Side Interventions

RERP's supply-side interventions focus on four main areas:

- **Strengthening Financial Institutions (FIs):** Enhancing the capacity, outreach, and product range of individual financial institutions and service providers.
- **Building Linkages Between Wholesale Lenders and Local Retail FSPs:** Facilitating connections between larger wholesale lenders and local financial service providers to increase the availability of loan capital and liquidity in rural finance sectors.
- **Establishing a Financial Instrument for Risk Management:** Creating a risk management tool to help Class A, B, and D financial institutions address collateral risks, enabling them to offer collateral-free loans to credible clients or provide improved wholesale financing to smaller local FSPs.
- **Strengthening Supervision and Support Capacity:** Enhancing the oversight and support capabilities of new provincial and local authorities to ensure that local financial service providers, especially cooperatives, can offer reliable services to their members and clients.

By tackling these demand- and supply-side challenges, the Rural Finance Component aims to improve the financial inclusion of rural households and RMSEs, enabling them to invest productively in economic opportunities, thereby contributing to poverty reduction and sustainable economic development in rural areas.

2.2.1 Strengthening Financial Institutions (FIs)

Rural cooperatives are instrumental in building sustainable rural communities as well. Enhancing

social inclusion, and increasing economic activities are the bases for sustainable rural communities. Also, the approaches of the poor, deprived, and disadvantaged sections to rural cooperatives still need further debate. However, rural cooperatives are ideal local initiatives to share the communal risks and benefits. RERP provides numerous training sessions and various forms of support to strengthen financial institutions, as outlined in the activity details below.

2.2.1.1 Capacity building of cooperatives

The Capacity Development of Cooperative Program was designed to strengthen local cooperatives, crucial for providing access to financial services and fostering economic growth in the targeted regions. This program aimed to broaden the business scope of cooperatives, increase savings collection, enhance credit disbursement, and improve loan management. Implementation of the capacity development activities was outsourced to Sana Kisan Bikas Laghubittya Bittiya Sanstha Ltd (SKBBL). The project, aimed at bolstering the capacity of cooperatives, entrusted Sana Kisan Bikas Laghubittya Bittiya Sanstha Ltd (SKBBL) with the implementation of its capacity development initiatives. A total of 221 cooperatives were selected for development across three batches, encompassing 60 (27%) in Batch 1, 133 (60%) in Batch 2, and 28 (13%) in Batch 3. Among these, 46 (21%) cooperatives were Small Farmer Agricultural Cooperatives Limited (SFACL) affiliated with SKBBL for wholesale loans, while the remaining 175 (79%) were non-SFACL entities, such as savings and credit cooperatives, agricultural cooperatives, or multi-purpose cooperatives, not yet affiliated with SKBBL for wholesale loans.

SKBBL's capacity development packages primarily targeted the 175 non-SFACL cooperatives to affiliate 105 (60%) for wholesale lending. During the contract period, SKBBL implemented a variety of capacity development activities, including trainers' training, cooperative management and accounting training, technical assistance and mentoring, cooperative affiliation events, and the development and publication of training manuals.

The detailed technical assistance provided included business plan preparation, model policies preparation, account keeping and closing, cooperative management mentoring, governance improvement, and amalgamation assistance. These efforts were supported by the development and distribution of nine comprehensive training manuals on topics such as business planning, cooperative management, financial management, amalgamation, auditing, and governance. These manuals serve as valuable resources for enhancing the

capacity of cooperatives and can aid local governments in formulating effective regulatory frameworks for cooperative societies.

The impact of SKBBL's capacity development initiatives is evident through the affiliation of 95 partner cooperatives with SKBBL as of December 2023. Additionally, these cooperatives have been engaged in implementing the FEEK-1 package, which has led to improvements in cooperative governance, increased shareholder numbers, enhanced share capital, better savings and loan balances, improved portfolio quality, and strengthened bookkeeping and financial management practices.

1) IMPACT

The training and technical support significantly boosted the cooperatives' outreach and internal resources:

Impact

The training and technical support significantly boosted the cooperatives' outreach and internal resources:

- **First Batch:** Increases of 23% in outreach, 74% in savings, 39% in share capital, and 181% in borrowings.
- **Second Batch:** Increases of 19% in outreach, 22% in savings, 24% in share capital, and 62.03% in borrowings.
- **Third Batch:** Increases of 13% in outreach, 9% in share capital, 10% in savings, and 110% in borrowings.

These improvements indicate the positive impact of capacity development initiatives on the sustainability and financial inclusion of cooperatives. However, growth rates varied due to factors such as population density, infrastructure availability, economic activities, and trust in leadership.

2.2.1.4. Access to Technology Program (IT based and MIS support)



pic 7 Gaushala Mayor Handover IT Support equipment

The Technology Access Program on Cooperatives is a strategic initiative aimed at modernizing cooperatives that currently rely on conventional systems for their daily transactions and activities. Its primary objective is to introduce and promote modern technology within these cooperatives, with the overarching goal of enhancing transparency and expediting service delivery.

Under this program, RERP provides crucial support to cooperatives by offering cost-sharing incentives. During the project period, RERP has extended its support to a total of 96 cooperatives. This assistance not only facilitates the transition towards more efficient and transparent practices but also contributes to the overall development and sustainability of these cooperatives, aligning with RERP's mission to empower and strengthen local communities.

Activity Description	Project Target	Achieved up to FY 2078/79	Annual Achievement (2079/080)	Annual Achievement (2079/080)	Cumulative Achievement	Cumulative Achievement
IT-Based Support (Cost Sharing)	50	18	50	31	99	198%

- 14 cooperatives have been offering Remittance-based financial products.
- 11 Cooperatives started Remittance services in the Remote area.
- 72 Cooperative started a computerized system from a traditional manual system.
- For instance, Mahila Kandra Bahuudeshya Sahakari Sanstha, Bardibas (Mahottari) has collected deposits amounting to NPR 140,000 from 35 migrant families within one year, highlighting the increasing trend of remittance-related savings.

2.2.2. Building Linkages Between Wholesale Lenders and Local Retail FSPs:

RERP has been instrumental in fostering connections between larger wholesale lenders and local financial service providers, aiming to bolster the availability of loan capital and liquidity within rural finance sectors. One of the key strategies employed is linkage banking, particularly with institutions like SKBBL, which serves as a vital partner for project-partnered cooperatives (Coops). Moreover, RERP extends its efforts across all categories of financial institutions, primarily targeting Class A and B institutions, to facilitate financial linkage for Producer Groups and Coops alike. Through these initiatives, RERP endeavors to address the liquidity constraints faced by cooperatives in remote areas, thereby enhancing their capacity to meet the growing demand for financial services.

Over the project period, RERP has made significant targets, with 161 cooperatives being linked with wholesale lenders. These linkages extend beyond SKBBL, encompassing various sources of loan capital such as the Rural Microfinance Development Centre (RMDC), First Microfinance Development Bank, Ltd (FMDBL), National Cooperative Bank Limited (NCBL), Gilla Bachat Sangha, Youth Self Employment Fund (YSEF), and more. This concerted effort has not only broadened access to finance but has also yielded positive outcomes in terms of improved governance, enhanced financial management, and strengthened linkages with wholesale financial service providers. Through sustained capacity-building initiatives, RERP has laid the foundation for heightened cooperative performance and enhanced financial inclusion across the targeted regions, underscoring its commitment to fostering economic empowerment and resilience in rural communities.

3. Outcome Analysis

3.1 Access to useful and affordable financial products and services

1. Enhanced Financial Linkages:

- Significant financial support amounting to NPR 773.11074 million was provided, expanding dairy, MAPs, fish, vegetables, and goat production for over 3126 supply chain members.

2. Access to Affordable Financial Services and Saving Promotion:

- The project aimed to provide access to affordable financial services for 80,000 households. These households were encouraged to start saving according to their capacity. This initiative not only aimed to provide financial services but also promote a culture of saving within the communities served by the cooperatives. This is an

important step towards financial inclusion and building financial resilience among households.

3. Crop and Livestock Insurance for Farmers:

- The project also reached 1,800 households with insurance coverage for protecting their crops and livestock from potential risks and losses. This insurance coverage is crucial for ensuring the financial security and stability of farmers, safeguarding their livelihoods, and promoting resilience in the face of uncertainties such as natural disasters or market fluctuations.

4. Increased Financial Access:

- Cooperatives were instrumental in promoting financial access, with initiatives like remittance-based savings accounts and the provision of remittance services by 28 cooperatives.
- Financial education and entrepreneurial knowledge (FEEK) programs significantly improved financial literacy and access for rural communities.

5. Capacity Development:

- SKBBL's capacity development efforts led to substantial increases in cooperatives' outreach, savings, share capital, and borrowings.
- Training and technical assistance covered a broad area, including business plan preparation, accounting, management, governance, and amalgamation.

6. Sustainable Local Government Support:

- Municipalities like Karjanha in Siraha and Itahari Sub-metropolitan incorporated financial literacy programs into their budgets and policies, ensuring widespread access to financial education. Cooperatives also invest their education fund to promote financial education.

4. Lesson Learn

1. Importance of Integrated Planning:

- Strong inter-component linkage and integrated planning are essential for coordinated and effective project implementation.

2. Sustainable Local Government Partnerships:

- Partnering with local governments ensures the sustainability and widespread impact of financial literacy and capacity development initiatives.

3. Targeted Capacity Development:

- Customized training and technical assistance built to the specific needs of cooperatives can significantly improve their performance and outreach.

5. Issues and Challenges:

1. Good Governance

- Addressing governance challenges within cooperatives is essential for their sustainability and effectiveness as partners. Many cooperatives lack qualified and committed board and account supervisory committee (ASC) members, which can hinder decision-making and oversight processes. To mitigate this issue, providing training and technical assistance (TA) on cooperative principles, legal frameworks, and financial analysis is vital. Equipping board and ASC members with the necessary

6. Recommendations:

1. Utilizing Cooperatives as Intermediaries:

- Consider cooperatives as intermediaries for implementing project activities and promoting access to finance for project beneficiaries. Cooperatives can play a crucial role in facilitating financial inclusion and enhancing the reach and impact of project interventions.
- skills and knowledge enhances their ability to govern effectively and ensures compliance with regulations.

2. Inclusive Strategies for Cooperative Empowerment

- To effectively serve the poorest members of communities, cooperatives must prioritize inclusive strategies that address the specific needs of disadvantaged groups. This begins with the collection of disaggregated information on each member and non-member household, focusing on factors such as gender, socio-economic status, and belonging to disadvantaged groups. With this data in hand, cooperatives can develop targeted membership expansion plans and strategies tailored to uplift the most vulnerable. Providing financial education, vocational training, and grant support becomes essential to empower the poorest of the poor, enabling their active participation and contribution to the cooperative.

3. Strengthening Cooperative Regulation in Nepal

The cooperative sector in Nepal faces significant challenges due to the absence of a regulatory framework, posing risks to the stability of the financial system. Despite the Department of Cooperative delegating regulatory responsibilities to local municipalities, their lack of expertise in regulating cooperatives has led to ineffective oversight

3.9. SKBBL Project Activities

In order to achieve the expected outcomes of the project, the following activities were conducted during the project intervention.

3.9.1. Orientation Programs with the Cooperatives

Three orientation programs were organized cooperatively in Khotang and Okhaldhunga districts from 2078/06/18 to 20. These programs, with the participation of the Microfinance and Cooperative Expert, as well as the Field Trainer of SKBBL and RERP "SAMRIDDHI," aimed to orient the Boards of Directors (BoDs) and staff of the cooperatives. The main focus was to explain the objectives of the partnership between SKBBL and the RERP "SAMRIDDHI" project. Additionally, the programs provided insights into the minimum indicators, the affiliation process, and the necessary documents required for affiliating with SKBBL.

Similarly, orientation programs were organized in Morang and Sunsari districts, facilitated by the Training Specialist. These programs had the participation of Area Managers of SKBBL from Bardibas and Itahari, Field Trainers of SKBBL from RERP "SAMRIDDHI," the Rural Finance Officer, and the Corridor Coordinator of RERP "SAMRIDDHI," along with the BoDs and staff of the partner cooperatives of Clusters 3, 4, 5, and 6. The programs effectively conveyed the process of affiliating with SKBBL, highlighting the detailed criteria and necessary documents. Additionally, three review meetings were conducted in the three area offices.

3.9.2. Curriculum Development

The Training Needs Assessment (TNA) was conducted in seven clusters, revealing gaps in the manuals, curricula, and coaching methods utilized for training and technical assistance. Both the first batch and second batch of cooperatives, which underwent the TNA, indicated the necessity to revisit the developed training manuals and instructional modules within the curriculum.

In response, the Training Manuals Development and Supervision Sub-committee, led by the Deputy Chief Executive Officer (DCEO) of SKBBL, along with the eight

outlined working committees, undertook a review of the draft curricula. They provided valuable feedback and guidelines to enhance the effectiveness and practicality of the designed curriculum. These committees also examined and addressed issues such as vocabulary discrepancies, format inconsistencies, and grammatical errors in the training manuals.

3.9.2.1. Workshops on Curriculum Development

The initial workshop on curriculum development for cooperatives took place on December 30, 2020, followed by an interaction program regarding the development of training manuals for cooperatives on January 4, 2020. These events laid the groundwork for a collective understanding of curriculum development issues and the creation of lesson and session plans aligned with the finalized topics and subtopics.

These programs also fostered an understanding of maintaining consistency in the format of the curriculum, lesson plans, and session plans. Additionally, they provided insights into the process and steps involved in curriculum development and the preparation of lesson and session plans. Furthermore, they identified existing gaps and requirements within the curriculum structure, instructional modules, training content, and the delivery approach.

3.9.2.2. Curriculum and the Manuals

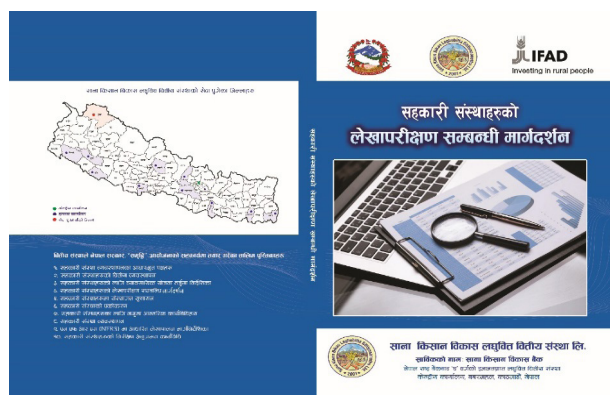
A total of nine manuals were developed by SKBBL as mentioned in Contract No. RERP-CS-01/SLA-2 BATCH/2078/2079 under the Key Milestone-3. Each training manual includes the main text comprising reading materials such as lessons, case studies, exercises, and so on. The annexes of the manual contain the curriculum, incorporating the modules and sessions, objectives, teaching methodology, and activities, along with time allocation, required training materials, and evaluation techniques. Similarly, pre- and post-test questions and the session plan have also been incorporated in the annexes of the manuals.

The training manuals on different topics address the needs of the cooperatives and various stakeholders who are directly involved in the management of the cooperatives. The target groups for the manuals are:

- a. The Board of Directors of cooperatives,
- b. Members of the account's supervision committee of cooperatives,
- c. The staffs of the cooperatives working under high level management,
- d. Members working in various sub-committees of cooperatives,

- e. Forums or organizations of Cooperatives,
- f. Federations,
- g. Regulatory.

There are two manuals related to cooperative management: "Fundamentals of Cooperative Management" and "Cooperative Management Advance." The former covers the history of the cooperative movement and the SFACL, the cooperative principles and core values, and other basics of cooperative management. The "Cooperative Management Advance" manual provides details on overall cooperative management, including budget planning, human resource management, risk management, budgeting, etc. Similarly, the "Amalgamation of Cooperatives" manual offers strategies, steps, and procedures for the amalgamation of cooperatives in detail. The "Business Planning of Cooperatives" manual provides methods for formulating business plans and their implementation, while the "Financial Management" manual imparts knowledge and skills for financial management. It details the measurement of the financial performance of cooperatives by applying the ELEPHANTS rating tool. The "Auditing Guidelines of Cooperatives" manual provides tools and techniques for effective auditing, while the "Monitoring Framework of Cooperatives" manual deals with the techniques, steps, and strategies of monitoring cooperatives.



In addition, the "Manual on Account Keeping" provides methods, processes, and steps for keeping accounts in cooperatives, applying NFRS as per the necessity and capacity of the cooperatives. Similarly, the "Manual on Model Policies of Cooperatives" provides knowledge and procedures for making applicable policies, by-laws, and procedures in cooperatives. The "Manual on Good Governance of Cooperatives" deals with the provisions of cooperatives in the Constitution, Act, rules, regulations, and other existing laws.

It provides the details of the possible penalties against money laundering, forgery, and other offenses in cooperatives. All the 10 training manuals have been finalized. Among them, six manuals have already

been printed and distributed by SKBBL to the partner cooperatives. In addition, these manuals are made available to federations, training centers, and other stakeholders involved in capacity building in cooperatives.

3.9.3. Trainers' Trainings (ToTs)

Three Trainers' Training (ToTs) in the first batch and four Trainers' Training in the second batch were organized in different date and places in the FY of 2077/78 and 2078/79 physically and virtually.

1. Trainers' Trainings in the First Batch

The First Batch of the Training of Trainers in Financial Management and Fundamentals of Cooperative Management was organized by SKBBL "SAMRIDHI" from January 25 to 27, 2021, and from March 17 to 21, 2021, respectively. However, the ToTs on Cooperative Management Advance were organized from June 6 to 10, 2021 via Zoom. The ToTs, organized on different dates and covering different topics in the first batch, imparted knowledge to help stakeholders understand contemporary practices and issues in overall cooperative management in general and cooperatives' financial management in particular.

Likewise, they provided the participants the strategical approach of training for the overall capacity building of the partner cooperatives. Similarly, the ToTs remained effective to accelerate the activities related to the expansion of outreach and enhancement of the major indicators of cooperatives. The reason was the ToTs provided the techniques and methods of strengthening the cooperatives to the Field Trainers.

2. Trainers Training in the Second Batch

Three Trainers' Training in the second batch was organized on different dates and physically in various project implementation districts. The ToTs on Amalgamation of Cooperatives was organized both physically and virtually.

3. ToT on Model Policies of Cooperatives and Monitoring Framework



The ToT on Model Policies of Cooperatives was organized from December 12 to 15, 2021, at Hotel Gunja, Bardibas, Mahottari. With the active participation of the Field Trainers, the FIOs of RERP "SAMRIDDHI," and the managers of partner cooperatives, the ToT has proved to be an important step in the process of assisting the partner cooperatives in developing internal procedures, policies, and by-laws. The inclusiveness of the methods and modules of the ToTs, in line with the topics of the developed manual, serves as a strong foundation for the Capacity Development Program and the target groups, using a strategic approach to training. It imparted methods, knowledge, and skills to the field trainers to strengthen good governance, internal control, and compliance in cooperatives.

4. ToT on Amalgamation of Cooperatives

The Trainers' Training on Amalgamation of cooperatives was organized both virtually and physically. It was held virtually from 2078-05-9 BS to 2078-05-12 BS. Since the training was conducted virtually, it was challenging to deliver full-day sessions, resulting in two sessions being delivered each day. One and a half hours were allocated for each session. The four days of training content were divided into eight sessions. Similarly, the physical ToT was organized from 2078-11-12 BS to 2078-11-14 BS (24 to 26 February 2022) in Itahari, Sunsari. The participants of the ToT included the FTs of SKBBL, RERP "SAMRIDDHI," FIO of RERP "SAMRIDDHI," and the representatives of the partner cooperatives. The ToT focused on various aspects of cooperative amalgamation, such as the objective, rationale, and importance of cooperative amalgamation, understanding the models of amalgamation, identifying the needs, mapping and situation analysis, understanding the process of conducting an introductory workshop for the amalgamation, and exploring the opportunities, challenges, and legal provisions for the amalgamation.

The ToT was successful in providing a clear direction for the potential partner cooperatives to proceed with the amalgamation. The amalgamation of the partner cooperatives aims to resolve issues related to overlap and duplication in the future. Following the ToT, the Field Trainers, the Financial Inclusion Officers, and the representatives from the partner cooperatives acquired the necessary knowledge and steps for cooperative amalgamation.

5. ToT on Business Planning of Cooperatives

The Training of Trainers in Business Planning of Cooperatives was organized by SKBBL "SAMRIDDHI" from 2078-12-15 BS to 2078-12-19 BS (29th March to 2nd April 2022 AD) in Hotel Ichhyaa, Simara, Bara. The ToT explained the important steps to be considered

while making an effective business plan. Moreover, the ToT has provided a vision of the steps, outline and process of developing business plan to the Field Trainers. During the training time, the ToT six draft business plans were prepared. The prepared draft of the business plan was reviewed and finalized later on in the respective cooperatives.

The ToTs in both the first and second batches were effective in imparting knowledge to the Field Trainers (FTs) and the participants from partner cooperatives, enabling them to apply effective training methods, knowledge, and skills. The ToTs on different topics provided valuable feedback on the respective manuals, which has been incorporated into the developed manuals.



3.9.4. Classroom-based Training

A total of 45 classroom-based training courses were provided by the Cooperative Capacity Development Program for Selected Cooperatives of RERP "SAMRIDDHI" in all seven clusters during FY 2077/78, 2078/79, and FY 2079/80. Twelve classroom-based training courses were provided in Janakpur and Koshi Sagarmatha corridor of RERP "SAMRIDDHI" in FY 2077/78. Among them, there was training on business plans, two trainings in cooperative management advance, and nine trainings in fundamentals of cooperative management. The Field Trainers successfully organized 20 classroom-based cluster-level trainings in all seven clusters during the fiscal year 2078/79. Among the training courses, 10 were delivered by external Resource Persons, and the remaining 10 were conducted by the seven Field Trainers. Among all the 20 training courses, seven focused on business planning for cooperatives, eight on cooperative management, two on account keeping, and three on model policies of cooperatives. The session plans, methods of delivery, and strategic approaches were consistent across all the training sessions. The duration of the training varied depending on the specific requirements, ranging from three to four days.

In Fiscal Year 2079/80, a total of 13 classroom-based

training sessions were conducted, covering various subjects. These included one session on business planning, four on advanced cooperative management, four on account keeping, one dedicated to the amalgamation of cooperatives, and three focused on promoting good governance within cooperatives. Throughout these training sessions, a collective total of 274 participants, representing 219 distinct cooperatives, actively engaged in the learning and skill-building experiences.



All the trainings had adopted uniform methods of expectation compilation, the formation of training management committees, and other various committees to ensure that the trainings were well managed, organized, interactive, and interesting. The venue and starting time of all the trainings were selected in coordination with the cooperatives and the Area Office of SKBBL.

Technical Assistances (TA/Mentoring)

Altogether, 145 technical assistances were provided in FY 2078/79, including 42 on business planning, 27 on cooperative management, and four on amalgamation of cooperatives. Similarly, 29 technical assistances (TAs) were delivered on account keeping of cooperatives, and 43 were on model policies of cooperatives. Two TAs on Amalgamation of Cooperatives and two on Fundamentals of Cooperative Management were also provided.

The training and technical assistance provided by the field trainers have helped partner cooperatives to meet the wholesale lending criteria of SKBBL, excluding 45 SFACLs. The rest of the cooperatives are in the process of affiliating with SKBBL. Additionally, some cooperatives have the potential for merging, which aids in meeting the affiliation criteria of SKBBL. The trainings provided in various areas of cooperative management, utilizing the training curricula developed after the need assessment process, have improved the institutional capacity of cooperatives and enhanced access to financial services, promoting rural enterprises and income-generating activities. Technical assistance (TA/Mentoring) is provided in different areas, including Cooperative Management, Accounting Keeping, Model Policy, Amalgamation, Business Planning, and Good Governance in FY 2079/80.

The partner cooperatives in cluster -1 received 10 TAs/ Mentoring in Cooperative Management, 14 in Accounting Keeping, five in Model Policy, and eight for Amalgamation, with a total of 37 TA/Mentoring sessions provided. In cluster -2, a total of seven TAs/mentoring were provided for Cooperative Management, 16 for Accounting Keeping, and three for Model Policy, amounting to a total of 26 TAs provided. Similarly, in cluster -3, a total of 12 TAs were provided in Cooperative Management, 15 in Accounting Keeping, three in Model Policy, two in Amalgamations, and eight for Good Governance, totaling 40 TAs/mentoring. In cluster -4, the partner cooperatives of SKBBL, RERP "SAMRIDDI" received three TAs/mentoring in Cooperative Management, 10 in Accounting Keeping, 12 in Model Policy, eight in Amalgamation, two in Business Planning, with a total of 35 TAs/mentoring provided. Likewise, in cluster -5, TAs mentoring was provided in Cooperative Management, 17 in Accounting Keeping, five in Model Policy, 10 in Amalgamation, four in Business Planning, two in Good Governance, amounting to a total of 43 TAs/mentoring provided in cluster -5.



In cluster -6, a total of four TAs/mentoring were provided in Cooperative Management, 14 in Accounting Keeping, four in Model Policy, three in Amalgamation, seven in Business Planning, and one in Good Governance, summing up to a total of 33 TAs/mentoring. In cluster -7, a total of 11 TAs/ Mentoring were provided in Cooperative Management, eight in Accounting Keeping, six in Model Policy, two in Amalgamation, one in Business Planning, and eight in Good Governance, resulting in a total of 36 TAs/mentoring. The trainings and technical assistance/mentoring, along with the overall project intervention, have enabled 87 cooperatives to affiliate with SKBBL as of now.

3.9.6. Progress of Capacity Development

The baseline data of the first batch of cooperatives was collected during the project intervention. The data was collected in line with the result chain mentioned in the MoU signed between MOICS, RERP "SAMRIDDI" and SKBBL, highlighting various areas of institutional development of cooperatives. The progress of different dimensions of cooperative institutional development is

mentioned below:

1. Members in the First Batch

The number of members in the first batch of cooperatives increased from 59,682 thousand in the FY 2076/2077 to 73,589 by 23% by the end of the FY 2079/80.

2. Members in the Second Batch

Along with the 60 cooperatives in the first batch, there are an additional 133 cooperatives in the second batch. The 133 cooperatives had the baseline data of FY 2077/2078. According to the baseline data, there were a total of 119,529 members until the end of FY 2077/78. With an increment of 19%, the total number of members became 142,422 by the end of FY 2078/79.

3. Members in the Third Batch

The 28 cooperatives in the third batch have the baseline data of FY 2078/2079. According to the baseline data, there were a total of 29,373 members until the end of FY 2078/79. With an increment of 13%, the total number of members became 33,248 by the end of FY 2079/80.

4. Share Capital of Members

In FY 2076/77, the share capital of the first batch cooperatives was NRs. 420,937 (in thousands), and by the end of FY 2077/78, it had increased to NRs. 606,399 (in thousands), marking a 44% increment. The share capital of the second batch cooperatives reached NRs. 1,121,887 (in thousands) in FY 2077/78, up from NRs. 901,205 (in thousands) in Ashadh 2080 BS, indicating a 24% increment. The chart below illustrates the details of the progress in the share capital of second batch cooperatives.

During the fiscal year 2078/79, the share capital of the third batch cooperatives surged to NRs 455,144 (in thousands), a substantial growth from its earlier value of NRs. 225,778 (in thousands) in the month of Ashadh in 2080 BS. This remarkable increase amounts to a 9% increment in the share capital of these cooperatives. The chart provides a comprehensive overview of the developments in the share capital of the second batch cooperatives.

5. Savings

The savings of the first batch cooperatives increased by 93% between FY 2076/77 and 2079/80. In FY 2076/77, the savings were NRs. 1,532,674 (in thousands), which rose to NRs. 2,955,786 (in thousands) in FY 2079/80, as indicated in the following diagram. Some cooperatives have been excluded from the capacity-building program, resulting in a slight variation in the baseline. For the second batch, the partner cooperatives' savings amounted to NRs. 5,341,383 (in thousands) as of Ashadh 2078 BS, and with a 22% increment, it reached NRs. 6,533,989 (in

thousands) by the end of Ashadh 2080 BS.

In the third batch of partner cooperatives, the savings reached NRs. 1,083,845 (in thousands) as of Ashadh 2079 BS. Subsequently, these savings witnessed a substantial 10% increase, culminating in a total of NRs. 1,196,038 (in thousands) by the end of Ashadh 2080 BS. This progression in savings is outlined in the chart below.

6. Borrowings

The borrowings of the first batch cooperatives increased by 183%, from 131 million in FY 2078/79 to over 371 million by the end of FY 2079/80.

In fiscal year 2078/79, the second batch cooperatives borrowed a total of NRs. 2,156,973 (in thousands). By the end of Ashadh 2080 BS, this amount increased to NRs. 7,127,450 (in thousands), marking a significant growth of 230%.

During the fiscal year 2078/79, the third batch cooperatives secured loans amounting to NRs. 65,345 (in thousands). By the end of Ashadh 2080 BS, this figure surged to NRs. 7,137,325 (in thousands), representing a substantial growth of 230%.

3.9.7. Overview of the Growth

1. Members

When assessing the growth of cooperative indicators in terms of membership, share capital, and savings, we observe different categories. In the initial group, 34 cooperatives experienced remarkable growth exceeding 20%. Another 10 cooperatives demonstrated significant progress within the range of 15% to 20%. In addition, seven cooperatives achieved moderate growth between 10% and 15%, while three cooperatives recorded a slight increase ranging from 5% to 10%. Lastly, six cooperatives showed the least growth, with increments below 5%.

In the second batch of cooperatives, a noteworthy number of 61 have a growth exceeding 20%. Additionally, 11 cooperatives demonstrated growth rates within the range of 15% to 20%. Furthermore, 17 cooperatives showed steady progress in the 10% to 15% range, while 18 cooperatives displayed moderate growth between 5% and 10%. Lastly, 26 cooperatives experienced growth below 5%, indicating a more conservative trend in this category.

In the third batch of cooperative assessments, seven cooperatives achieved substantial growth, **surpassing** 20%. Additionally, three cooperatives exhibited growth levels falling within the range of 15% to 20%. Moreover, two cooperatives made progress in the 10% to 15% bracket. In addition, five cooperatives displayed moderate

progress, with growth rates spanning from 5% to 10%. Lastly, 11 cooperatives showed growth percentages remaining below 5%.

2. Share Capital

Similarly, when evaluating share capital growth, 42 cooperatives in the first batch, 73 in the second batch, and six in the third batch stood out by achieving substantial increases exceeding 20%. Only one cooperative fell into the category of 15% to 20% growth in the first batch, 12 in the second batch, and one in the third batch, while 7 cooperatives in the first batch, eight in the second batch, and two in the third batch demonstrated commendable growth in the 10% to 15% range. Additionally, four cooperatives in the first batch, 14 in the second batch, and five cooperatives in the third batch exhibited moderate growth between 5% and 10%. Likewise, six cooperatives in the first batch, 26 in the second batch, and 14 in the third batch experienced the smallest growth, below 5%.

3. Savings

In a parallel manner, when examining savings growth, 50 cooperatives in the first batch, 74 in the second batch, and eight cooperatives in the third batch excelled with growth rates surpassing 20%. Only two cooperatives in the first batch, seven in the second batch, and only one in the third batch displayed growth in the range of 15% to 20%, while another two cooperatives in the first batch, 12 in the second batch, and three in the third batch recorded growth rates between 10% and 15%. Furthermore, six cooperatives in the first batch, 34 in the second batch, and 12 cooperatives in the third batch experienced growth ranging from 5% to 10%. Lastly, no cooperatives in the first batch, six in the second batch, and four cooperatives in the third batch had savings growth below 5%.

3.9.8. Issues

Several issues are/were affecting the project intervention activities. The 221 partner cooperatives of 16 districts in the intervention areas have various issues and challenges for capacity development. Here are some common challenges and issues that were relevant during the project intervention.

1. Geography and Population

In clusters one, two, and six, a total of 62 cooperatives are situated in hilly areas. The primary project objective is to achieve financial inclusion, with a focus on expanding outreach to include as many households as possible in the project area. However, this goal faced obstacles in hilly regions due to limited households and challenging terrain, which hindered the expansion of outreach and the achievement of member indicator targets. The difficult geography, especially in clusters one, two, and six, slowed

down the pace of the movement of the field trainers, especially during rainy seasons.

2. Duplication

The problem of duplication posed a significant challenge when trying to include other partner cooperatives, aside from SFACL, in the SKBBL affiliation criteria. The reasons for their inability to affiliate with SKBBL included overlapping working areas and members with SFACLs and other partner cooperatives, insufficient membership, engagement primarily in production activities, and issues with overdue payments. Some of these problematic cooperatives were even defunct, rendering them unable to meet SKBBL's criteria for wholesale lending. The overlapping of working areas and member duplication continued to be major issues throughout the project intervention.

3. Lack of Fund and Liquidity Crunch

The primary underlying issue was the lack of funds available for wholesale lending to cooperatives after capacity building efforts. Currently, due to the ongoing liquidity crisis in Nepal, financial institutions have been unable to provide wholesale loans to cooperative organizations. As a result, capacity development efforts within cooperatives have not been able to effectively benefit the impoverished members, especially the farmers, micro-enterprises, and small entrepreneurs.

3.9.9. Lessons Learned

Throughout the project's intervention, various valuable lessons have been acquired in the realm of cooperative capacity building, which can greatly contribute to future improvements in this area. One key insight is the necessity of local government coordination and support for consolidating smaller cooperatives. The amalgamation of cooperatives has emerged as a potential solution to address issues related to member duplication and overlapping operational areas. Furthermore, the amalgamation of cooperatives offering both financial and non-financial services can help alleviate challenges related to the absence of savings and credit policies.

Another significant lesson learned is that it typically takes at least 3-5 years to effectively promote the sustainability of cooperatives, whether they are located in plain or hilly regions. The training and technical assistance have led to a rise in the number of returning members within partner cooperatives, as well as an increase in young entrepreneurs and members of various producer groups. This positive outcome can be attributed to the financial services and technical guidance provided by RERP.

The TAs has facilitated the efficient management of savings, local labor, and skills, and their utilization for

the betterment of the cooperatives, promoting income-generating activities. They have also encouraged the members to participate in the cooperative's beneficial operations and contribute to the economic, social, and cultural development of the community. However, it is observed that such positive impacts are limited in institutions where operations are driven by private or political interests. The cooperatives that get the training and technical support as an opportunity to gain knowledge and develop skills to strengthen themselves have reported an increment in savings, outstanding loans, and borrowings.

1. Financial Inclusion

The connections established between producer groups and cooperatives play a crucial role in expanding outreach and promoting financial inclusion. The training and technical support provided to cooperatives have significantly expedited the expansion of their outreach and business activities. For example, the engagement of producer group members in various exposure visits has facilitated the sharing of experiences and knowledge regarding production and the value chain, making it more accessible and beneficial.

2. Good Governance

Activities organized within some of the cooperative organizations that lack the concept of collectivism, strong group dynamics, forward-thinking, and effective governance have been observed to have limited impact on the growth and prosperity of these cooperatives. In institutions where there is a lack of a motivated and committed team and a participatory management approach, the TA/Mentoring, Trainings, and monitoring of the partner cooperatives have not received the attention they deserve.

The training opportunities provided by the project have not been fully utilized as a means to both learn and teach in organizations that lack good governance. In certain cooperatives, there is a deficiency in good governance practices. In these cases, the chairperson takes on multiple roles, acting as both the manager and chairperson, sometimes even assuming staff responsibilities. While this approach may help smaller cooperatives conserve resources, it is not considered a sound management practice and lacks a proper system of checks and balances within the cooperative.

Furthermore, it has been observed that some individuals simultaneously hold the position of manager in one cooperative and chairperson in another cooperative. This practice exposes both cooperatives to potential risks and is not advisable.

Likewise, in some limited cooperatives, there has been

an enthusiasm to operate them in a more family-oriented manner. Consequently, there is an apparent lack of interest in revising and effectively implementing policies and procedures, such as election policies and internal procedures related to members and staff. As a result, maintaining governance in such institutions has become a challenge.

3. Successor Development

The Board of Directors (BoD) or Administrative Sub-Committee (ASC) faces challenges in effectively overseeing and managing the activities carried out by the Manager. The management committee either lacks the capacity to monitor the cooperative's status or shows a lack of interest, often relying heavily on the manager. Furthermore, there is no designated successor to take charge of the cooperative in the event of the manager's absence. Nevertheless, there is a gradual shift in this scenario. Consequently, it serves as a valuable lesson that developing successors within a cooperative is an essential aspect of capacity building and progress.

4. Education for Member

Many cooperative members have difficulty distinguishing between the services offered by cooperatives and those provided by other financial institutions. Member education is necessary to engage them actively in utilizing cooperative services. The financial literacy trainings provided by the cooperatives themselves and the financial literacy training provided with the help of other bodies like RERP "SAMRIDDHI" (FEEK-1) has helped the members learn how to create and manage a budget, helping them allocate their income effectively to cover expenses, saving, and investment.

Conclusions

The Capacity Development Program has laid a strong foundation for the creation of goal-oriented, practical, and tailored training curricula and manuals. This process, carried out by the Capacity Development Program, has identified gaps in existing training approaches and tools, establishing a roadmap to address these shortcomings. As a result, ten distinct training manuals have been developed to address the current needs of partner cooperatives, enhancing their institutional capacity. These training manuals have proven effective in elevating the cooperatives' capabilities, contributing to improved financial inclusion, and fostering rural enterprise development in the project intervention areas.

The Training Needs Assessment (TNA) conducted by the Capacity Development Program has indicated that partner cooperatives, particularly those listed, require

technical support for at least one year to achieve financial and technical viability. They lack internal policies and procedures necessary for establishing links with financial institutions. Governance and compliance within these cooperatives are weak, especially in hilly areas, and there is a shortage of qualified personnel. Most staff members lack the skills to prepare business plans and maintain up-to-date accounts.

Nevertheless, the Training of Trainers (ToTs) conducted has successfully enhanced the skills and capabilities of Field Trainers, enabling them to provide training and technical assistance for capacity building effectively. As a result, the training and technical support have enabled cooperatives to meet the wholesale lending criteria of SKBBL and other financial institutions.

Furthermore, the strengthening of cooperatives through training, technical assistance, and mentoring has enabled them to access financial services for the promotion of rural enterprises and income-generating activities. Additionally, the training interventions and technical assistance provided by Field Trainers have assisted in the preparation of business plans, internal policies, maintenance of up-to-date accounts, and the provision of cooperative education to members.

Training and technical support significantly boosted outreach and internal resources for three cooperative batches. The first batch saw a 23% expansion in outreach, a 93% increase in internal resources (including savings), a 44% rise in share capital, and a 183% surge in borrowings. The second batch experienced a 19% growth in outreach, a 22% increase in internal resources, a 24% rise in share capital, and a 230% increase in borrowings. The third batch achieved a 13% growth in outreach, a 10% increase in internal resources, a 9% rise in share capital, and a 110% increase in borrowings. These improvements were measured from different fiscal years for each batch, showcasing the positive impact of capacity development initiatives on the sustainability and financial inclusion of cooperatives.

3.10. Sub-component 2.2: Mobilizing Migrant Resources and Skills.

1. Major Activities

Sub-component 2.2, Mobilizing Migrants Resource and Skill is being implemented under the Rural Enterprise and Remittance Project (RERP)/SAMRIDDHI. The objective of sub-component 2.2 is: to develop sustainable and effective migrant services, especially at the local level, and support the further improvement of the strategy and policies to maximize the benefits of migration to the Nepali economy and migrant families themselves. It have 2 major theme that; 1) Provide relevant foreign employment-related

information, information about job opportunities locally, safer migration, and support and handle the case related to the foreign employment by establishing the Migrants Resources Center (MRC) and Migrants Information Desk (MID), and 2) Support for evidence-based strategic development and action plan for providing better migration service and development through organizing platform on migration and development, policy formulation workshop.

In order to share the annual achievement of the program implemented during the FY 2023/024, the report has been prepared according to the conducted activities and performance of overall thematic performance. Moreover, it has also covered the program conducted by the sub-component 2.2 during the reporting period. The report is based on the activities which are planned in AWPB and milestones set during different IFAD support missions.

2. Objective

The objectives of this report are;

- To document carried out activities along with achievements of FY 2023/024.
- To inform about the progress to the management and respective stakeholders.

3. Activities Carried Out

The following activities are conducted in fiscal year on the base of AWPB. While the data reflects notable achievements and progress, it also highlights the importance of continuous effort and strategic interventions to ensure the successful implementation of all activities within the program or project

SN	Major Activities	Number of Activities	Total
1	MRC/MID handover programme	2	66
2	MRC MIS and Migration Profile Database Orientation Training	1	29
3	Writing Migration Profile	2	

4. Beneficiaries of the activities

This fiscal year various activities were conducted through directly PMO and MRC/MID. Mainly two types of beneficiaries are benefited through the conducted activities; 1. Household level (Targeted beneficiary), and 2. Community/institution's level beneficiaries. The provided table contains data related to counseling services provided through Migrant Resource Centers (MRCs) and Migration Information Desks (MIDs) in a certain context, possibly related to migration and counseling activities. The data suggests that a significant proportion of the counseling services were provided to men, with around 77.74% of the total counseling recipients being men, while women

accounted for about 22.34%. This data highlights the gender distribution in counseling services and outreach efforts related to migration and counseling activities.

Description	Fiscal Year	Men	Women	Total
Counseling through MRC/MIDs	Till 2022/023	53762	11131	64893
Total out-reach	Till 2022/023	7,761	6,483	14,175
Counseling through MRC/MIDs	2023/024	8402	2483	10885
	Grand Total	69,925	20,097	89,953
Percentage		77.74	22.34	100.00

5. Activities Details

5.1 Operation of MRC and MID

5.1.1 Counseling Services

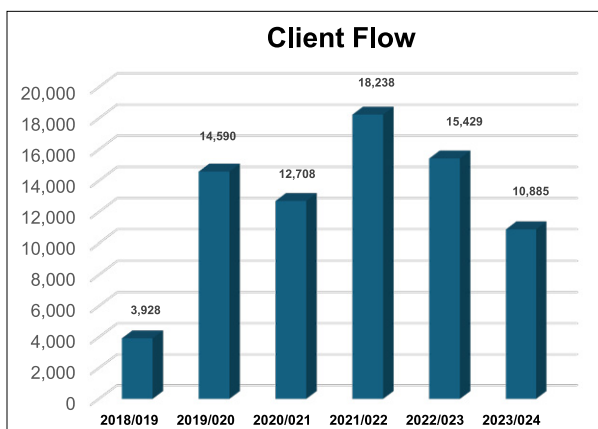
Four Migrants Resource Center (MRC) and ten Migration Information Desk (MID) totalling 14 MRC/MIDs are providing information and counseling on safer migration and reintegration as well which includes job/employment opportunity in country, selection of recruitment agency, importance of payment slip, necessary documents to be kept with family, necessity of skill training before leaving for foreign employment. As of now, 75,778 clients have been counseled from the MRC/MID office premises since



the beginning of its establishment. In fiscal year 2023/024 the MRC/MID were able to reach 10885 clients.

Fiscal Year	Men	Women	Total
2018/019	3,193	735	3,928
2019/020	11,697	2,893	14,590

2020/021	10,580	2,128	12,708
2021/022	15,671	2,567	18,238
2022/023	12,621	2,808	15,429
2023/024	8,402	2,483	10,885
Grand Total	62,164	13,614	75,778
Percentage	82.03	17.97	100.00



5.1.2 Case Handling

Migrants are facing various types of challenges during the application process and later in their destination country. Most of them have no or less idea about the access to complain and claim the cases. In this context; MRC and MID are handling the cases of victims. Till now, total 494 cases are registered in MRC/MIDs where as 26 cases are registered only this fiscal year 2023/024.

Total case

Description	Number
Total case of till 2022/023	468
New case of FY 2023/024	26
Total case	494

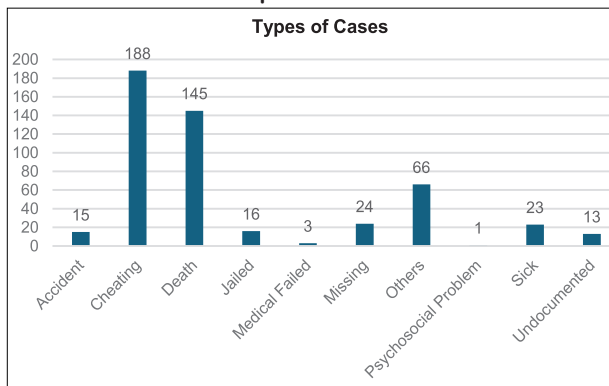
5.1.3 Types of Case

The data represents a classification of cases into various types, providing insights into the nature of issues or incidents that have been recorded. It appears to be a comprehensive overview of the types and frequencies of cases that have been documented within the specified context.

SN	Case Type	Total
1	Accident	15
2	Cheating	188
3	Death	145

4	Jailed	16
5	Medical Failed	3
6	Missing	24
7	Others	66
8	Psychosocial Problem	1
9	Sick	23
10	Undocumented	13
	Total	494

5.1.4 Received Compensation



The data reveals that MRCs/MIDs have been instrumental in assisting migrant victims to obtain compensation amounts. As of fiscal year 2022/023, the total compensation received after resolving different cases amounts to Rs. 144,176,099. This signifies that MRCs/MIDs have been successful in facilitating the compensation process for victims of various cases. Furthermore, in the fiscal year 2023/024 alone, a total of Rs. 15,332,667 was facilitated to be provided to the respective victims. This indicates that efforts continued to support victims in obtaining compensation during this particular fiscal year as well.

Fiscal Year	Total
2018/019	7,904,952
2019/020	23,395,967
2020/021	43,995,712
2021/022	38,176,738
2022/023	15,370,063
2023/024	15,332,667
Total	144,176,099

5.1.5 Compensation Received by Institutions

Migrants victims have received compensation from different institutions in terms of nature of cases. This table below provides information that Rs. 144,176,099 compensations provide by 6 different institutions to

migrants victims.

SN	Description	Amount
1	Agent	5,576,000
2	Destination country	31,262,420
3	Foreign Employment Board	31,084,000
4	Insurance Company	68,783,917
5	Manpower Company	5,508,212
6	Other	1,961,550
Total		66

5.2 MRC Hanover Programme

RERP have been established and operating Migrants Resource Center (MRC) and Migrants Information Desk. RERP has established and operated Migrants Resource Center (MRC) and Migrants Information Desk (MID) for 4 years in partnership with 14 respective local levels. As RERP's project period is coming to a close, it has handed over 2 MRC/MIDs through 5 events to the respective local levels during the current fiscal year. In both Municipality, Mr. Moti Bahadur Giri, handed over the MRC to Siddhicharan Municipality, Okhaldhunga and Sadananda Municipality, Bhojpur. The handover included a handover note and a handover certificate.

5.3 MRC MIS and Migration Profile Database Orientation Training

RERP has supported the operation and sustainability of 14 MRC/MIDs in partnership with respective local levels. The project has developed a Management Information System (MIS) to handle all client data for MRC/MIDs and has utilized this system effectively. Additionally, RERP has created a comprehensive database system to generate migration profiles for local levels, producing 14 such migration profiles using this database system. In consideration of the phasing out of RERP, both the MIS for MRC/MID and the migration profile database system are in the process of being handed over to the respective local levels. To facilitate this transition, a two-day MIS orientation and handover program organized for the staff of local levels.



6. Major Achievements

6.1 Handover MRC/MIDs

This is a significant achievement of the project; RERP has successfully handed all of 14 MRC/MIDs to their respective local levels. The MRC/MIDs were established four years ago with technical and financial support from RERP, in partnership with the respective local levels. These established MRC/MIDs are currently operating regularly in totally financed by respective local level and providing services to prospective migrants and migrant victims.

Based on the training objectives, detailed session activities, and participant reviews, the outputs of the training can be summarized as follows:

6.2 Enhanced Understanding of MIS and Database Systems:

Participants gained a thorough understanding of Management Information Systems (MIS) and database systems, including their importance, functionalities, and practical applications in the context of migration profile management.

6.3 Delivered Service to Clients

MRC and MID have disseminated information on safe migration and provided counseling services to 75,778 clients. A total of 494 cases have been registered at MRC/MID, of which 228 cases have been resolved. Migrant victims have benefited, receiving a compensation of Rs. 144,176,099 from Foreign Employment Board (FEB), insurance companies, agents, and destination countries with the facilitation of MRC/MIDs.

7. Major Issues and Challenges Identified

Changing of Newly Elected Representatives:

Following the second election of the local level, a change in the local authorities occurred, leading to a lack of awareness regarding migration and reintegration issues. Consequently, challenges have arisen in sustaining the achievements of the programme.

Component 3. Institutional Support and Project Management: **Financial Progress**



4.1 Sub-component 3.1: Knowledge management and M&E

The RERP has generated an annual progress report, project brochures, calendars, diaries, flex banners, event updates, and more to communicate the project's status to donors, the relevant ministry, and other stakeholders. Throughout the reporting year, the project has crafted videos highlighting the achievements within various supply chain commodities, the effectiveness of project strategies, thematic content, and tools. These knowledge products have been disseminated through social media networks, newspapers, and radio broadcasts. The local news has centered around the agricultural cycle activities of five supply chain commodities, decent jobs activities, training on financial education and entrepreneur knowledge, market linkages, collective marketing practices, cluster development approach, business, and market insights, and have been broadcasted through TV, FM, and radio. Furthermore, the project consistently shares the events and stories of farmers via its Facebook page.

Furthermore, the RERP has diligently prepared and published several valuable resources. This includes a supply chain farming manual for specific commodities, a Rural Finance package consisting of the FEEK-1 training manual, and various cooperative training manuals. Additionally, there is a success story booklet highlighting RERP achievements, a booklet focusing on safer migration, as well as several manuals and books related to decent employment, such as the Apprenticeship Model and vocational training for family members of returning migrants. All of these essential materials, including updates, reports, narratives, and knowledge resources, have been made accessible through the RERP website (<https://rerp.moics.gov.np/en/downloads/iec-materials>) and the IFAD Asia Website.

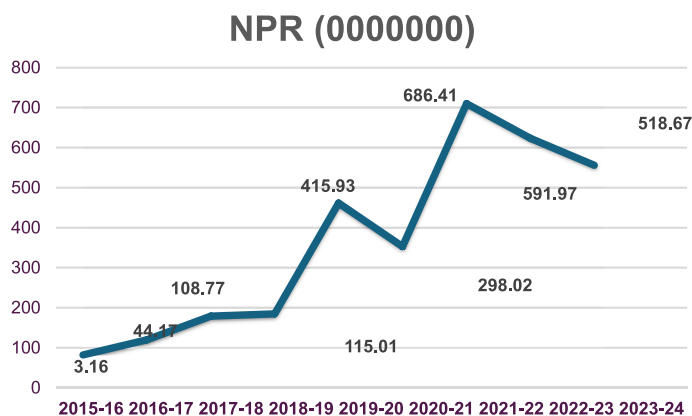
KNOWLEDGE MANAGEMENT PRODUCTS IN rerp.moics.gov.np



4.2 Sub-Component 3.2: Project Management:

Financial Delivery: The Government of Nepal (GoN) and IFAD are the main financiers, while producer groups, cooperatives, the private sector (agribusiness, traders, processors, service providers), and partner municipalities are co-financiers of RERP under the related Project implementation. The progress of budget disbursement is 81.08%. Due to delays in managing the investment of their share, the SAMRIDHHI grant was not released to all traders and service providers. As a result, the achievement in budget disbursement could not meet the plan.

4.3 Sub-component 3.3: Budget and Expenditure



Note:

1. Financial Report 2024
2. RERP- PMO, Overall Presentation for IFAD-COSOP workshop, 8 Sug 2024.
3. The disbursed amount is more than the appraisal amount dueto exchange rate fluctuation

Financial performance by financier as of 15th July 2024

Financier	Approval (USD 000)	Further Approval (USD 000)	Disbursements (USD 000)	Percent disbursed
IFAD loan	21,795.14	2,233.44	2,291.95	102.62
IFAD grant	16,815.58	16,311.72	15,660.42	96.01
Government	9,148.72	4,203.67	3,816.94	90.80
Private Sector Investment	13,749.18	620.00	12.02	1.94
Beneficiaries Contribution	6,636.85	1,882.40	4,026.76	213.92
Total	68,145.47	25,251.23	25,808.09	102.21

4.4 Sub-Component 3.4: The IFAD Project Completion Review Mission evaluated the project

The Project Completion Review Mission conducted a thorough evaluation of the RERP (SAMRIDHI) project, providing key insights into its overall performance and impact. The mission highlighted that the project successfully achieved most of its planned activities, meeting or exceeding key objectives such as household coverage, inclusion, and income generation. The innovative value chain approach to advancing producers' organizations was praised for fostering stronger business connections and enhancing the sustainability of the investments made.



The mission did note that a few activities remained incomplete, primarily due to budgetary limitations toward the project's end. Despite these challenges, the project was rated positively, with the review acknowledging its significant contributions to rural development and its role as one of the standout projects supported by IFAD. The evaluation also underscored the valuable lessons learned throughout the project's implementation, which will inform and inspire future development initiatives aimed at empowering rural communities.

Key Milestones and Achievements

Mr. Shyam Khadka presented the PCR Mission's findings, outlining significant milestones and project achievements. He noted that despite a few issues related to targeting and procurement, the project received an overall satisfactory rating of 5 out of 6 from IFAD's evaluation.

Component Achievements:

- **RMSE & Job Promotion:** Enhanced supply chains, strengthened cooperatives, and created decent jobs through TVET, job placement, and apprenticeships.
- **Productive Investment:** Promoted financial literacy, strengthened cooperatives, and formed partnerships with financial institutions.
- **Inclusion and Mobilization:** Provided economic and social mentoring using the Gender Action Learning System (GALS) methodology.

Lessons Learned and Future Strategies

The mission highlighted several key lessons:

- **Clustered Geographic Targeting:** Ensures coordinated support across project components.
- **Nuanced Targeting Approach:** Essential for addressing complex socio-economic realities.
- **Financial and Business Education:** Encourages use of financial services and enhances entrepreneurial attitudes.
- **Outcome-Based Payments:** Lead to significant performance gains.
- **Clear Targets:** Crucial for consistent strategic targeting and progress monitoring.
- **Differentiated Capacity Building:** Recognizes the need for tailored approaches.
- **Inclusion of Environment and Climate Specialists:** Especially during redesign phases.
- **Continuous Review and Update of Tools:** For identifying target beneficiaries and monitoring performance.

Conclusion

The IFAD PCR Mission Stakeholder's Consultation Workshop provided a comprehensive review of the "Samriddhi" project's journey, from its inception to its final stages. The collaborative discussions on achievements, challenges, and lessons learned offered valuable insights for future initiatives, reaffirming the commitment to sustainable development and strategic planning.

4.5 Sub-Component 3.5: Independent Endline survey and PCR completed.

Major Findings

Based on a review of the literature on project management information systems, independent project completion and end-line study this summary finding is divided into three categories: output, outcome, and impact.

Output

The project MIS reveals more than one hundred sixteen per cent (5,48,811 household members from 1,04,803 HH) have been reached against ninety thousand households targeted from Rural Finance (FEEK1)+Supply Chain (FEEK2 & GALS)+Decent Job component and sub-component.

Besides these direct beneficiaries, a total of 75,864 people received migrant services before, during, or return from overseas employment by themselves or members of their families as an indirect beneficiary through the Migration

Resource Center (MRC) and Migration Information Desk (MID) against 45,000 targeted (RERP, 2081).

Outcome

The end-line evaluation reveals that the level of satisfaction in terms of project support and services among project participants was very high (81%) against the projected target (70%). In addition, 76% of respondents reported that they are making profits from the enterprises through RMSEs compared to 15% of control respondents. 72% of women aged 15-49 had diverse eating patterns (cereals, lentils, vegetables and milk products) in the last evening. At least 69% of respondents reported their assets increased compared to before the project. 90% of the trainee respondents reported that they were engaged in gainful employment after 6 months of training, and 54% were women. The ending remuneration showed 63% of individuals have gained income above the threshold (Rs. 17,300) of 125% (Rs. 21,625). 65% of the respondents of MAPs reported that there were increments while comparing before and after. Similarly, the highest increments (89%) were reported by vegetable growers. More than 66% of respondents had accounts opened in formal financial services because of FEEK (RIMC, 2081).

Likewise, significant changes were reported in the GALS component like women felt less violence in their families after its intervention and now have more access to resources and services than before. The Migration Resource Centres (MRC) and Migration Information Desk (MID) have been well functioning except for the MID of Siddhicharan Municipality, Okhaldhunga and Garuda Municipality of Rautahat out of 14 due to lack of financial resource management from the local government part after handover. Overall project effectiveness is rated as satisfactory (5 out of 6) because the project made commendable progress, overcoming several delays and weaknesses in the early years and achieving 100% financial progress with nearly more than 100% utilisation of IFAD loan funds due to exchange gain of special drawing rights in currency. Most of the physical targets under all components were met successfully (RIMC, 2081).

The NPC evaluation report shows that the project's design was superior to previous ones. It was designed in such a way that it met the country's immediate needs and Nepalese government policy while discussing in detail with stakeholders, beneficiaries, and project staff based on the efficiency, effectiveness, sustainability, relevance of the project's performance, and the problems encountered and overcome by the project along with its evidence-based MIS data reporting practices. The evaluation report indicates that the project's performance received a medium ranking (KHA) out of very high (KA), medium (KHA), and low (GA) (NPC, 2079).

Impact and Best Practices

As transformative changes as an impact of project, 5 fish cluster development policies (Dakneshwori and Rupnagar Municipality of Saptari, Sahidnagar Municipality of Dhanusha, Kolhabi Municipality of Bara, and Sunbarsi Municipality of Morang district), 9 Agriculture Strategic Development Policies (Bara, Rautahat, Mahottari, Siraha, Sindhuli, Udayapur (2 Palika), Bhojpur and Khotang district), 14 migration profile development, and 1 migration reintegration policy was endorsed by the local government level after support from the project in the location.

Likewise, support to development of 12 Result-based financing model guidelines for VST in 12 Palika under Madhesi provinces and 4 TEVT guidelines at the local level in Sunsari and Sarlahi districts. Similarly, Migrant Service Centres (MRC/MID). The GALS approach to gender empowerment has been successfully

adopted on a cost-sharing basis by several local governments and cooperatives, demonstrating its viability. Collective marketing, B2B/B2S services such as business literacy and multi-stakeholder platforms, and improved farming techniques like tunnel farming and stall-feeding practices could all be easily replicated and scaled up for Supply Chain Management.

Challenges and overcome

The unexpected strong earthquake in 2015, economic blockade by India, three tiers of state restructuring, local-level elections, and prolonged COVID-19 pandemic were major challenges encountered during project implementation, so the project was extended until June 2024 to meet its overall goal and targets. Despite the short implementation period, the project met all its financial and physical targets as specified in the project's log frame of the document.

Conclusion

According to the findings and information provided in the end-line evaluation reports, the project performed well in terms of effectiveness, efficiency, relevance, accountability, and coordination besides a few areas to be improved. However, the project did not complete its full project cycle while evaluated by the NPC, so the findings of the NPC are too early to assess its overall progress and achievement. Although, emic (MIS data) and etic (independent evaluation) findings prove that the project was relevant to successful implementation. Furthermore, the results seem to be very helpful in sharing the project's progress and results about its target and goals, and the best intervention approaches can be replicated in similar types of interventions.

Recommendation 5

Despite its success, there are some areas for improvement, such as:

- Update the syllabus of TVET and the apprenticeship model to reflect the competitive national and international markets and emerging technologies following a quick market assessment of the current situation.
- Joint participation in mission visits and interaction programs organized by the Ministry and National Planning Commission representatives will improve the project's implementation efficiency.
- Initiate the establishment of a mechanism and system to have a minimal impact on other agricultural and non-agricultural products such as vegetables, fish, and meat, in the same way that dairy and herbs have operated through public-private partnerships.
- Enhance collaboration and capacity building among district livestock offices, municipal agriculture/livestock sections, local service providers, and the private sector.
- The GALS should be tailored to promote change, particularly in gender power relations, and can be applied to new projects for women's social and economic empowerment after a cost-benefit analysis.
- There is a need for the growth and adoption of digital financial services, particularly in rural and remote areas, so the government should develop policies to digitalize rural finance to the greatest extent possible.
- Increase MRCs/MIDs services in local units across the country with the coordination of local government. Priority should be given to local units with a high outflow of migration by working with the Foreign Employment Promotion Board and NRNA to mobilize the Foreign Employment Welfare/Relief Fund.

Annex 1:

RERP Achievement Component wise 2023-24

	2018-2019			2019-20		2020-21			2021-22		2022-23		2023-24	
	Achieved Cumulative	Achieved this year	Achieved Cumulative	Achieved this year	Cumulative till 2020	Achieved (Annual)	Achieved (Cumulative)	Achieved on this year	cumulative e till 2022	Achieved on this year	cumulativ e till Oct. 2023	Achieved on this year	cumulativ e till June. 2024	
(A)	B	C	D	E	F	G	H	J	K	M	N	P	Q	
Sub-Component 1.1: Supply chain development														
ISC Beneficiaries														
Co-investment fund (SAMRIDDI) -PGS						1685	1685	7180	8865	1645	10510	1012	11522	
B2B Meetings organization & facilitation						78	78	248	326	55	381	29	410	
Support on Long term sustainable agri-policy to Palikas		30	30	31	61	103	164	35	199	139	338	57	395	
Sub-Component 1.2:RMSE development (Enterprise Service Centers and CCI strengthening										6	6	3	9	
Capacity Assessment of CCI														
Sub-Component 1.3: Decent jobs				23	23	23	23	4	27		27		27	
Avocational and Apprenticeship training				5002	5002		5002	10221	15223	14084	29307		29307	
Component 1.4- Inclusion and Social Mobilization														
GALS HHs				308	308	435	743	275	1018	360	1378		1378	
Capacity building to GALS Groups (Exposure, Dream support grant 100%, etc.)								80	80	288	368	422	790	
Component 2 - Productive Investment														
Sub Component 2.1.- Rural Finance														
IT equipment to cooperatives (Access to Technology Program)				90	90	81	171	65	236		68	31	99	
Number of Cooperatives				9377	9377	13074	22451	33677	56128	29318	85446	6170	236	
FEEK Beneficiaries													91616	
Sub-Components 2.2- Mobilizing Migrants Resources and Skills														
MRC/MID handover programme										12	12	2	14	
Support for migration friendly policy development and strengthening information center at federal /providence level								2	2	12	14		14	
Prepare migration profile										8	8	6	14	
Migration counseling beneficiaries through (MRC/MID)		5119	5119	14153	19272	20081	39353	21532	60885	12781	73666	2198	78864	



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