

Nepal

Samriddhi - Rural Enterprises and Remittances Project

Project Completion Report

Main report and appendices

Mission Dates: June 2024
Document Date: 10/01/2025
Project No. 1100001724
Report No. 7056-NP
Loan ID 2000000701
DSF Grant ID 2000000702

Asia and the Pacific Division
Programme Management Department

This document will be publicly disclosed unless there is written dissent on its disclosure by the Borrower at the time of this document submission to IFAD or no later than the project closing date.

Map of the Project Area



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD | 25-11-2024

Currency Equivalents

Currency Unit	=	Nepalese Rupees
US\$1.0	=	NPR 132.58 (mid-value, 5 July 2024)

Weights and measures

1 Kilogram	=	1000 g
1 000 kg	=	2.204 lb.
1 kilometre (km)	=	0.62 mile
1 metre	=	1.09 yards
1 square metre	=	10.76 square feet
1 acre	=	0.405 hectare
1 hectare	=	2.47 acres

Abbreviations and Acronyms

ADBL	Agricultural Development Bank Limited
AEC	Agro-Enterprise Centre
AMIS	Agriculture Management Information System
AWPB	Annual Work Plan and Budget
B2B	Business to Business
B2S	Business to Service
BDS	Business Development Services
BP	Business Plan
CCI	Chamber of Commerce and Industry
CIT	Citizens Investment Trust
CMIR	Centre for Migration and International Relations
COSOP	Country Strategic Opportunities Programme
COVID-19	Coronavirus disease
DoFE	Department of Foreign Employment
DSF	Dream Support Fund (RERP)
ECCA	Environmental and Climate Change Assessment (IFAD)
EDF	Economic Development Facilitator (RERP)
EFA	Economic and Financial Analysis

ESC	Enterprise Service Centre (RERP)
ESMP	Environmental and Social Management Plan (IFAD)
FCGO	Financial Comptroller General Office
FEEK	Financial Education and Entrepreneur Knowledge (RERP)
FEPB	Foreign Employment Promotion Board
FI	Financial Institution
FNCCI	Federation of Nepal Chambers of Commerce and Industry
FSP	Financial Service Provider
FY	Financial Year
GALS	Gender Action Learning System
GDP	Gross Domestic Product
GoN	Government of Nepal
HELVETAS	Swiss Intercooperation Nepal - a Swiss NGO
HH	Household
HVAP	High Value Agriculture Project in Hill and Mountain Areas
JP-RWEE	Joint Project for Rural Women's Economic Empowerment (UN)
ICO	In-country Office (IFAD)
ICT	Information and Communications Technology

ILO	International Labour Organization
IOM	International Organization for Migration
IPSAS	International Public Sector Accounting Standards
KM	Knowledge Management
KMP	Knowledge Management Portal
LA	Local authority
LAM	Leading to Apprenticeship Model (RERP / HELVETAS)
LRP	Local Resource Person
LTR	Letter to the Recipient
MAPS	Medicinal and Aromatic Plants
M&E	Monitoring and Evaluation
MEDEP	Micro-enterprise development project (MolCS)
MFI	Micro-Finance Institution
MID	Migration Information Desk
MIS	Management information system
MTOs	Money Transfer Organizations
MOICS	Ministry of Industry, Commerce and Supplies
MOLE	Ministry of Labour and Employment

MoU	Memorandum of Understanding
MRC	Migration Resource Centre
MSE	Micro-Cottage and Small Enterprises
MSP	Multi Stakeholders' Platform (RERP)
NAS	Nepal Accounting Standards
NCB	National Competitive Bidding
NGO	Non-Government Organization
NOTUS	No Objection Tracking Utility System (IFAD)
NPR	Nepalese Rupees
NRNA	Non-Resident Nepalese Association
OAG	Office of the Auditor General
ORMS	Operational Results Management System
PAR	Portfolio at Risk
PCCI	Provincial Chambers of Commerce and Industries
PCR	Project Completion Review
PD	Project Director
PDR	Project Design Report
PIM	Project Implementation Manual

PM	Project Manager
PM&E	Planning, Monitoring and Evaluation
PMEP	Prime Minister's Employment Programme
PMO	Project Management Office
PO	Producer Organization
PPI	Poverty Propensity Index
PSC	Project Steering Committee
RERP	Rural Enterprises and Remittances Project
RFP	Request for Proposals
RIMS	Results and Impact Management System
RMSEs	Rural Micro and Small Enterprises
SC	Supply chain
SCC	Savings and Credit Cooperatives
SDR	Standard drawing rights
SECAP	Social, Environmental and Climate Assessment Procedures
SKBBL	Sana Kisan Bikas Laghubitta Bittiya Sanstha Ltd (formerly Small Farmer Development Bank)
SME	Small and Medium Enterprises
SMT	Senior Management Team

SP	Service Provider
TA	Technical Assistance
TSA	Treasury Single Account
TVET	Technical and Vocational Education and Training
USD	United States Dollars
VfM	Value for Money
VITA	Value Chains for Inclusive Transformation of Agriculture
VST	Vocational Skills Training
WA	Withdrawal Application

Project at a glance

Region Asia and the Pacific Division	Project at Risk Status Not at risk
Country Nepal	Environmental and Social Category Moderate
Project Name Samriddhi - Rural Enterprises and Remittances Project	Climate Risk Classification not available yet
Project ID 1100001724	
Project Sector Credit and Financial Services	
CPM Roshan Cooke	
Project Area States 1 and 2 plus 5 palikas in State 3	

Key Dates

IFAD Approval	Signing	Entry into Force	Mid-Term Review	Original Completion	Actual Completion
22/04/2015	10/12/2015	10/12/2015	03/12/2018	31/12/2022	30/06/2024
		Original Financial Closure	Actual Financial Closure		
		31/12/2024	not available yet		
Date of Last SIS Mission	Number of SIS Missions	Number of extensions	Effectiveness lag		
10/11/2023	15	2	8 months		

IFAD Financing

as at the time of PCR submission

Grant	XDR Million	12 Million	% disbursed	100.0
Loan	XDR Million	1.83 Million	% disbursed	91.6

Actual Costs and Financing (USD '000)

as at the time of PCR submission

Component	IFAD	Cofinancing	Domestic	Total
	Actual	Actual	Actual	Actual
Institutional Support and Project Management	0		0	0
Productive Investment	0		0	0
Promotion of Rural Micro-Cottage and Small Enterprises	0		0	0
Total	0	0	0	0
Remarks				

Outreach

Direct Beneficiaries	
Number of HH members	Number of persons receiving services
Estimated total: [548811]	Total: [104803]
	Males: [25964]
	Females: [78839]
	Young: [73109]
	Indigenous people: [41049]

Project Objectives

Rural Enter & Non-farm Employ

The project goal is to contribute to reducing poverty and achieving sustainable peace through employment-focused, equitable and inclusive economic development. The development objective is that viable rural micro, small and medium enterprises (RMSEs), in both farming and off-farming sectors, provide sustainable sources of income to poor households, migrant families and returnees. Main indicators are: (i) 57,500 rural entrepreneurs expand their existing business or create a new one; (ii) 30,000 rural youth access job placement services; (iii) 34,500 RER-supported enterprises (22,500 new and 12,000 existing); and (iv) 21,000 RER-supported vocational trainees and apprentices, of which 30% of women.

Country Partners

Executing Institution	Ministry of Industry
Implementing Institutions	not available yet

Project Completion Ratings Matrix

COUNTRY: Nepal	
PROJECT NAME: Samriddhi - Rural Enterprises and Remittances Project	
PROJECT ID: 1100001724	
BOARD APPROVAL DATE: 22/04/2015	
ENTRY INTO FORCE: 10/12/2015	
PROJECT COMPLETION DATE: 30/06/2024	
LOAN CLOSING DATE: 31/12/2024	
IFAD LOAN AND GRANT (USD MILLION): \$38,610,720	
TOTAL PROJECT FINANCING: \$26,613,430	
IMPLEMENTING AGENCY: not available yet	
Criterion	PCR Rating
Project performance	
- Relevance	5
- Effectiveness	4
- Efficiency	3
- Sustainability	5
Rural poverty impact	5
- Households' incomes and assets	5
- Human and social capital	5
- Food security	4
- Agricultural productivity	5
- Institutions and policies	5
Additional evaluation criteria	
- Gender equality and women's empowerment	5
- Innovation	5
- Scaling up	5
- Environment and natural resource management	4
- Adaptation to climate change	4
- Targeting and outreach	4
- Access to markets	5
Partners performance	
- IFAD's performance	4
- Government performance	4
Overall project achievement	4

Executive Summary

Introduction: The Rural Enterprises and Remittances Project (RERP) – *Samriddhi* (prosperity), as it is referred to in Nepali - was designed in 2014 against the backdrop of 3 million Nepalese sending annual remittances from abroad amounting to about USD 4.3 billion. These remittances constitute 25.5 percent of the country's Gross Domestic Product (GDP). The project's objective was to provide sustainable sources of income to poor households, migrant families and migrant returnees through the promotion of viable rural micro, small and medium enterprises (RMSMEs) in both farm and off-farm sectors. Approved by IFAD's Executive Board in April 2015, the total cost of the project was USD 68 million consisting of the following: IFAD loan of USD 21.8 million, IFAD grant of USD 16.8 million, government funding of USD 9.1 million, beneficiaries' contribution of USD 6.6 million, and contribution from private sector and financial institutions of USD 13.7 million.

Design changes and restructuring: In response to RERP's sub-optimal performance during the initial years, its design was 'technically updated' in May 2018 during the Mid-Term Review (MTR) and restructured with the cancellation of USD 19 million equivalent from IFAD loan, thus reducing IFAD overall financing to USD 18.5 million. In tandem, the contribution of the government was reduced from USD 9.15 million to USD 4.2 million; private sector investment from USD 13.749 million to USD 0.62 million; and beneficiary contribution from USD 6.64 million to USD 1.88 million. This brought down the total cost of the project from USD 68 million to USD 25.2 million.

Outreach and target group: At the completion point, RERP had covered all 16 districts of eastern and central hill and plains of Nepal. The project had reached 104,803 households (120 percent of the revised target) through interventions related to decent jobs, supply chain, rural finance, migrant support, women's empowerment, remittance mobilization, etc. Of those reached, 27,290 households (HHs), 26 percent of total, are women-headed and 73,109 persons are young people (age bracket of 16 to 40 years). Representation of migrant households and returnees is 32 percent. Among the socio-economic groups, achievement is low for Dalits 14 percent (Hill 5 percent and Terai 9 percent) and Muslims (3 percent), and satisfactory for indigenous people (*Janajatis* 39 percent).

Relevance: Since the design of RERP, Nepal's dependency on remittances has increased further and has reached an all-time high of USD 11 billion in FY 2023 – equivalent to 92.7 percent of imports and 22.8 percent of GDP. Of the male population of 5.17 million in the age bracket of 20 to 44 years, 35 percent are abroad. Nepalis seem twice as likely than the global population to migrate abroad (3.6 percent). Nepal's stagnant labour force participation rate hovering around 42 percent since 1990 indicates insufficient job creation, a result of relatively weak growth in the economy. As such, Nepal needs to create gainful employment opportunities within the country for those who want to remain and thereby ensure that people migrate by choice and not by necessity. In summary, RERP continues to remain **highly relevant**.

Effectiveness: During its implementation, RERP faced major external challenges such as, radical changes in the Nepal's governance framework, destructive earthquakes, obstruction of essential supplies coming from India to Nepal, the COVID-19 pandemic, and more recently the Russia-Ukraine war. With inordinate delays in the initial years, most sub-components received an effective implementation period of 2 to 5 years with an effective average of less than 4 years, instead of the 7 years provided by the original design. Of the 26,870 persons who received Vocational Skills Training (VST) training and 2,437 engaged in the apprenticeship program, 77.5 percent and 76.6 percent respectively are in gainful employment for at least 6 months post training. The project directly benefited 13,281 smallholder farmers (133 percent of end target), 91 percent of whom reported an increase of 166 percent in median sales revenue. In rural finance, outreach was 91,616 persons (153 percent of end target) supported mainly through financial education, and entrepreneurial skills development and capacity building of cooperative societies. Over 75,000 people benefited from migration support services and NPR 1.27 billion (USD 13.1 million) were self-invested by migrant households and returnees in income-generating activities. In terms of physical targets, output delivery, and emerging outcomes, RERP's achievements are impressive and thus rated **satisfactory**.

Efficiency: The total project expenses under RERP as of 31 May 2024 was USD 25.2 million, - 99.7 percent of the total revised allocation of USD 25.25 million. The estimated final disbursement by the Closing Date is projected to be IFAD loan of USD 2.5 million and IFAD grant of USD 15.8 million. It is expected at project closure disbursement of IFAD grants to be close to 100 percent. IFAD financing covers about 73 percent of the project expenses. Beneficiary contribution in the project was 172 percent of the revised allocation. The estimated unit and total costs for all the activities have been sufficient to deliver the anticipated outputs and most of the incurred project expenditures remained within the revised cost estimates made after the mid-term review. Average project expenses per direct beneficiary household is relatively low at USD 617. While the quality of project management under RERP is rated as **satisfactory**, it is **moderately satisfactory** for procurement and quality of financial management. Close supervision from IFAD and the project management and strong support by the government was instrumental in ensuring cost efficiency.

Internal rate of return. The ex-post Economic Internal Rate of Return was estimated at 23.6 percent - lower than 31.4 percent estimated at restructuring - mainly explained by: (i) higher rate of adoption assumed at restructuring; and (ii) longer implementation period that gave less time for the realization of the benefits. Sensitivity analyses were undertaken to assess the effect of: (i) 10 percent and 20 percent decrease in benefits; (ii) 10 percent and 20 percent increase in costs, and (iii) 10 percent and 20 percent decrease in adoption rate. In all these scenarios, EIRR was above 17 percent, thus proving economic viability.

Rural poverty impact. The following are RERP's achievements:

- Hundred percent (100 percent) against the target in terms of the HHs reporting increase of at least 20 percent in HH assets ownership within 4 years;
- Hundred and nineteen percent (119 percent) in terms rural enterprises supported reporting an increase in profit;
- Hundred and thirteen percent (113 percent) for women who had gainful employment after vocational training and apprenticeship;

- Two hundred and thirteen percent (213 percent) of targeted individuals achieved a return on labour of at least 125 percent of official minimum; and
- Supply chain participants reported a 166 percent increase in total revenue from their businesses.

RERP contributed substantially to increasing agricultural productivity, enhancing food security, building human and social capital, and in influencing policies and institutions and therefore overall rural poverty impact of RERP is rated as **satisfactory**.

The project has made impressive contributions in promoting **gender equality and women's empowerment**. Overall women represent 75 percent of beneficiaries in all components and 64 percent in supply chains (SC), 56 percent in decent jobs, 87 percent in financial literacy, and 100 percent in Gender Action Learning System (GALS). Women have demonstrated their leadership role and enhanced their voices in decision making in community groups as well. A total of 59 percent of key positions in SC groups are being held by women. Women leading producer groups as chairperson is 41 percent, as secretary, 51 percent, and as treasurer, 83 percent.

RERP's performance with regard to **innovations and scaling-up** is rated **satisfactory**. RERP's efforts on outcome-level **monitoring** for subsequent planning and decision-making are particularly noteworthy, making it a true results-oriented management tool. However, targets and data related to remittances received and migrant investments was not gathered as they were dropped in the 2018 re-design. The initial baseline and later the farmers' diaries did not include remittances being received by project beneficiaries. While the **knowledge management** process faltered somewhat towards the project completion, it performed extremely well during most years.

Sustainability: Through the application of best-practices, proven tools and innovations, RERP has been successful in implementing project activities with strong potential for sustainability and continuity after project completion. A relatively high sustainability prospect can be attributed to the following: (i) RERP actively engaged and partnered with municipal governments enhancing their ownership of several project activities; (ii) it implemented proven cluster coordination and facilitation mechanisms such as multi-stakeholders platforms to develop trust and mutually beneficial relationships between producers, input suppliers, buyers and financial institutions, and also between vocational trainees and employers; (iii) it capacitated smallholders in group management, financial literacy and entrepreneurship, access to financial services, and market coordination and linkage; (iv) it capacitated more than 2,000 local resource persons such as business literacy facilitators, agriculture technicians, migration counsellors and vocational trainers; (v) it adopted a market-led and food systems approach to supply chain development; (vi) it supported smallholder farmers in the adoption of various environmentally sustainable and climate resilient technologies and practices; and (vii) enabled several local governments to establish Migration Resource Centers (MRCs) equipped to provide information and referral services to migrants, their households, and returnees, in turn, proving to be a sustainable model given that several local governments have absorbed the MRCs as part of their Secretariat ensuring their continuity and the government of Nepal along with the Safer Migration Program will now implement the MRC model, considering best practices from RERP, in all 77 districts; and (viii) capacitated 12 local governments to implement skills development training following results-based financing model and 4 local governments developed their own Technical Vocational Education Training (TVET) strategy plans. Sustainability is rated as satisfactory.

Takeaway: RERP is the first project in IFAD's regular programme of loans and grants (POLG) project that specifically focused on migrants, migrant households and remittances. Also, the use of TVET as an instrument of major intervention to create gainful employment opportunity that RERP promoted is relatively less used in IFAD projects. The need for Nepal's efforts to break away from the migration cycle is undoubtedly stark. By using the learnings from RERP, improving further on the design and implementation modality, and with a more sharply focused selection of the project area and the target group, IFAD potentially can design an investment project in future. This will help Nepal to work towards tackling one of its serious development issues and achieve its development goals.

A. Introduction

1. The project completion review (PCR) of the Rural Enterprises and Remittances Project (RERP) - *Samriddhi* (prosperity), as it is referred to in Nepali- was undertaken jointly by the Ministry of Industry, Commerce and Supplies, (MoICS), Government of Nepal (GoN) and the International Fund for Agricultural Development (IFAD) from 9 to 29 June 2024. IFAD fielded a PCR mission^[1] to jointly work with the MoICS and the project management team to assess the results achieved by the project using criteria such as relevance, effectiveness, efficiency, sustainability, and rural poverty impact and thereby contribute to accountability, learning lessons, and agreeing on appropriate hand-over or post-project strategy.
2. **Mission's schedule.** A kick-off meeting was held on 9 June 2024 under the chairmanship of Mr. Krishna Bahadur Raut, Secretary, MoICS in which, inter alia, Mr. Roshan Cooke, Country Director, IFAD Country Office (ICO); Dr. Kamal Gaire, Country Programme Analyst (CPA), ICO; and Mr. Saroj Prasad Guragain, Project Manager, RERP participated. This was followed by: (i) a detailed review of the project's performance during 11-12 June at the project Office in Itahari, Koshi Province; (ii) field visits by three separate teams to all the 16 project districts^[2] during 13-25 June 2024; and (iii) a pre-wrap-up meeting with Mr. Guragain in chair on 28 June at Kathmandu. A Wrap-up cum Stakeholders' Workshop was held on 30 June 2024 in Kathmandu under the Chairmanship of Mr. Raut, Secretary MoICS, with the participation of Mr. Cooke, Mr. Gaire; members of the Project Steering Committee, senior officers of MoICS, farmers' representatives, former staff and other relevant stakeholders in which the Mission presented its findings (Appendix 9) and obtained feedback and guidance.
3. **Project rationale.** At its design, RERP was rationalized considering that: (i) the Eastern and Central Terai and Hills have the largest numbers of poor despite the area being fertile and holding favourable conditions for agriculture, mainly due to demographic pressure and landlessness; (ii) widespread migration due to very limited alternatives; (iii) while migration offers a security valve and allows migrants to learn new skills, it also has social costs, brings only limited returns, and above all puts the migrants in a vicious circle due to the lack of mechanisms to assist migrants and their families to invest part of the remittances into activities that can bring sustainable returns. In the meantime, in the Eastern and Central Terai and Hills: (i) a set of new opportunities have opened up markets for rural enterprises, and particularly for Rural Micro-Cottage and Small Enterprises (RMSEs), both in the on-farm and off-farm sectors; (ii) the demand for the production and processing of high value crops and Non-Timber Forest Products (NTFPs) is growing both on domestic and export markets; (iii) increasing demand for locally produced goods and services that can sustain competition with Indian products; (iv) expanding opportunities in construction and services due to the flow of remittances; and (v) emerging business models for business to business linkages, cluster development and outgrowers' schemes, particularly for connecting small farmers and entrepreneurs from the hills to markets in Terai that can absorb increased production.
4. **Recent economic performance.** Nepal's GDP growth at constant prices has been highly variable. After a drop of negative 2.4 percent in 2020 due to COVID-19, a growth rate of 4.8 percent and 5.6 percent was reported in FY21 and FY22 respectively. It dropped to about 2 percent in FY23^[3] and projected to be 3.3 percent in FY24 and 5 percent in FY26^[4]. The current account balance turned from negative 0.7 percent of GDP in the first half-year of FY23 to a surplus of 2.7 percent of GDP in the same period in 2024, marking the first surplus in eight years, and mainly due to a rise in remittance inflows, from 10.9 percent to 12.3 percent of GDP, and a narrowing trade deficit, from 13.2 percent to 11.6 percent of GDP. Along with reduced imports, official foreign exchange reserve is now adequate to cover 12.1 months of imports. Fiscal deficit has also been reduced from 1.4 percent to 0.4 percent in the first half of 2023 and 2024 respectively. **Similarly, average consumer price inflation decreased from 8 percent in H1FY23 to 6.5 percent in the first half of FY24.**
5. Nepal has achieved more success against social indicators relative to its economic performance. It achieved a large decline in poverty from 25 percent to just 3.6 percent between 2011 and 2023^[5]. There has been a steady decline in the total fertility rate from 4.8 births in 1996 to 2.1 births per woman in 2022. In the same reference period under-5 mortality declined from 118 to 33 deaths, infant mortality rate from 78 to 28 deaths, and neonatal mortality from 50 to 21 deaths per 1,000 live births and stunting from 57 percent to 25 percent.
6. Challenges persist, nevertheless: Nepal's poverty headcount ratio under the newly defined poverty line was 20.3 percent in 2022/23 against an expected 15 percent. Anaemia among women aged 15–49 hardly has changed - 36 percent in 2006 and 34 percent in 2022^[6]. Nepal's economy faces structural challenges with underlying needs for: (i) strengthening the execution and efficiency of capital expenditure to achieve higher economic growth; (ii) reducing dependence on import tax revenue; (iii) adopting sound and consistent monetary policy that boosts confidence and stimulate economic growth; and (iv) addressing the increasing level of non-performing loans in the financial sector to strengthen financial stability and support private investment.
7. Above all, Nepal needs to strengthen its international competitiveness, increase export of goods, and earn more foreign exchange from tourism and foreign direct investment.

B. Project Description

B.1. Project context

B.1. Project context

8. In 2014 when RERP was being designed, Nepal had a population of 26.6 million people, 56 percent of them in 20–40 years of age bracket, with a per capita GDP of USD 730, the second lowest in South Asia, facing slow GDP growth after the resolution of a decade-long internal conflict in 2006. The economy was characterized by: (i) declining agriculture sector (35 percent of GDP); (ii) stagnating industry (15 percent of GDP); (iii) low rates of domestic investment along with challenging regulatory requirements, a risky business environment; (iv) limited connectivity and a lack of support services; and (v) booming migration remittances sent by an estimated 3 million Nepalese employed abroad, constituting 25.5 percent of a USD 17 billion GDP (approx. USD 4.3 billion remittances) and reaching to 55 percent of the rural HHs. Increasing remittances substantially helped Nepal to reduce poverty headcount from 42 percent in 1996 to 25 percent in 2010.
 1. However, only about 19 percent of remittances was transferred through financial institutions, and only 3.5 percent of total remittances were invested in capital formation, savings or business, largely because of a lack of information and services.
 2. Poverty was overwhelmingly rural and a poverty gap index in rural areas nearly doubles that of urban areas (6.0 to 3.2). Deeper poverty, but lower density, is a feature of remote hill and mountain zones, with Central Terai having the greatest density of poor per km² (over 250 per km²) and the strongest prevalence of malnutrition in young children (50 percent and more). Women have a lower access to capital assets and only 39 percent of rural women are literate, as against 67 percent of men.
 3. Micro-Cottage and Small Enterprises (MSEs) contributed more than 80 percent of industrial employment, 70 percent of the total industrial output and 75 percent of total exports. Some 79 percent of micro enterprises are found in the rural sector, with an almost balanced participation from men and women.

B.2. Project objectives

9. The project goal was to contribute to reducing poverty and achieving sustainable peace through employment-focused, equitable and inclusive economic development. The development objective was to provide sustainable sources of income to poor households, migrant families and returnees through the promotion of viable rural micro, small and medium enterprises (RMSEs), in both farming and off-farming sectors.
10. The original design envisaged strengthening of RMSEs by: (i) facilitating sustainable access of RMSEs/migrants to business development services and vocational training and apprenticeships; (ii) building on results under (i), facilitate RMSEs/migrants access to financial services and at mobilising migrant resources and skills for creating assets and developing profitable businesses; and (iii) promoting a favourable policy and institutional environment to support the development of RMSEs and the contribution of migration to sustainable development.
11. Project area: The original design envisaged covering 16 districts which were to be selected based on their economic potential and on poverty concentration, building on the Corridors Potential Mapping and Assessment to be carried out at project onset and on poverty mapping. The technical update undertaken in May 2018 during the Mid-Term Review (MTR) using the newly structured local government system in Nepal identified 208 palikas with total population of 7.8 million people and 1.5 million households. Within these palikas, interventions in communities were to be concentrated on approximately 100 110 priority palikas^[7].
12. Outreach. The total outreach target originally was set at 179,660 primary beneficiaries. Of these, 60,000 were to receive support for developing rural entrepreneurship and 30,000 rural youth with access to job placement services. A total of 30,000 enterprises were expected to be in business after 3 years, of which 33 percent owned by women and 30 percent owned by migrant returnees. Similarly, 21,000 would be supported through vocational trainees and apprenticeship program, of which 33 percent of women, are in gainful employment over at least 6 months. The restructuring of RERP in late 2019 reduced the outreach to 87,500 unique HHs with 420,000 persons; and beneficiaries under the supply chain development from 57,000 to 10,000, social mentoring from 6,750 to 1,000 (limited to Madhesh Province only), financial inclusion from 210,000 to 50,000, and mobilizing migrant resources 210,000 to 170,000^[8]. The target for the Decent Jobs through TVET was kept unchanged at 30,000, however. The Sector Development Facility (SDF), Credit Guarantee Scheme (FIRM) and RMSE development activities were dropped from the project altogether.

B.3. Implementation modalities

13. The organizational framework of the project did not change significantly over the implementation period and consisted of: (i) MOICS, with primary responsibility for project delivery; (ii) Project Steering Committee, to provide more regular monitoring and coordination support and a Project Coordination and Monitoring Committee (PCMC) to assist MOICS and the project; (iii) a PMO comprising of a Senior Management Team and Operational teams; and (iv) Corridor Management Offices in each of the two main corridors led by a Corridor Coordinator who is also a full member of the SMT at the PMO level. The key implementing partners consisted of: (i) HELVETAS with the overall accountability for the results in Sub-component 1.3, Decent Jobs; (ii) FNCCI/AEC with overall accountability for the results under Sub-comp 1.2 along with Koshi Province FNCCI for delivering Apprenticeship LAM-2 training with larger industries; and (iii) SKBBL for Cooperative capacity Strengthening (Part of C 2.1). GALS was implemented by an Economic Mobilization Coordinator, 2 ESC Coordinators and 12-16 EDFs.
14. The cooperative societies were both the recipient of capacity building support as well as the deliverer of the financial literacy (FEEK 1) as well as the financial services activities. Furthermore, selected municipalities were actively involved in using RERP's support for formulating their own policies and strategy, running Migration Resource Centres/ Migration Information Desk (MRC/ MID), and providing guidance and support in executing supply chain development interventions. Participating financial institutions (PFIs), mainly the Agricultural Development Bank Limited (ADBL), using the resources provided under the IFAD-funded *Value chain for Inclusive Transformation of Agriculture* (VITA) project; Sana Kishan Bikash Laghubitta Bittiya Sanstha (Bank) Ltd. (SKBBL), mainly to the cooperative societies; and Laxmi Bank were involved in providing access to financial services to RERP beneficiaries.

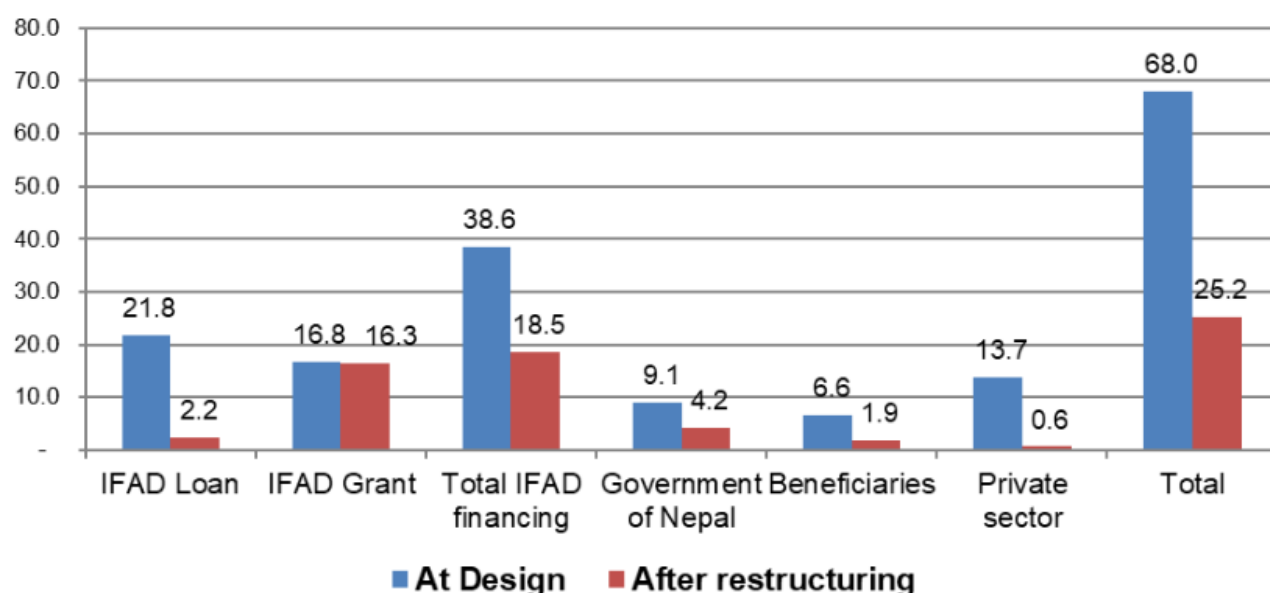
B.4. Target groups

15. The primary target group, as per the original design, was: (i) existing formal or informal rural micro-entrepreneurs that have a potential for development and expansion of on-farm or off-farm activities; (ii) poor households, particularly the families that are landless or near landless, unemployed or underemployed youths, women and marginalized groups^[9], who are interested in developing a business or alternatively securing a sustainable wage-earning job; (iii) returnee migrants and remittance receiving households; and (iv) small enterprises that either play a key role in securing microenterprise access to inputs, services and markets or have a potential to generate employment. Altogether, it was expected that: (i) around 80 percent of the target population will belong to the population under the national poverty line or to near poor families, as per the government's classification; (ii) women constituted 33 percent of project beneficiaries; (iii) young men and women constituted at least 40 percent of the target group; and (iv) at least 30 percent were to be migrant /returnees or remittance receiving families.
16. The design update emphasized that the project would adopt an inclusive targeting approach and will include a set of empowering, enabling and procedural measures to promote socio-economic, gender, youth and migrant household inclusiveness and undertake analysis of the constraints, opportunities and interests of youth based on age, gender and social group, may allow the project to better respond to the differentiated livelihood pathways and constraints. The targets for inclusion of women and youth were increased respectively to 50 percent and 60 percent per cent of the total outreach.

B.5. Implementation delay and project restructuring

17. Designed in 2014, approved by IFAD's Executive Board in April 2015, and having entered into force in December 2015, RERP had its first disbursement on 15 December 2016. In response to RERP's performance remaining unsatisfactory during 2016 and 2017, its design was 'technically updated' in May 2018 while keeping the project's goal, the development objective, and project area unchanged. Considering that the project disbursement of 5.68 percent (vs the target of 54 percent), RERP was restructured following a supervision mission fielded in September 2019.
18. The project cost at design was USD 68.0 million. Project financiers were (i) IFAD loan (32.1 percent), (ii) IFAD grant (24.7 percent), (iii) Government of Nepal (13.4 percent), (iv) Beneficiaries (20.1 percent) and (v) private sector-financial institutions (20.1 percent). The project cost after restructuring (Chart 1 below) was USD 25.3 million. There was no change on project financiers, and project financing were: (i) IFAD loan (USD 2.2 million, 8.84 percent), (ii) IFAD grant (USD 16.3 million, 64.6 percent), (iii) Government of Nepal (USD 4.2 million, 16.65 percent), (iv) Beneficiaries (USD 1.9 million, 7.45 percent) and (v) private sector-financial institutions (0.6 million, 2.46 percent).
19. At restructuring, SDR 13.67 million (USD 56 million of IFAD loan and 0.5 million of IFAD grant (due to exchange rate fluctuating between USD and SDR) was cancelled (Appendix 3A).

Chart 1: RERP Budget At Design and Restructuring (USD million)



20. Two 'no cost' extensions totalling 18 months were approved on 2 June 2022 along with reallocation among categories, and 30 October 2023 allowing time to fully complete activities delayed due to COVID-19. As a result, the Project Completion Date was revised to 30 June 2024 and Project Closing Date as 31 December 2024.

21. **Internal factors causing delay.** While the first lot of 15 staff were recruited in April 2017 and the project was officially launched in June 2017, most staff recruitments were not completed until November 2018. The Decent Jobs sub-component was the first to start implementing and to this end EOI was called in March 2018 and the first round of training was started in May 2019, followed by the second round in March 2021. For supply chain development the first EOIs called in May 2019 and MOUs for co-investment for supply chain development with 126 groups were signed from February to September 2020 and MOUs under second round signed mostly during the first half of 2021. Rollout of FEEK-1 started in May 2019 and MRC/MIDs were established mostly in the second half of 2019. Implementation of collection centre under the unlocking fund and support to local government for policy/strategy/plan formulation did not begin until late 2023 (Appendix 10). In essence, most sub-components received an effective implementation period of 2 to 5 years with an effective average of less than 4 years, instead of 7 years

C. Assessment of project relevance

22. Keeping in view that the project results are mostly in the form of outputs the PCR mission travelled extensively covering entire project districts and met with a wide range of stakeholders both at the field and in a workshop organized in Kathmandu aiming at assessing the performance of the project. The RERP was developed in accordance with the Nepal COSOP 2013-2020, which outlines three strategic objectives relevant to the project's design: (i) promote income diversification and create employment opportunities in both agriculture and off-farm sectors, (ii) enhance food security and resilience to climate and other risks, and (iii) support inclusive, accountable, and sustainable rural institutions. During its implementation, the project also adhered to the COSOP 2021-2026.

23. **External factors causing delay.** During implementation RERP faced four major challenges, which need to be considered when assessing the performance of the project: (i) Nepal's very high dependency on remittance in its foreign exchange earnings, national income (25.5 percent of GDP of US\$ 436 billion) enabled by a six-fold increase in remittances in a decade beginning 2003/04; (ii) overseas migration of about 400,000 Nepalese every year with Nepalese migrant population overseas being estimated at 3 million; (iii) about two in three households in Terai and one in two in the Hills and Mountains receive remittances, with a total estimated 56 percent of remittance receiving households across the country; (iv) most part of the remittance income being spent on meeting daily needs and very low level (4 percent of total remittances) being invested in capital formation, or for saving 0.6 percent and in business (0.5 percent). Importantly, 77 percent of recent returnees were considering getting back to overseas employment. The overall situation is explained by the limited job and investment opportunities in Nepal. Migration had high social costs such as separation of family members, estrangement in husband-wife relationships, disputes between family members for control over resources, and wrongful accusation heaped over women returnees. Even worse, it has put additional burden on women - both running the farm and heading the household.

26. The majority of the population still lives on low input-low output agriculture that provides limited income: close to 30 percent of the rural population is under the poverty line of USD 200 per year (average GDP at 647 USD). While Nepal, and particularly the project area, faced some daunting challenges in terms of creating adequate employment opportunities in-country, the project area offered a set of new opportunities as described in paragraph 3 above.

C.1. Relevance vis-à-vis the external context

27. Keeping both the challenges being faced and emerging opportunities, RERP was designed with the aim of diversifying the range of economic activities accessible to poor rural households and unemployed young men and women, by promoting: (i) self-employment and micro and small enterprises that can generate better income and jobs in both farming and non-farming sectors; and (ii) vocational training and apprenticeships in direct connection with gainful employment for poor people that are looking for a sustainable source of income and an alternative to migration, but that are not interested in or able to take the risk inherent to business development. In addition, RERP was to develop mechanisms specifically targeting migrant households and returnees so that they can make the best possible use of their remittances.
28. The project's targeting and inclusion strategies and procedures contained in the original design categorised the poor into 3 types and proposed interventions that would offer a pathway out of poverty. Multiple instruments of interventions were suggested for reaching to the population below the poverty line. The priorities and needs of the project target groups were correctly identified and the design elements addressed those fully. Targeting strategy was to be implemented following the poverty mapping.
29. Since the design of RERP, Nepal's dependency on remittance has increased further. Of the population of 29 million in 2021 in Nepal, about 2.19 million or 7.6 percent are reported to be living abroad in 2021.^[12] These absentees (or migrants abroad, as referred to in Nepal's census) belonged to 1.56 million or 23.4 percent of the HHs. Of the total absentees living abroad, 1.8 million (82 percent) are male which as a percent of the male population of the age group of 20 to 44 of 5.17 million is a whopping 35 percent. In 2021, 31.55 percent of the total households (6.67 million) are female headed, which implies an increase of 5.82 percent points since 2011. Nepalis seem twice as likely than the global population to migrate abroad (3.6 percent). Close to 6 million persons – one among 5 of total population – have obtained a foreign employment labour permit^[13]. In Rupee terms, remittance income has shown a growth rate of about 21 percent in last 2 years and is estimated to reach to 1,436.8 billion by mid-July 2024. Remittance is 9 times higher than the amount of goods exports (NPR 159.4 billion), 23 times the amount of foreign aid utilized (NPR 63 billion), and 40 times that of foreign direct investment (about NPR 36 billion).
30. Nepal's consistently negative net migration rate indicates more individuals are departing the country because they see better opportunities and well-being in other countries. Nepal's stagnant labour force participation, hovering around 42 percent since 1990, indicates insufficient job creation.^[14] While Nepal's high rate of net migration is multi-causal, it is key that gainful employment opportunities need to be created within the country for those who want to stay.
31. In summary, RERP continues to remain **highly relevant** at its completion.

C.2. Internal Logic

32. RERP did not formally propose a Theory of Change (ToC). The design update did not provide a schematic outlining the entire TOC but offered a clear rationale and key interventions of RERP. The basic logic can be summarised as follows:
- For most Nepali migrants, migration is not an end-goal in itself. It is, rather, a temporary arrangement to try to take advantage of better income opportunities overseas with the intention of returning home once they are in a stronger financial position. The hope is to be able to use the money earned overseas to build a better home and livelihood for themselves and their family upon their return.
 - With appropriate education on the constructive use of remittances, information on business development and facilitation of business creation, migrants are willing to use their remittances for capital formation and business investment. If this is achieved, the remittance cycle could be broken by mobilising savings, building assets, creating self- and/or wage-employment opportunities.
33. Following through the above logic RERP aimed at *not promoting migration*, but rather: (a) promoting better local economic opportunities; and (ii) enabling those that still choose to migrate with enhanced skills that are more remunerative, or who are returning to be better able to gain the full benefits of migration as a transformative step in their families' economic livelihoods. In essence, RERP sought to ensure that people migrate by choice and not by necessity (Appendix 11).
34. The internal logic of RERP at design, which proposed a host of activities generating both self- and wage- employment opportunities, on- and off-farm, promoting financial literacy and providing access to finance, providing migrant services, further complemented by strengthening supply chains, offering inclusive investment pathways, and promoting producers' groups was *generally sound*. The soundness of the internal logic could however have been strengthened further, had the following issues been addressed:
35. In the face of the challenges related to substantial delays in implementation, some activities proposed in the design or update were dropped. These included RMSEs (rural micro and small enterprises), FIRM (financial Instrument for risk management), and SDF (social development fund). This somewhat weakened the internal logic of the project even though the adverse effect was kept to the minimum.
36. RERP when designed was a relatively a large project for Nepal and more so given the country's limited absorptive capacity. This led to coverage of a relatively a large area covering 16 districts. Also, some shortcomings in ensuring coordination during implementation among various units/ component leaders resulted into lack of overlap among activities that otherwise would have created a critical mass of visible impact. It also weakened the impact of some interventions; for example, had MRC had easy access to TVET and SC related activities and provided those to the potential migrant or the returnees, MRC's impact could have been stronger. The insistence on following a cluster approach in the SC, however, helped avoid potentially weak impact.
37. The decent jobs activity through the TVET sub-component could not foresee the trajectory that the trainees could take in terms of starting an enterprise of their own and creating employment opportunity for others^[15]. With hindsight this group should have been provided additional skills related to occupation, entrepreneurship and business management as a second stage support.
38. During design, reaching migrant workers through financial literacy and remittance-related services was relevant, as they are key decision-makers within the targeted HHs. Besides remittances however, had the project focused more sharply on engaging migrants in investing in supply chains, the project could have had an opportunity to not only mobilize additional resources, but also, establish remunerative livelihoods.

C.3. Adequacy of design changes

39. RERP's design was 'updated' substantially by an ISM mission in May 2018 (Para 19). The MTR mission fielded in December 2018 despite noting a low disbursement rate of 3.4 percent, and the project being 'at risk', concluded that the design update done in May 2018 remains valid. So, the changes agreed upon at the MTR were minimal. Noting that "... it is now functionally impossible for the project to achieve its development objectives, except in the areas of Decent Jobs (1.3) and migration services (2.2)", the supervision mission fielded in September 2019 recommended immediate restructuring of the project (Para 21), thus reducing IFAD financing by 52 percent.
40. The restructuring process while (i) keeping the end target for decent jobs unchanged at 30,000 rural youth, (ii) reduced the scale of intervention drastically for the supply chain, social mentoring (GALS), and financial inclusion and (iii) dropped: (a) Enterprise Service Centres and CCI strengthening attributing to unproven approach and no time to develop, test and improve; (b) Sector Development Facility (SDF), proposing public good' investments to be made by local and provincial governments; and (c) Credit Guarantee Scheme (FIRM), stating that the reduced scale of Supply Chain activities does not justify risk and complexity of setting up this instrument which in any case is considered unworkable and significantly increase delivery risk.
41. RERP's actual implementation having started with substantial delay (Para 24) and the original completion date remaining unchanged on 31 December 2022 the restructuring essentially allowed RERP to complete implementation within 3 years. Subsequently, 2 extensions of 1-year and 6-months were agreed upon respectively in June 2022 and Oct 2023, respectively. The PCR mission's observations on the adequacy of the design modifications are as under:
42. The technical redesign of the project was necessary: Added clarity made interventions more relevant to the economic opportunities and the target group
43. The cancellations of IFAD loan and reallocation within Nepal portfolio was warranted.
44. Both extensions, in principle, were necessary for higher effectiveness, efficiency and sustainability. First extension was used effectively.
45. While noting that the design changes were adequate and: (i) enhanced *implementability* of the project, (ii) reduced some over-budgeting of the project; and (iii) *optimized resource allocation* within IFAD's Nepal portfolio, the PCR mission also states the following:
 - While the initial design of 2015 and the textual narrative of 2018 design update focused on migrant families, returnees and even migrants overseas, the same spirit was not shown in redrawing the logframe and the indicators related to migrant families, migrant's accessing financial education, migrant savings mobilisation etc.;
 - As per the original design (Para 18), while poverty mapping was to be done for better targeting, this aspect did not receive adequate attention during the design modifications, which eventually had implications on targeting effectiveness;
 - Available implementation capacity within RERP while justified the dropping of some the activities (Para 38), this somewhat weakened the internal logic of the project, in particular the dropping of the enterprise service centre and linking migrants as investors in the SC enterprises on the one hand, and deprioritisation of remittance-receiving HHs on the other;
 - Instead of waiting for another year, the project could have been restructured and cancellation effected during the MTR itself;
 - The 3-year implementation period envisaged following the restructuring, was inadequate for the RERP intervention to mature and the one-year extension that was agreed in June 2022 should have been foreseen and agreed as part of the restructuring. This could also have potentially allowed for lesser reduction in the end-targets for supply chain component, including the SC related RMSEs, and thus a lesser cancellation of IFAD loan^[16]; and
 - While the last extension of 6 months was also warranted, its use was sub-optimal due to financial management related issues.
46. Despite not having specific targets in the revised logframe of 2018, 31 percent of the project outreach under RERP was from migrant HH and returnees (Appendix 11). Altogether, RERP reached an estimated 24,600 migrant households (24 percent) and 8,360 returnees (8 percent)^[17]. Under the supply chain component, RERP directly supported migrants and returnees in building sustainable sources of income where about 55 percent of members were migrant families and returnees (Appendix 11). Similarly, Decent Jobs component reached to about 20 percent migrant households (Appendix 12). In addition, RERP successfully mobilized migrant resources and skills as detailed in Para 56 below. Furthermore, a remittance-linked saving product was developed and 22 cooperatives offered services. Among GALS beneficiaries 28 per cent were migrant households and 12 per cent were migrant returnees (Appendix 11).
47. Overall, GON and IFAD made best efforts in introducing modifications through a series of supervision, implementation support and MTR missions despite challenges posed by both internal and external factors.
48. In the light of foregoing analyses (Para 28-41), the relevance of RERP is rated as

D. Assessment of project effectiveness

49. Despite serious disruptions caused by external events (para 25), RERP reached 104,803 HHS (120 percent of the target). Of those receiving VST training 20,820 persons (77.5 percent of 26,870 of those trained) and 1,866 (76.6 percent of 2,437 apprentices) are in gainful employment for at least 6 months after completion of training. The project directly benefited 13,281 smallholder farmers (133 percent of end target), 91 percent of whom reported an increase of 166 percent in median sales revenue. Of those reached, 27,290 HHs (26 percent of total HHs) are women-headed, and 73,109 persons are young (age bracket of 16 to 40 years). On targeting and outreach more details follow. In terms of physical targets and output delivery, RERP's achievements were impressive^[18]. The project has performed consistently well across all log-frame indicators. In addition, the project has performed particularly well in reaching its target beneficiaries of women and youth across major project activities, with women composing 75% and youth making 70% of the total beneficiaries. On performance, targeting and outreach more details follow.

D.1. Physical targets and output delivery

50. RERP has directly benefitted more than 104,803 households (HHs) or 120 percent of end target^[19]. This includes 27,290 or 26 percent women-headed HHs, 41,049 or 39 percent indigenous HHs, and 14,317 or 14 percent Dalit HHs. Among the persons supported, around 78,839 or 75 percent are female (175 percent of end target) and 73,109 or 70 percent are youth (135 percent of end target)^[20]. About 51 percent belong to plains (Terai) communities and 49 percent to Hill communities. In addition, an estimated 24,600 or 24 percent belong to migrant HHs and 8,360 or 8 percent are returnee migrants.
51. As a result of downscaling (Para 10-22), the project has surpassed key log frame milestones with notable positive outcomes for project beneficiaries. Based on the endline survey, around 28,108 of the HHs reported an increase of at least 20 percent in household assets (100 percent of the end target). Further, an analysis of project MIS datasets shows around 21,747 HHs have achieved a return on labour of at least NPR 21,625 (USD 163^[21]) per month or 125 percent of official minimum wage (213 percent of end target), and around 19,090 on and off-farm rural enterprises reported an increase in profit (119 percent of end target)^[22].
52. The above-mentioned outcomes are a direct consequence of the progress achieved on key project activities and services under various project sub-components, described below.
53. **Sub-component 1.1: Supply Chain Development.** The project directly benefited around 13,281^[23] smallholders (132 percent of end target) in 76 Palikas, including 8,471 or 64 percent women, 8,526 or 64 percent youth, 4,231 or 32 percent indigenous, and 1,494 or 11 percent. More than 4,021 or 30 percent belong to migrant HHs, and 2,322 or 18 percent are returnees. The project engaged key stakeholders along the supply chain (smallholder producers, agri-enterprises, traders and palikas) on production, value addition, market linkage and policies across 5 commodity supply chains – vegetable, medicinal and aromatic plants (MAPs), goat, dairy, and fish. Key outputs of the project include:
- *Production:* 500 bore wells and 91 plastic ponds, 70 vermicompost pits, 115 improved goat bucks and extensive artificial insemination (AI) programmes for dairy, and 700 hectares under feed and fodder plantation for goat and dairy.
 - *Enterprise:* 33 agri-enterprises for input supplies, services, and value addition, including 4 essential oil distillation facilities, 2 fish hatchery facilities, and 3 goat resource centres^[24].
 - *Market infrastructure:* 45 market collection centres, including 8 for vegetable and 37 for dairy with 27,500 litre milk chilling capacity.
 - *Market linkage:* 480 multi-stakeholder platforms (MSPs), business-to-business and service linkage events organized (160 percent of end target).
 - *Policy:* Agriculture development strategies developed for 9 Palikas, and fish cluster development guidelines prepared for 6 Palikas.
54. As a result of the activities undertaken under supply chain development, annual production volumes have doubled across all five commodities, with beneficiary smallholders reporting a 166 percent (median) increase in sales revenue (415 percent of end target), and 187 percent (median) increase in net income^[25]. Equally important is the adoption of environmentally sustainable and climate-resilient technologies and practices, with 77 percent of the endline survey participants reporting the adoption of at least one resilient technology or practice, such as plastic tunnels, liquid and bio-fertilizers, plastic mulch, drip/sprinkle irrigation, stall feeding, improved sheds, fodder production, bio-floc for fishponds, and community and leasehold forest MAPs cultivation (111 percent of end target).
55. **Sub-component 1.2: Chambers of Commerce and Industry (CCI) Capacity Development.** The project has supported the capacity building of 27 local CCIs (100 percent of end target) for delivering business development services and market linkage support to small and micro-enterprises, including producer groups. Among them, 18 partner CCIs or 67 percent achieved “strong” or “very strong” capacity assessment scores (111 percent of end target).
56. **Sub-component 1.3: Decent Jobs.** The project has provided 29,307 individuals with skills and job placement support (98 percent of end target), including 16,481 or 56 percent women (110 percent of end target) and 26,510 or 90 percent youth (98 percent of end target). An estimated 5,700 or 20 percent belong to migrant families and 1500 or 5 percent are returnees. Key outputs include:
- Vocational skills training (VST) to 26,870 individuals and apprenticeships for 2,437 individuals.
 - Partnership with 139 local government for vocational skills trainings.
 - Demand based vocational skills training on 36 different occupations across multiple sectors such as construction, textiles, tourism, health and others.
 - 6,296 or 38 percent of women trained in non-traditional trades such as industrial wiring, mobile phone repairing, building

- masonry, and motorcycle servicing etc.
- Results-based training implementation guidelines developed for 12 Palikas, and TVET strategic plans for 4 Palikas.
- Technical support for the development of the Labour and Employment Policy of Madhesh Province.

57. A detailed assessment of the Decent Jobs sub-component has been presented in Appendix 12.
58. Around 22,686^[26] or 77.4 percent of the training graduates are gainfully employed (108 percent of end target), including 56 percent or 16,481 women (113 percent of end target) demonstrating clearly the effectiveness of the results-based payment model^[27] adopted by the project for delivering training and job placement services to beneficiaries. This component was implemented by HELVETAS under a contract signed with the project management utilizing RERP funds. Results were delivered as expected and overall performance of HELVETAS was satisfactory,
59. **Sub-component 1.4: Inclusion and Mobilization.** A total of 107 Gender Action Learning System (GALS) mentors were trained (107 percent of end target), who then provided services to around 1,378 women belonging to vulnerable and marginalized communities (138 percent of end target). Among them, 790 women were supported with Poverty Inclusion and Dream Support Fund for engaging in the project supported supply chains for economic empowerment. According to the endline survey, 1,019 or 74 percent of GALS participants reported improvements in empowerment (146 percent of end target).
60. **Sub-component 2.1: Financial Inclusion.** The project has capacitated 236 cooperatives (including 46 SAFCL) in delivering financial products and services to rural communities (157 percent of end target). Among them, 134 partner cooperatives have access to wholesale financing or linkage banking with other financial institutions (99 percent of end target). Key results of the project include:
 61. Partner cooperatives accessing wholesale credit of around NPR 1.7 billion (USD 12.8 million) .
 62. IT support to 99 cooperatives for digitizing their operations and services.
 63. Membership of 68,176 HHs in partner cooperatives for financial services (142 percent of end target)
 64. 91,616 persons (153 percent of end target, 81 percent women) trained in Financial Education and Enterprise Knowledge (FEEK), including 9,895 under SC1.1 Supply Chain, 19,506 under SC1.3 Decent Jobs, and 62,215 through cooperatives.
 65. 3,126 supply chain households accessing NPR 731 million in credit.
 66. 22 cooperatives had a remittance-linked saving product (10 percent total) and 28 providing remittance services (13 percent total)^[28].
67. **Sub-component 2.2: Mobilizing Migrant Resources and Skills.** The project established 14 Migration Resource Centres / Desks (MRC/MID) for providing migration-related services (100 percent of end target), 12 of which have been absorbed by Palikas for continued services (120 percent of end target).
 - More than 75,000 persons were provided with migration-related services (169 percent of end target), 73 percent of whom were aspiring migrants, and 8 percent migrant families and returnees.
 - 494 cases handled and 228 clients facilitated to claim compensations for injury and death of USD 1.1 million.
 - More than 3,300 returnee migrants supported in accessing economic opportunities, 2,257 under SC1.1 Supply Chain and 1,085 under SC1.3 Decent Jobs (334 percent of end target).
 - Migration and reintegration policies of 9 Palikas, MRC guidelines for 8 Palikas, and Migration Profiles of 14 Palikas.
68. A detailed report on migration and remittances has been presented in Appendix 11.
69. Overall, the outreach and achievements of RERP on physical outputs can be rated as **highly satisfactory**. This has allowed the project development objective and related emerging outcomes to be largely achieved and thus considered as Overall rating for effectiveness can thus be assigned as **satisfactory**.

D.2. Rural Poverty impact

i) Household income and assets

70. As evidenced by the information extracted from the MIS and inserted in the logframe (Appendix 1)^[29], RERP has achieved all the outcome and goal indicators. Table 1 below provides a summary of the key results related to income and assets.

71. **Table 1: Rural poverty impact – Household income and assets**

Logframe Indicators	End Target	Achievement	percent Against Target
HHs reporting increase of at least 20 percent in HH assets ownership within 4 years	28,000	28,108	100
Supported rural enterprises reporting an increase in profit	16,000	19,090	119
percent of women in gainful employment after vocational training, apprenticeship, Target 50 percent	10,500	11,907	113
Number of supported vocational trainees and apprentices	21,000	23,256	111
No. of individuals achieving a return on labour of at least 125 percent of official minimum wage	10,200	21,747	213
percent Increase in total revenue from farm product and services sold	40	166	415

72. Average investment of the supply chain beneficiaries over the project period is estimated at USD 1,497 and average incremental net benefits of USD 1,320 per business/enterprises. Supported vocational trainees and apprentices (69 percent) are engaged in gainful employment over at least 6 months with an annual average earning of USD 1,350. About 96 percent of the project participants have achieved a return on labour of at least 125 percent of official minimum wage in supported farm and non-farm enterprises. Net incremental benefit per USD 1 of investment of the project participants is estimated at USD 0.71. Supply chain project participants own improved farm equipment such as improved cattle shed, mini tillers, boring/water pumps, aerator, plastic tunnels, etc. and average value of these assets is estimated at USD 1,887 per HH.

73. Despite small co-investment support from the project and limited time available for sub-project development, the overall performance on changes in households' income and assets of the direct beneficiaries is satisfactory. This primarily is attributable to higher awareness and education level of the supply chain beneficiaries, and economic trends in the road corridors^[30] where project implementation was focused. Implementation of the supply chain commodities along these road-corridor identifying potential production pockets for off-season vegetable farming, goat raising, and cattle/buffalo farming has ensured easy access to market to farm products to supply them in different local, regional and national markets. Relatively higher education levels of farm households played a catalyst role to enhance their production and marketing skills. They were able to undertake proper production planning and supply of commodities at times market prices were relatively high. Introduction of technology to harvest and sell live fish in major markets has proven highly profitable. Linking of MAPs producers with distillation units provided assured market leading to MAPs production in farmland, nearby barren lands and community forest areas. Hence, the supply chain component did relatively well due to the above mentioned enabling economic environment and proper process adopted for production pockets selection, and packaging of project support.

74. Tracer study findings revealed that performance of the decent job (VST and LAM) 1st and 2nd round graduates^[31] was relatively better with 69 percent employment rate (70 percent for VST and 64 percent for LAM). Of the employed graduates, 48 percent are employed as daily wage/salary employees, 13 percent are enterprise owners, and 29 percent are self-employed as service providers (engaged on both farm and off-farm activities). Hence, stability and incremental income of the decent job graduates establishing enterprises and/or engaged on self-employment is higher compared to those employed on daily wage / salary. Markets, road networks and communication infrastructure are relatively well developed in project areas (Koshi and Madesh provinces) and people have a more enterprising culture. U

75. Nevertheless, unemployed VST and LAM graduates have faced challenges such as: (i) lack of adequate and relevant course content, knowledge, authentic practical workplace experience, and soft skills; (ii) inadequate equipment, lack of job placement opportunities, and financial constraints; (iii) lack of instructors with industry experience; and (iv) less relevant vocational pedagogy and practical skills training. When compared to the experiences of similar other TVET projects running in Nepal, the employment rate achieved by RERP is satisfactory. There is room for improvement, however.

ii) Human and social capital

76. The project has contributed to develop human and social capital significantly in the project areas that shows the sustainability of the results and meaningful impacts. The project has developed a good foundation through enhancing capacities at three levels: a) enhanced individual's agency, voice, leadership and technical skills; b) strengthened community level institutions; and c) institutionalization of key initiatives by local governments.
77. **Individual agency, voices, leadership and technical skills:** Overall the project worked with 104,803 households (Para 44). Rural smallholders (13,281) organized in 410 producer groups, led by 59 percent women, have helped developing their leadership abilities, strengthened their collective bargaining power in the communities, enhanced voices in decision making and improved negotiation skills. Among the project participants 91,616 persons have been trained in financial literacy and 68,176 HHs are members of cooperatives making use of financial products and services. As noted, substantial number of farmers have participated in MSP and B2B and B2S interactions and these have helped them to develop their capacities and build relationships with various stakeholders in the supply chain. Adoption of sustainable and climate-resilient production technologies that RERP promoted would also boost social capital.
78. Altogether 1,658 women including 280 from the "passing the gift mode^[32]" were empowered through Gender Action Learning System (GALS). This has helped changing their own mindset, behaviours, relationship with husbands and other family members, as well as in developing their leadership at the community level.
79. As noted, a total of 29,307 persons trained on technical and vocational skills in 36 different occupations of 13 sectors. Of the total 38 percent women are trained in 34 non-traditional occupations for women like aluminium fabrication, masonry, welding, motorcycle repair, furniture making, building, painter and so on. Women working on non-traditional trades have enabled them to earn more than in traditional occupations. More importantly, this has helped in changing dysfunctional traditional gender social norms. Some women are role models in these trades and have also provided employment for others. Migrant households where returnees have integrated back and are working in the communities is sending a positive message to the communities.
80. More than 2,000 local resource persons have been capacitated as vocational trainees, financial and business literacy facilitators, GALS mentors, agriculture technicians, migrant councillors and are permanent human resources in the communities. They are transferring peer-to-peer knowledge, and technical, organization and social skills to rural communities. GALS has been instrumental in changing traditional social barriers and been able to bring transformative change to the communities.
81. **Local institutions and service enterprises** such as producer groups, cooperatives, market collection centres, agri-enterprises, essential oil distillation facilities and fish hatcheries that have been established, have strengthened and enhanced the social fabric. Smallholder producer farmers, cooperative members and individual traders have invested their own capital in rural areas. A total of 410 producer groups where all the smallholders, including about two third women and marginalized sections of the community, are organized. They meet, interact, learn, plan and work together for their collective benefits. This has enabled them to develop facilities and services, strengthen their capacity for price negotiations and demand services from relevant actors/ stakeholders. Market collection centres (total 45, 37 for dairy and 8 for vegetable) and agro-enterprises (33) have provided aggregation facilities, trade services and inputs to farmers. Additionally, 4 essential oil distillation facilities, 2 fish hatcheries and 3 goat centres, established and strengthened in the project area, are providing services to the farmers.
82. During the project period some initiatives have been institutionalized through local governments. RERP's working with Palikas under different components have facilitated the development of management capacity and learning together. Ministry of Labour and Transport of Madhesh province promulgated a "Labour and Employment Policy" based on RERP's Results Based Financing in TVET. Similarly, 12 migration resource centres (out of 14) developed during the project period, have been adopted by the Palikas and continue to provide services on information and awareness on safe migration, as well as local opportunities to avoid migration. In addition, the MRCs managed by Palikas are providing information on potential opportunities, trainings, and financial and other services available in the country to the returnee migrants. Nine Municipalities developed Migration and Reintegration Policies: Dhankuta Municipality being the first in the country. Nine Palikas developed agriculture development strategies with the support of the project, and committed to continue financial and business education and GALS using their own resources.
83. Overall, the performance on human and social capital is considered **satisfactory**.

iii) Food security

84. In its design, RERP had not identified any outcome related to household food security and nutrition. Consequently, specific resources were not earmarked for these areas.
85. Nevertheless, the proportion of women reporting minimum dietary diversity (MDDW) was included in the logframe as an indicator. The achievement of 72 percent against the end-line target of 10 percent is **highly satisfactory**. The endline survey has shown the MDD at 72 percent for the intervened HHs, which against the 68 percent for the control shows some improvement.
86. Indirect and anecdotal information collected by the PCR mission shows significant contribution to household food security owing to:
- Significant increase in gainful employment, return on labour, and HH assets (Para 59-63 above) have allowed HHs to spend more on food on a permanent basis thus allowing for the consumption of higher quantity and quality of food.
 - RERP has contributed significantly to increase production in milk, vegetables, fish, and goat, part of which was for self-consumption thus improving food and nutrition security.
 - In addition, increased milk and vegetable production enabled farmers to receive sales proceeds much more frequently, which helped stabilise consumption and in turn achieve food and nutrition security.
 - Importantly, increased access of the project beneficiaries, particularly women, to institutional financial services such as through cooperative societies, and personal savings, helped the HHs to stabilize and smoothen their consumption over the seasons across a year.
 - Stall-feeding, grass plantation, chaffcutters have reduced women's workload and improved labour productivity thereby reducing food energy consumption.
 - Empowerment of women helped reduce conspicuous consumption (e.g. reduced alcoholism) by male members of the family.
 - Though not as extensive, RERP did support beneficiaries through water related infrastructure which increased the availability of water even during the dry season thereby reducing beneficiary HHs time used for water collection and helped achieving better sanitation.
87. The combination of reduced workload, energy savings, and improved sanitation contributed to better nutrition outcomes overall. Finally, women's social and economic empowerment was strong and usually lead to improved child nutrition.
88. In conclusion, RERP's impact on food security is found to be moderately

iv) Agricultural productivity

1. Through corridor potential mapping, RERP decided to focus on five supply chain commodities: fish, goat, dairy, medicinal and aromatic plants (MAPS) and vegetables. RERP incentivized adoption of productive practices and technologies through incentive grants for small-scale producers (30 percent from project – 70 percent from the producer groups) and through 'unlocking investments' matching grant (50:50) for producer group to purchase joint productive assets such as small-scale pump irrigation systems.
2. Using farm diary data from about 8,500 households receiving at least two years project support (aggregated into MIS), production and productivity estimates (Table 3) were made and presented below^[33].

89. **Table 2: Annual household production volume and productivity - Base- and endline**

Supply Chain	Production*			Productivity**		
	Baseline (median values)	Endline (median values)	percent Change over baseline	Baseline	Endline	percent Change over baseline
Fish	800	1,615	101	3,033	5,083	68
Goat	60	131	118	24	27	12.5
MAPS	20	47	135	533	586	10
Dairy	1,700	3,120	83	1,242	1,590	28
Vegetables	2,000	5,850	193	21,868	36,486	67

90. * The units are for base- and endline values are in kg for fish, goat, MAPS and vegetables SCs, and in L for Dairy SC

91. ** The units for base- and endline values are in kg/ha for fish, MAPS and vegetables SCs, kg/buck for goat SC and L/head for dairy SC.

92. Compared to baseline data, RERP contributed to doubling the production of commodities per household in each SC. The drivers

of this sizable increase in production vary by SC. In goat SC, a modest increase in productivity was supported by an increase in production asset (e.g. ~60 percent increase in goat herd size). A significant adoption of good quality fodder (exemplified by a 93 percent increase in grass planting area compared to baseline) and improved breed, contributed to an increase in herd size within a relatively short period of time. These interventions can be expected to continue improving productivity in the long run. Adoption of chaff cutter in chopping harvested grasses into small pieces for better animal digestion, not only improved fodder consumption efficiency but also, reduced drudgery and allowed for better allocation of time for producers, mainly for female producers who usually undertook this task.

93. For vegetable SC, adoption of polytunnels, better use of inputs such as biofertilizer (e.g. jholmol, vermicompost), and small-scale irrigation led to higher productivity and, in some areas, allowed for off-season production. In Fish SC, adoption of better pond management (e.g. use of pumps and aerator to control water quantity and quality), fish polyculture to occupy different pond strata, regular feeding using improved quality feed contributed to high productivity increase.
94. In MAPS SC, another modest increase in productivity was supported by significantly lower post-harvest loss in MAPS SC (~50 percent reduction in post-harvest loss). Better access to seeds or saplings, in many cases provided by buyers, accounted for a modest increase in productivity. Better linkages to buyers who provided transportation facilities from farms to distillation plants (in some cases established close to the production sites), reducing the need for storage by producers, as well as enhanced producers' knowledge in optimal harvest time contributed to lower post-harvest loss.
95. A higher productivity increase was recorded in dairy SC. Increased adoption of quality fodder, better shed management and hygiene as well as enhanced availability of artificial insemination services contributed to higher productivity increase in this SC. High productivity increases were reported in fish and vegetables SCs (~70 percent, Table 3). The type of production practices and technologies adopted in these SCs, as well as the SCs' relatively quick production cycles, lend themselves to faster and thus higher increase in productivity.
96. Overall, RERP performance on agricultural productivity is **satisfactory**.

BOX: Supply Chain Development and Productivity Increase

Implemented in all of three provinces and 16 target districts of the project, both in the hill and terai regions, over 30 percent of the total number of producers in RERP was engaged in vegetable production. As a part of a larger supply chain development effort, vegetable producers were organized in groups and received a number of support, including:

- Partial grants to establish shared infrastructures such as boreholes and irrigation systems and vermicompost pits.
- Training in vegetable production including topics such as protected horticulture, production and use of biofertilizer/ biopesticide (e.g. jholmal), market standards and quality control.
- Affordable financing through co-investment grants for producer groups to purchase inputs
- Strengthened market linkages through formal signing of agreements between market representatives and producer groups, establishment of collection centres etc.

Among producers receiving at least two years of project support, interventions addressing production aspects enabled increasing productivity by 67 percent over baseline. Some producer groups shifted to vegetable production under plastic tunnel, coupled with sprinkler or other types of irrigation with water coming from project-supported boreholes. Poly tunnel technology increased productivity by sheltering crops from heavy rainfall during the monsoon and maintaining more stable temperatures during the winter, reducing direct damage on the harvestable parts. The technology also allowed producers to prolong their growing season.

Another technology that scaled among RERP vegetable producers is *jholmal*, a homemade bio-pesticide/fertilizer concoction prepared by "mixing and fermenting locally available resources such as water, animal (cow/ buffalo) urine and dung, beneficial microbes and plant parts in a defined ratio"¹. Bushal et al.² reported a statistically significant increase of ~10-30 percent in bittergourd yield upon jholmal application under open field production in Nepal hilly ecosystems. Additional supply of nutrients contained in the mixture partially explained the increase in yield. Adding plant parts with insect repellent properties such as stinging nettle, mugwort, melia and Shichuan pepper into the jholmal mixture reduced fruit fly infestation compared to control. Moreover, jholmal might also increase microbial activities in the soil which in turn improved the availability of soil nutrients for plants.

The interventions on market linkages were crucial and ensured that over 94 percent of the produce were sold in the market. This allowed for improved stable income for producers, some of which were potential migrants who decided to stay in the country instead. Indeed, one of the beneficiaries was quoted in a news piece in a national mass media, "When you can earn such substantial income at home, there's no reason to consider going abroad for work."³

¹ ICIMOD. 2020. *Jholmal: A nature-based solution for mountain farming systems*. ICIMOD: Nepal.

² Bushal K, Udas E, Bhatta LD. 2022. *Ecosystem-based Adaptation for Increased Agricultural Productivity by Smallholder Farmers in Nepal*. PLoS ONE 17(6): e0269586. <https://doi.org/10.1371/journal.pone.0269586>

³ IFAD/MoICS: *Commercialization of Agriculture Reintegrates and Retunes Migrants | New Spotlight Magazine (spotlightnepal.com)*

v) Institutions and policies

97. IFAD's Nepal country programme can expect to achieve policy impact mainly through two avenues: (i) mainstreaming and upscaling of project-induced approaches and methodology; and (ii) providing strong support to lower tiers of government within Nepal's federal system to formulate and implement plans, policies, strategies and procedures, which eventually enhances their governance capacity^[34]. The RERP project having been implemented amidst the change in the system of governance in Nepal focused mainly on assisting in building institutions and formulating and adopting policies and strategies of the local governments. In terms of the policies, key achievements include:
- Nine municipalities have formulated migration and re-integration policies, with Dhankuta Municipality being the first in Nepal to do so. This policy framework supports the sustainable re-integration of migrants into their home communities. Many Palikas have made budget provision for implementation in consideration of the strategy and plan being adopted.
 - Eight municipalities have developed MRC guidelines, and fourteen municipalities have prepared migration profiles. These documents provide comprehensive data and guide structured programme development for supporting migrant populations.
 - 9 Palikas have developed and endorsed Agricultural Development Strategies (ADS) and plans with budget provisions for implementation.
 - 6 Palikas have developed Fish Cluster Development and Operations Guideline; these have been endorsed and are operational.
 - 12 Palikas out of 14 agreed to sustain MRCs/MIDs using their own resources.
 - 12 municipalities developed implementation guidelines for results-based financing VST training.
 - 4 municipalities supported development of TVET strategic plans including baseline surveys
 - 11 Cooperatives developed "collective marketing operational guidelines", endorsed by respective cooperative executive board, and are in operation.
 - Introduction of COPOMIS^[35] to 50 Palikas along with IT support enabling Palikas to use the information uploaded by the cooperatives in the CoPoMIS.
98. Importantly, Madesh Province's Ministry of Labour & Transport (MPG-MLT) has developed and adopted a "Labour & Employment Policy" based on Result Based Financing in TVET with technical assistance from RERP. The MPG-MLT has allocated a budget of NPR 20 million for skills development training to execute this policy.
99. On the development of the institutions, as noted, RERP supported: (i) the capacity building of the CCIs, 67 percent which achieved "strong" or "very strong" capacity assessment scores (111 percent of end target, Para 50); (ii) mobilization of 14 MRCs/MIDs (Para 56); (iii) capacitation of 236 cooperatives (Para 55), of which, 134 partner cooperatives accessed wholesale financing; and (iv) organization of 410 producer groups (Para 65). In addition, the Leading to Apprenticeship (LAM-2) has been piloted in large private industries in collaboration with the Federation of Nepalese Chambers of Commerce and Industry (FNCCI), addressing the labour demand of the industrial sector.
100. Overall, RERP's performance in the area of institutions and policies was **satisfactory**.

vi) Access to markets

101. As stated, RERP supported market-led commercial production of five major commodities, viz. vegetables, goat, dairy, fish and Medicinal and aromatic plants (MAPs) which were selected and prioritised during the Corridor Potential Mapping Assessment, conducted by the Project in 2018. The project co-financed approximately USD 1.9 million, spread over 410 supply chain (SC) groups, 33 traders/buyers and inputs providers, with 30 percent of the total investment in production and marketing, and up to 50 percent or a maximum of NPR 500,000 per SC group on productive infrastructures (irrigations) and market infrastructure (collection centres) within the clusters. The project covered 90 clusters, matching production potential with interest from buyers/traders having minimum of 80-100 HHs in each SC cluster, which enabled both farmers and traders/ aggregators/input suppliers enjoy economies of scale and assisted to a more efficient functioning of the market.
102. Over the course, the project conducted 480 multi-stakeholder platforms (MSP) and B2B/B2S events at cluster/group level that facilitated farmers' linkages with buyers/processors, input suppliers and service providers (technical, business, and financial) for marketing of the produce and access quality inputs (seeds, saplings, technology, equipment's, etc.), technical services including Artificial Insemination (AI) and loan for investment. The Project facilitated formal and informal market arrangements for all 410 supply chains encompassing 13,281 households with local, provincial, and national level buyers/processors depending on the nature of supply chains. Different types of marketing arrangements were practiced, such as, (i) individual/group delivering to weekly market or selling to a common buyer (fish, goat, vegetables); (ii) farmers produce aggregated by cooperative or local traders and selling to buyers formally (dairy, vegetables); and (iii) contract farming with the processors in the case of MAPs, who are also supplying inputs and technical services to groups.
103. The Project MIS revealed that the production volume has increased against the baseline by 20 percent in MAPs, 68 percent in dairy, 101 percent in Goat, 111 percent in Fish and 150 percent in vegetables. With the appropriate market linkages established with the support from RERP, substantial increase in the sales volume has been reported - 22 percent in MAPs, 76 percent in dairy, 115 percent each in fish and Goat, and 157 percent in vegetables against the baseline values. These linkages

helped generate a total revenue of USD 58.3 million to the farm HHs, which enabled 91 percent of the HHs report increases in sales which resulted in a 166 percent increase in median sales revenue.

104. RERP has financed the establishment/strengthening of 45 collection centers (37 dairy, 8 vegetables) in selected clusters across the provinces. These facilitate collective marketing, mainly by supporting aggregation of farm produce and facilitate buyers to purchase in bulk. This ensures access to markets and fair pricing mechanisms. Several centres have evolved into multi-functional centres i.e. bringing about a more cohesive functioning among SC members, especially by holding regular meetings among members and other SC actors; engaging in collective action; enable grading and other quality control measures; and a point for supplying farm inputs and other services.
105. The Project supported the cooperatives/groups in preparing the revenue-based collection centre operational procedure, established a Farmer's Welfare Fund, which was endorsed by the respective executive boards of the Cooperatives. It was reported and observed during the field visits that all collection centres were operational on a revenue-based modality which helped the sustainability of the centres. Each collection centre/committee has developed a unique revenue generating mechanism. These funds are used to manage the collection centres, provide incentives to lead farmers, activities strengthening/upgrading the supply chain and compensating deficit prices below production cost.
106. The project has supported establishment or expansion of 4 MAPs processing facilities and negotiated contract farming with farmer groups for cultivation of MAPs in public barren and private lands with assured markets. Likewise, the capacity of MAPs processors was enhanced in collaboration with the Fragrance and Flavour Development Centre (FFDC) in Kannauj, Uttar Pradesh, focusing on product diversification and business arrangements with Indian buyers for export. In addition, the project also promoted improved marketing practices, such as quality-based pricing for vegetables, live-weighing of goats instead of selling on a 'piece' basis, use of digital weighing scales for fish (vs the tradition weighing scale), and reduced commission and the use of digital milk analysers for quality-based pricing.
107. Additionally, there is noticeable progress in service market strengthening. Activities include co-financing for the establishment/strengthening of two fish hatcheries, three goat resource centers, and 16 agro-vet centers. In addition, the skills level of the Local Resource Persons (LRPs) has been upgraded through advanced trainings including TVET agriculture in collaboration with public and private technical institutes. All these have helped in improving the access of the beneficiaries to quality inputs (bio-fertilizers/compost, vaccines, vegetable & forage seeds), improved technologies and technical services, including artificial insemination services. The endline survey shows that 44 percent of target farmers are adopting at least 3 different technologies supported by the Project. Likewise, capacity enhancement of 27 Chamber of Commerce and Industries (CCIs) in Project areas involving the AEC/FNCCI, has facilitated improved business development services, including market access for producer organizations.
108. RERP also conducted 30-35 sessions of financial education and entrepreneurial knowledge (FEEK 2) classes (2-3-hour sessions per week for 30 weeks), on a peer-to-peer based learning approach, in all SC groups. This has been instrumental in improving understanding among farmers that farming is a business proposition, and that functioning within a group enables coordinated production, collective marketing and guaranteed market access. The Project also facilitated linking 3,126 SC households with financial service providers, including ADBL^[36], for accessing loans amounting to NPR. 731 million (USD 5.5 million) for investment, and 1,875 members for agriculture and livestock insurance.
109. AEC in collaboration with respective CCIs collected market price information of each product from major markets and disseminated this information through a website. This provided a reference price to producers, traders, and consumers. However, the outreach was limited as well as the information was not updated on a regular basis. It is recommended that future interventions should use mobile phone based, user-friendly marketing apps. This will provide all SC actors easy access to market information. Various SC actors can upload demand and supply of produce creating a virtual platform for marketing produce. Future interventions should focus on organic production systems with improved market linkages to national and export markets.
110. Overall performance of the Project regarding access to market is rated as

111.vii. Financial inclusion

112. At design, RERP included a multi-pronged approach to financial inclusion to support achieving project objectives related to (1) mobilising resources and skills of migrant families and returnee migrants in Nepal through financial education (mainly through cooperatives), (2) strengthening financial service providers (mainly cooperatives) through FEEK I, capacity building and access to loans, and (3) mobilising savings and loans to RMSEs and migrants through these activities (although there were no targets relating to this). The Focus of this sub-component was to support access of RMSEs, migrants and remittance recipient households to responsive and suitable financial services, provided at an affordable cost by sustainable financial institutions, and facilitate the financial inclusion of migrants and their families, support their access to reintegration and peer-counselling services and harness remittances for productive investment in rural enterprises. The progress on implementing the sub-component was very slow, hence, there were major changes on this sub-component after restructuring in November 2019, to ensure that these activities were implemented effectively while supporting the RMSEs and migrants. The following four groups of interventions were suggested: implementation of financial literacy packages, access to finance, capacity development of cooperatives, and policy implementation support to the Palikas. Activities on Financial Instrument for Risk Management (FIRM) to guarantee Fls against loan defaults were dropped during the restructuring.
113. The project implemented over 85 percent of the activities planned in the 2019 restructuring, but a few activities such as those supporting migrants overseas, school-based training, developing online financial education programmes, partnering with Fls to expand agents and branchless banking, expanding opportunities for migrant workers to invest in Citizens Investment Trust (CIT) were either not started, or started and discontinued. Activities related to harnessing remittances for productive investment were not implemented either. Only a small group of cooperatives were supported to offer savings products linked to remittances, and

the MIS did not include relevant data in this regard.

114. Against the logframe, RERP delivered on, and exceeded, most project targets. 68,176 RERP households reported the use of financial services (142 percent of project target). RERP provided financial education to 91,616 people in rural areas (153 percent of target), including 61,984 women (172 percent target) through FEEK 1 and 2. FEEK 1 was administered through 236 cooperatives (157 percent target) across RERP districts and was well-received by participants and the cooperatives (with support from Palikas for longer-term sustainability). FEEK-2 was a peer-to-peer learning approach supporting SC members and was important in supporting the use of financial diaries and focussing members' attention on productivity and planning. In total, 31 percent of FEEK 1 recipients were migrant families (24 percent) and returnees (7 percent) and 48 percent of FEEK-2 participants were 30 percent migrant HHs and 17 percent Shareholders, savings balances and outstanding loan balances in 109 supported cooperatives increased 5.4 percent, 13.2 percent and 9.3 percent in 2022/23 compared to 2020/21. This implies that RERP partner cooperatives increased outreach of financial services and mobilised savings and loans in rural communities, including from migrants and returnees.

115. In terms of improving access to finance, RERP increased the availability of loan capital and liquidity in the rural financial sector in the working areas. Wholesale loans to cooperatives increased by NPR 731 million (USD 5.5 million), of which NPR 644 million (USD 4.85 million) was from SKBBL. Under RERP, 134 cooperatives accessed wholesale lending (92 percent target), with 50 through SKBBL and 71 through NEFSCUN, RSDC, FMDDBL, NCBL and YSEF. There was also a Multi-Stakeholder Platform for Financial Linkage established with credit linkages between RERP and ADBL-VITA and Laxmi Bank Ltd. and linked 3,126 supply chain members from 188 group members with credit. RERP also supported 1,875 supply chain households with agriculture (mainly livestock) insurance with insurance service providers. RERP's design included dedicated efforts to improve access to finance and financial products tailored to the needs of migrant families. This was mostly dropped from the project design, but, financed by IFAD supplementary funds, RERP worked with co-operatives to create remittance-linked financial products. By project end, 22 cooperatives had a remittance-linked saving product and 28 providing remittance services.

116. SKBBL was mobilised to provide capacity development support to 175 coops. Of these 95 were capacitated. Results indicate a strengthening of co-operatives, but that the rate of strengthening is disproportionate, with good-improved performance in 50 (29 percent) high-end cooperatives, moderate in 45 (26 percent) mid-end cooperatives and marginal or none in 80 (46 percent) low end cooperatives. Analysis of the income statement and balance sheet of the 109 cooperatives indicates that on average performance of these cooperatives have improved in terms of increase in shareholder, average savings balance, outstanding loan balance, portfolio at risk 30 days past due, ROA, ROE, OSS, and FSS and average loan size decreased slightly between 2020/21 and 2022/23. On FY 2022/23 26 percent FSPs (110 percent target) with portfolio-at-risk ≥30 days past due below 5 percent (lower is better). The 50 affiliated cooperatives have good portfolio quality while remaining 125 cooperatives have very poor portfolio quality including low understanding of and confidence on computing PAR ≥30 days past due.

117. Table 3: Key Financial Indicators of the partner cooperatives in 2077/78 and 2079/80

S.N.	Key indicators	Unit	Indicator Value		
			2077/78	2079/80	Change
1	SKBBL capacitated cooperatives	Number	109	109	
2	Shareholders	# per coop	979	1,032	5.4 percent
3	Savings balance	Rs. '000 / coop	36,968	41,850	13.2 percent
4	Outstanding loan	Rs. '000 / coop	60,003	65,767	9.6 percent
5	Return on asset	percent	3.6 percent	4.9 percent	37.4 percent
6	Return on equity	percent	14 percent	22 percent	60.3 percent
7	PAR > 30 days past due	percent	3.0 percent	2.8 percent	-9.2 percent
8	Operating self-sufficiency	percent	125 percent	142 percent	13.7 percent
9	Financial self-sufficiency	percent	113 percent	126 percent	11.6 percent
10	Average loan balance	Rs. '000 per active loan client	65.52	64.77	-1.1 percent

118. Source: Result of the analysis of the financial statement of 109 cooperatives

119. The project provided IT support to 99 cooperatives, with 72 (73 percent) cooperatives (60 percent of the total) using the equipment for automating their operation. 27 percent neither installed software nor use the IT equipment properly due to high financial cost of agency license and lack of trained and capable human resources (retention issue).

120. RERP aimed to support the monitoring and supervision of co-operatives at the palika level, a much-needed activity in the current

environment. In 2023 RERP introduced COPOMIS to 50 Palikas. It provides IT support (computer, and printer) to these cooperatives. Field visits indicate that Palika undertook off-site monitoring of the status of the cooperatives (annual general meeting, liquidity status, portfolio quality, refund of savings balance) using the information uploaded by the cooperatives in the CoPoMIS.

121. RERP's impact on financial inclusion while overall deemed **satisfactory**, it is **moderately satisfactory** for the SKBBL- implemented capacity building of cooperatives.
122. **Overall rural poverty impact.** In essence, RERP contributed substantially to increasing agricultural productivity, in enhancing food security, in building human and social capital, in expanding financial inclusion, and in influencing policies and institutions and therefore overall rural poverty impact of RERP is rated as **satisfactory**.

D.3. Gender equality and women's empowerment

123. The design report of RERP laid emphasis integrating gender and women's empowerment in the different interventions, in particular with respect to the shared goal setting of migrants and families including children; shared responsibility in budgeting, savings, investing and borrowing; inclusion of the discussion of family and social issues that drain migrant and family resources; strategies in family and money management and in coping with changing gender roles brought about by migration. In order to address the priority issues RERP developed a GESI strategy, updated based on the MTR report focusing on intra-household issues, and implemented social mentoring and peer-to-peer counselling through GALS. A strong collaboration was established with signing a memorandum of agreement (MoU) between RERP and JP-RWEE to support each other. A qualitative study of GALS of JP-RWEE Programme found a strong effect on 5 indicators: a) respect among household members, 2) inputs on productive decisions, 3) control over the use of income 4) group membership, and 5) membership in influential groups.
124. Strategies and resources required for implantation of activities were provisioned in the cost tab during the project design and redesign process that was reflected in the annual workplan and budget. A robust monitoring system with adequate tools were developed and gender dis-aggregated data of all the project interventions, data were collected digital form and kept in interactive MIS system which were adequate to measure the gender equality and women empowerment indicators and objectives. The project had appointed a full time targeting, gender and social inclusion specialist who regularly backstopped the project team in gender and inclusion theme. Form the 3rd supervision mission' gender and social inclusion specialist was included as member in the team who reviewed the gender and social inclusion guidelines developed, project implementation process, progress achievements, analysed the gaps, highlighted the issues and recommended for actions improvement. The Project has achieved all three gender equality and women empowerment objectives which shows the sustainability of the results achieved.
125. The project has contributed substantially to promoting gender equality and women's empowerment. Overall women represent 75 percent of beneficiaries in all components: 64 percent in SC; 56 percent in Decent Jobs; 87 percent in FEEK 1; 100 percent in GALS – higher than the 33 percent original target and 50 percent internal target by the project. The ratio of women headed households serviced by the project is high at 26 percent. Due to male migration in rural areas, women are taking lead in both agricultural tasks and household responsibilities. The project's engagement of women in productive economic activities has led both men and women to change their perceptions of traditional gender roles. In most of the migrant families, women have been *de-facto* household heads, taking a lead role in productive activities, as well as perform important community roles.
126. **Voice, agency and leadership:** Women have increased their leadership, self-confidence and voice in decision making at household, community and stakeholder engagement. Both *de facto* and *de jure* women headed households are actively participating in the supply chain and decent jobs sub-component. The project's strategy concentrated on upgrading the financial and entrepreneurial skills of the women of producer groups. FEEK-2 was implemented as a basic social mobilization strategy that incorporated financial literacy, entrepreneurial knowledge, remittances, risk management and insurance, and technical sessions of respective supply chain commodities. Additionally, in business to business (B2B) and business to services (B2S) 58 percent of 9,223 participants were women. Women also participated in multi-stakeholder platforms. All these efforts of the project contributed to enhance the women's individual and collective agency, cohesiveness, self-confidence and voice in decision making.
127. Both women and men – from non-migrant as well as returnee households - were involved actively in the project's capacity building activities. This led them to engage in more productive economic activities having been equipped with technical, financial and business skills for producing more commodities from their farms for sale in markets.
128. Women have demonstrated their leadership role and enhanced their voices in decision making in community groups as well. A total of 59 percent of key positions (out of 1410 positions) in SC groups are held by women. Women leading the producer groups as chairperson are 41 percent (6 percent by Dalit women), as secretary 51 percent (10 percent are Dalits women), and as treasurer 83 percent (12 percent Dalit women). Due to assuming leadership roles at household and producer group levels, women are gaining more social status at community level. Women have been assuming leadership positions in other community groups not directly related to RERP such as, forest user groups, drinking water user groups, irrigation user groups, school management committees etc., which is an indication of a positive 'spill-over' effect. The endline survey undertaken in 2024^[37] within GALS groups report membership in other groups - 3 percent in forest and water user groups, 10 percent in business groups/ association, 20 percent in financial services groups, and 27 percent women empowerment related groups.
129. **Economic Empowerment:** Results show that both men and women who participated in SC and decent jobs are earning more and thus are being economically empowered. This is more so for women with an end result of 190 percent over the baseline in comparison to men with an end result of 181 percent over baseline (Appendix 1 – Logframe). The endline survey shows that 76

percent of men and women were making profits from the RSMs in comparison to the 15 percent of control groups respondents and as a result getting benefits in more equitable manner.

130. In Decent Jobs both vocational skill training (VST) and Leading to Apprenticeship Model (LAM), women's participation was 56 percent (out of 29,307). Moreover, 882 (3 percent) women participated in regular Agriculture TVET and 693 (2.36 percent) in VST for Supply Chain Groups. Of the total trained, 12,738 (77 percent) were gainfully employed after six months. Within this group, 151 women had started their own enterprises. Of the remaining, 4,388 (33 percent) were self-employed and, and 8,199 (64 percent) were engaged in wage employment. Among total trained, 38 percent participated in non-traditional trades. Increased women's participation in non-traditional occupations challenged traditional social norms and gender roles and functioned as a role model for young girls. Among the 112 traced women in non-traditional trades, 34 percent were employed.
131. Women's increased income through SC activities and decent jobs have helped increase their savings by opening accounts in cooperatives and/or nearby banks. There is an increasing trend of registering an enterprise and purchasing land in the name of women [38]. While GoN's tax rate in favour of women has helped increase registration of land and enterprises, women's increased access to and voice in decision making, dignity and confidence has played a greater role in the registration of land and enterprises in the name of women. It can therefore be concluded that women's increased access to income and productive resources, knowledge, tools, equipment, and technology, and financial and business education have substantially contributed to increase their voices in decision making, leadership and economic empowerment.
132. A total of 1,658 women (166 percent of target) [39] practiced GALS. Among them 65 were mobilized as GALS mentors who engage other women in the community and support them with improving their lives. GALS trained women have increased their net median income over baseline by 181 percent, which is the same (181 percent) for male participants in supply chain groups. This is a remarkable achievement given that the GALS HHs were high risk and vulnerable. The evidence indicates that GALS contributed to change power relations within households and was able to bring transformative change in both social and economic spheres in rural Madesh.
133. **Balancing workload:** The Project had introduced labour/time saving technologies and tools that reduced the drudgery of men and women such as, power/mini tiller, poly tunnels, rainwater harvesting ponds, tube-wells, drip irrigation, animal shed improvement, grass and fodder plantation, chaff cutters, stall feeding, collective marketing of milks and vegetables. These technologies and tools helped reduce the additional workload women were exposed to through their involvement in productive economic activities and their role in the communities. Overall, a newly balanced workload between men and women - both in productive economic and care work - can be seen.
134. In terms of future initiatives the following provide important learnings: (i) need to promote and scale-up time saving and women-friendly technologies, given additional responsibilities of running agriculture operations falling upon women, especially on those HHs who have migrants; (ii) while assessing the effectiveness of GALS in empowering women, especially among communities of Madhesh origin and the contribution expected through "Passing the Gift", a more cost effective modality is required for running GALS; (iii) realizing the relatively low employment rate of women when compared to men with respect to non-traditional trades, further analyses backed up by more focused market surveys is required.
135. Overall, performance rating for the gender equality and women's empowerment domain is

D.4. Adaptation to climate change

136. The project design did not prioritize mainstreaming climate change adaptation, climate finance, or specific climate resilience-building interventions, nor did it include a dedicated environmental and climate staff. Despite this, the project made good efforts to integrate climate change adaptation measures into supply chain activities and improve the adaptation capacity of smallholder farmers.
137. The project facilitated the adoption of climate-resilient practices among farmers through capacity building on tunnel farming, soil testing, disease and pest management, fishpond management, animal husbandry, environment and climate technical sessions in FEEK, and investment support for climate smart and sustainable practices. Based on the endline survey, a total of 8,883 households or 111 percent of end target, adopted at least one sustainable and climate resilient technology and practice such as poly tunnels, mulching, liquid and bio-fertilizers, drip/sprinkler irrigation, stall feeding, improved dairy sheds, and bio-floc for fishponds etc with 5,047 households implementing three or more such practices.
138. In addition, Lead Resource Persons underwent training in CTEVT Level 1 on Herbal Farming, Community Agriculture Assistant, Off-Season Vegetable Producer, Junior Poultry Technician, Village Animal Health Worker, and other related areas. These trainings prepared them to offer continuous technical support to fellow farmers, thereby encouraging the adoption of climate-resilient practices. They facilitated the adoption of these practices through on-farm demonstrations and personalized farm visits.
139. Similarly, the endline survey reports that adoption of sustainable and climate-resilient technologies led to significant improvements among vegetable farmers. Among the vegetable farmer survey participants, 97 percent reported increased production, 58 percent experienced reduced water needs, 56 percent achieved faster production, 50 percent faced fewer diseases and pests, and 28 percent required less labour.
140. The support provided for polytunnels has increased off-season vegetable cultivation practices among farmers, improving their productivity and income. A total of 967 farmers received polytunnel support, leading some to expand their tunnel numbers and grow a wider variety of vegetables, while also increasing crop rotation within a season.
141. The implementation of various forms of irrigation support, such as solar pumps, plastic ponds, rainwater harvesting, and bore pumps, has helped farmers address water scarcity and ensure sufficient water supplies when needed. This has led to crop diversification and improved productivity. All vegetable farmers who participated in the endline survey reported that the application of irrigation increased production. Additionally, 55 percent of respondents reported reduced cost of production, while 35 percent observed an increase in crop density.
142. Moreover, the implementation of adaptive management practices such as aeration, boreholes, and biofloc technology has helped minimize the impact of climate change, including heat stress and water scarcity, on fishponds and maintained the production.
143. Overall, the project performance on adaptation to climate change is **moderately satisfactory**.

D.5. Environment and natural resource management

144. Support for sustainable livestock rearing practices, such as stall feeding, fodder plantation (resulting in a 93 percent increase in grass planting area compared to baseline), improved goat and cattle sheds, and goat breed improvement, has alleviated pressure on natural resources and increased farmers' income. According to the endline survey, 95 percent of dairy farmers and 55 percent of goat farmers have adopted stall feeding, while 71 percent of dairy farmers and 63 percent of goat farmers are now practicing fodder plantation.
145. Cultivating Medicinal and Aromatic Plants (MAPs) on barren lands has improved land quality by replenishing essential nutrients through their cultivation. This improvement in land quality has led to increased land productivity, which has enhanced income levels (see supply chain section).
146. Training in production and post-harvest loss management has effectively minimized losses. Household production and post-harvest losses decreased from a baseline of 2.7 percent to 2.2 percent in 2023 and continued to decrease to 1.4 percent in the first half of 2024. This reduction has positive contribution on environmental sustainability by reducing waste and conserving resources.
147. Training, orientation, and learning exchanges have empowered farmers to produce compost and liquid fertilizer (*jholmol*) using farmyard manure. Lead Resource Persons were trained to provide continuous support to ensure sustainability of this practice, among others. Moreover, the project has supported the initiation of 70 vermicompost pits, encouraging sustainable production practices through bio inputs. However, the extent of adoption at the household level remains unclear due to insufficient data.
148. It should be noted that there is an increase in trees outside forest areas. Farmers met during the mission suggest this is primarily due to the rising trend of outmigration, resulting in more fallow land, and increasing use of LPG for cooking. Additionally, there is an increasing practice of fodder plantation, and the use of forests has shifted from basic fodder and firewood to timber demand. Consequently, the increase in trees outside forests, coupled with a decrease in livestock numbers due to outmigration and changes in forest use patterns, has made the project's target areas conducive to increased livestock production without posing any negative impact or threat to natural resources and biodiversity.
149. The project's M&E framework and MIS would have benefited from early integration of climate and environmental activities, which could have better documented the commendable efforts of the project. While numerous activities have been logged, crucial information such as the number of households and land areas benefiting from these initiatives remains absent. This gap in data makes it difficult to assess the effectiveness of these efforts. For example, although the project provided training on organic inputs, there is no clear data on the number of households adopting these practices or the area of land under organic cultivation.
150. Looking forward to future projects, implementing a screening process that includes a climate and environmental checklist for proposed activities at the local level can help identify potential impacts early on. Moreover, developing a concise Environmental, Social, and Climate Management Plan matrix at the subproject level and integrating these activities into the M&E plan would streamline implementation and ensure comprehensive data collection moving forward.
151. Overall, environment and natural resource management performance is ***moderately satisfactory***.

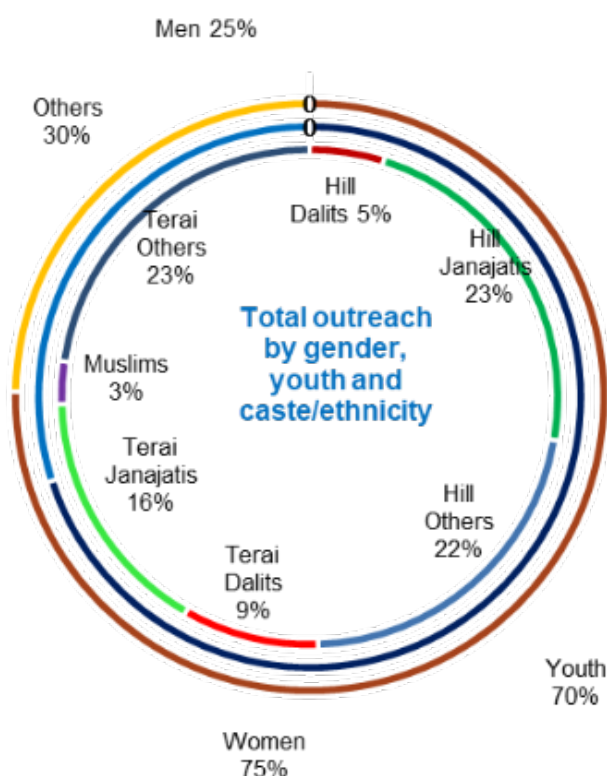
D.6. Targeting and outreach

152. Overall, RERP reached 104,803 HHs (120 percent of target) through interventions related to decent jobs, supply chain, and rural finance. Of the total HHs, 75 percent are women, 73,109 (70 percent) are youth (GoN definition below 40 years). 27,290 (26 percent) were women-headed HHs. Of the total HHs, respectively 51 percent belong to communities of Terai and 49 percent to communities of Hill origin. Representation of migrant households is 24,600 (24 percent) and returnees 8,360 (8 percent) thus constituting 32 percent of the total project outreach and 110 percent of the original design target. Migrant HHs and returnees were considered and factored into the selection process for supply chain clusters (SCs). SCs included 4,021 migrant households, 9 prospective migrants and 2,322 returnees, comprising 55 percent of total households.
153. In decent jobs overall outreach is significant totalling 29,307 (98 percent of end target) and representation of women is 56 percent (16,481) and youth 90 percent (26,510). In rural finance, outreach was 91,616 persons (153 percent of end target) participating in financial education and entrepreneurial skills (FEEK) mode 1 for cooperative members with representation of 81 percent women, 61 percent of youth and 31 percent migrant HHs (family members - 24 percent and returnee 7 percent). Dalits represents 14 percent (Hill -23 percent and Terai 12 percent).
154. The MRCs/MIDs were established and specifically targeted "prospective, existing, and returnee migrants". 75,913 (169 percent of end target) received migrant related services through the MRCs/MIDs, 73 percent of them were aspiring migrants and 8 percent migrant and returnees. Twelve out of 14 MRCs/MIDs are continuing the services and providing information and awareness on safe migration and potential opportunities available in the areas in order to encourage those counselled to stay within their own communities.
155. Based on socio-economic disaggregation, representation of target groups in the overall outreach is Dalits 14 percent (Hill 5 percent and Terai 9 percent), indigenous peoples 39 percent, and Muslims 3 percent. As noted, targeting of women, youth and Janajatis (39 percent vs 29 percent) is satisfactory^[40].
156. Under "Decent Jobs", representation of Janajatis from Hill and Terai and other caste/ ethnicity is adequate. Muslims however are underrepresented (2 percent, 688 HHs). Representation of Hill Dalits (5 percent) and Terai Dalits (9 percent) is also low at 14 percent. Decent Jobs did not target migrant HHs (despite using other targeting that was financially incentivized). Also, the information collection on the migration status of people was lacking, as it was not made explicit in the log-frame drawn along with technical design update. During the COVID years, more than 260,000 migrant returnees sought reintegration in Nepal^[41].

Of these, the project reached only an estimated 1,500 (5 percent) returnee migrants and an estimated 5,700 (20 percent) migrant households under decent jobs sub-component.

157. In the supply chain component, among the women and youth, the representation is 64 percent for each (Women, 8,223 and youth, 8,238), among indigenous peoples, 32 percent (4,231) and among Dalits 11 percent (1,494). Among Dalits 3 percent are from Hill communities and 8 percent from Terai communities. Supply chain component was focused on road corridors, market linkages and production clusters; hence, representation of the marginalized segments was low. Migrant family and returnees: (a) increased their net (median) income over baseline by 176 percent which is broadly in line with overall SC beneficiaries (187 percent); and (b) invested 55 percent of the total SC investment, which is also in line with their share in the SC groups[42].

158. In rural finance, outreach is 91,616 persons (153 percent of end target) who participated in financial education and entrepreneurial skills (FEEK) model 1 for cooperative members with representation of 81 percent women, 61 percent of youth and 31 percent Migrant HHs (family members - 24 percent and returnee 7 percent). Dalits represents 14 percent (Hill 23 percent and Terai 12 percent).



159. RERP also implemented Gender Action Learning System (GALS), a community led empowerment methodology. A total of 1,378 HHs (138 percent of target, about 1.3 percent of total HHs) were reached and an additional 280 HHs reported recently as 'passing the gift' model in MIS [\[43\]](#). In GALS, Dalits represented 11 percent (Hill 3 percent and Terai 8 percent), and Janajatis 35 percent (Hill 7 percent and Terai 28 percent). 28 percent of GALS were migrant households, and 12 percent were migrant returnees. GALS HHs net (median) income from the baseline is 181 percent; only slightly below the overall net (median) income of women (190 percent) in all supply chain commodities.

160. The project had developed a Poverty Inclusion Fund (PIF) guideline in August 2020 as an instrument to reach the left-out Dalits and Muslims using the “Dream Support Fund” under GALS. This was revised in November 2020 to also cover the non-GALS HHs from Madesh and Koshi provinces. The support level was 100 percent on-granting with a maximum of NPR 45,000 (USD 345). A Poverty Probability Index (PPI) along with vulnerability assessment indicators^[44] were applied to select eligible HHs^[45]. PIF was integrated with GALS in Madesh but not in Koshi as GALS was not undertaken. A total of 790 HHs (less than 1 percent of total HH reached) benefited. Of those reached, 28 percent Dalits and only 1 percent Muslims and economically poor from the clusters. Output and outcome level data under PIF is lacking in project MIS, because it was introduced after design of MIS system. Paper based data were kept but these were not sufficient and well tracked. However, it was observed during field visits that PIF was successful in targeting the economically poor and marginalized, left out/left behind HHs of the clusters. Obviously, the number of HHS reached is very low. This is explained by the difficulty in targeting the poorest and marginalized from the group for the lack of consensus among the group members.

161. Dalits and Muslims are the most “marginalized” within communities in the project area. RERP was not able to target Muslims (3 percent vs 8.5 percent target) and could meet target on Dalits (14 percent Vs 15.5 percent target). As explained, the SC intervention was based more on exploiting the opportunity along the corridor and thus did not accord priority to the most marginalised. The project tried to include the interested left out and left behind from the cluster, but the population character of

these clusters was not analysed. When reached, the Hill Dalits performed well - the net (median) income increased over baseline for Hill Dalits is 396 percent ; not as much but still significant with Terai Dalits, which is 115 percent (in comparison of 187 percent with overall SC beneficiaries). This shows that once Dalits are engaged, they perform well. In decent jobs, four different categories^[46] of target groups of people were set with differential incentives not directly matched with overall project targets groups.

162. As per original design, project beneficiaries were to be selected following the **poverty mapping** to be undertaken with methodological support from ICIMOD^[47]. This was not completed till the technical design update of May 2018 and the design update mission dropped the idea of poverty mapping altogether. Another issue was the application of the Poverty Probability Index (PPI), which while is easy to use, would not show the real extent of marginalization. This tool was used to categorize the poor engaged through EoI process in SC component and applied in Decent Jobs and targeting for project support, services and facilities^[48].
163. Given the limitation of PPI, future IFAD projects are suggested to use participatory well-being ranking/analysis which is already being used in ASDP. Efforts should be made to also apply or at least to apply the key aspects of - the Multidimensional Poverty Index^[49] which is adopted by the National Planning Commission of (GoN). In addition, it is important that the social structure and dynamics of the communities of Terai is understood better in formulating the projects that cover the Terai; more so, the Madhesh province.
164. Overall, even when the outreach is satisfactory the targeting under the project as observed faced some serious issues and thus the performance on targeting and outreach is considered **moderately satisfactory**.

D.7. Innovation

165. RERP has introduced various contextual innovations across its components/ subcomponents. Some key innovations that were new in the project area are presented below.
166. **Adoption of cluster-based approach:** Commercial production of specific commodities was undertaken in clusters along road corridors, which enabled farmers to engage in collective action in dealing with other players along the supply chain.
167. **Technological Integration in Project Areas:** Project has introduced several productivity-enhancing technologies, such as: i) polytunnels that protect crops from adverse weather, extending growing seasons and improving yields; ii) mulching to retain soil moisture, reduce weeds, enhances soil fertility and reduce weeding time; iii) use of staking rope to anchor, support, and protect recently planted trees has helped to reduce the pressure on the forest, save time, ease agricultural operations and reduce drudgery; iv) chaff cutters to enhance efficiency of fodder/forage usage and reduce drudgery; v) solar lift irrigation and rainwater harvesting ponds for irrigation; and vi) collective marketing of vegetables through Groups/Cooperatives, proven in other parts of the country, for the first time in the project areas.
168. **Fish Cluster Development Fund:** The project supported six municipalities for establishment of a cluster development fund, with regular contributions from fish farmers and traders (1-2 NPR per kg of sales), and municipalities (5-10 percent of the total revenue generated from public pond leasing). Additionally, operational guidelines were developed and endorsed by Municipal Executive Committee. The resources thus generated were used for conducting fish supply chain promotion related interventions in the Municipalities and to pay the staff involved in operation of this initiative.
169. **Establishment of Farmers Welfare Fund:** Traders and farmers contributed to the welfare fund^[50], which was utilized for strengthening supply chain initiatives and to also compensate farmers when prices crash below minimum threshold.
170. **Customised Vehicles for Live Fish Transportation:** Installing water tanks in regular trucks enabled the transport of live fish from Tarai to the regional centers and Kathmandu. This increased revenues to aquaculture producers.
171. **Migration Resource Centers (MRC) and Migration Information Desks (MID):** Even though the MRC/MID operation was being practiced in the Country prior to the initiation of RERP, the RERP project piloted the establishment and joint operation of 14 MRC / MIDs with municipalities on a cost sharing basis. In the approach to project completion, several of the municipalities have absorbed MRC/MIDs under their full management and are financing them with their own resources. The approach of joint operation is now being considered by the GoN for promotion of MRCs in the Country.
172. **Management Information System (MIS):** In RERP the MIS is robust and dynamic and served as results-oriented management tool. It tracked individual household using disaggregated datasets with unique IDs using farm diaries and tablets on real time basis ensuring effective integration of outcome results monitoring for directly informing the planning and management of core project activities. Acknowledging this, RERP MIS framework has been adopted Ministry-wide by MoICS and replicated by an IFAD-financed project in Maldives.
173. **Women Participation in Non-Traditional Trades:** RERP has successfully piloted the involvement of women in non-traditional trades such as masonry, building, electrician, aluminium fabricator, mobile repair, mechanical etc. in addition to traditional trades such as tailoring and beautician. 38 percent of women in TVET participated in non-traditional trades.
174. **Adoption of Result-Based Financing (RBF):** TVET service providers were paid in tranches on the condition that trainees were placed in jobs; the last tranche was paid only after completion of 6 months on the job. RBF ensured efficiency, quality, and sustainability of vocational training. RBF to TVET training has been institutionalized in Palikas and provinces, supported by guidelines and strategies and the Leading to Apprenticeship (LAM- 2) has been piloted in large private industries in collaboration with and the Federation of Nepalese Chambers of Commerce and Industry (FNCCI), addressing the labour demand of the industrial sector. The project also supported FNCCI to develop its database capturing demand of the industrial workers.
175. **Enhancing financial inclusion.** Working with rural cooperatives to offer FEEK training leading to an increase in members' savings and loans.
176. **Tailoring financial services and outreach to migrant households.** A small group of 22 cooperatives targeted remittance recipients and returnees by offering remittance-linked savings and loans that proved useful in mobilizing migrant families' resources into local development. According to a cooperative survey, migrant HH, on average, saved nearly six times more than non-migrant HH.
177. The effectiveness of the results or output-based financing model has proven to be highly successful in generating gainful employment opportunities for trained individuals. The model not only incentivizes T&E service providers for their services but also pays careful attention to selecting left-behind people in communities. This model has been widely replicated by other donors involved in the TVET sector in Nepal and has been adopted by the government as one of the best practices included in its 10-year TVET strategy plan (Appendix 12).
178. Overall, RERP impact on innovation is rated as **Satisfactory**.

D.8. Scaling up

179. RERP had implemented a scaling-up process that involved replicating successful interventions, adapting strategies to new contexts, and leveraging partnerships to enhance resource mobilization and implementation capacity. For example, several local governments and stakeholders have adopted project tools and approaches such as the integration of MRC/MIDs and results-based financing (RBF).
180. Moreover, the project has demonstrated various approaches and tools discussed previously, specifically in the innovation section (Para 148-160), which have high potential for scaling-up. Several local governments and stakeholders have already adopted project tools and approaches. During the mission consultation, there was widespread demand from partners and stakeholders from local to federal levels for scaling up these initiatives due to their demonstrated success and impact. The integration of MRC/MIDs and RBF by municipalities and other donor^[51] partners in their operations has led to non-IFAD financing scaling up these tools and approaches. This is contributing to broader application of the tools and approaches and contributing to sustainability. Twelve out of 14 MRC/MIDs are being fully managed by municipal governments utilizing their internal resources. These centers are delivering services such as career counselling, safer migration advice, and case handling support. Furthermore, the results-based financing (RBF) approach for vocational skills training (VST) has been institutionalized by 12 Municipalities and the Ministry of Labour and Transportation of Madhesh Province, as reflected in TVET guidelines and strategy to facilitate the RBF VST training. These institutions will undertake the RBF VST training in the future.
181. The adoption of the FEEK 1 has been reflected in the policies and programs of 11 municipalities^[52] also by two non-RERP cooperatives to-date. Migration profiles have been developed by 14 municipalities on a cost-sharing basis. There's an opportunity to further engage financial service providers (banks, cooperatives, etc.) through FEEK and adapted financial services linked to remittances to further enhance the development effect of remittances into local economies.
182. Migration profiles have been developed by 14 municipalities on a cost-sharing basis. Reintegration of Returnee Migrant Workers (ReMi) Project, funded by SDC and executed by the Ministry of Labor, Employment and Social Security (MoLESS) under Helvetas Nepal technical assistance signed MoU has requested the system from RERP, and developing migration profiles of 20 Municipalities of Koshi and Madhesh Province. REMI has indicated that there is a possibility that the Foreign Employment Board (FEB) under MoLESS will also develop migration profiles for all municipalities nationally. There is a possibility that the Foreign Employment Board (FEB) under MoLESS will also develop migration profiles for all municipalities nationally.
183. Similarly, all 14 MRCs and MIDs have been integrated into the Foreign Employment Department with a dedicated unit, and the MRC Guidelines have been institutionalized into government training programs. There is potential to integrate MRCs and MIDs, with referrals to TVET and available employment opportunity at the local level through established Employment Service Centers (ESCs) under the (MOLESS).
184. As noted in Para 155, the MIS of RERP has been scaled up at MoICS and in a project in Maldives. In addition, the market led cluster development approach for agriculture commercialisation has been incorporated in i) municipality agriculture development Strategies developed by 9 municipalities and ii) fish cluster development guidelines developed by 6 municipalities.
185. Overall, RERP's impacts on scaling up is rated

E. Assessment of project efficiency

E.1. Project costs and financing

186. Over the 9-year implementation period, total project expenses under RERP as of 31 May 2024 was USD 25.17 million (Appendix 3). The following is the source of financing: IFAD loan 9 percent (USD 2.29 million); IFAD grant 65 percent (USD 15.6 million); Government 17 percent (3.66 million); private sector 2 percent (0.39 million); and beneficiaries 13 percent (3.23 million). The project had slow progress during the initial years, with only 17 percent of the expenses incurred cumulatively by FY 2019/20 (Appendix 4). Overall, IFAD financing covers about 73 percent of the project expenses, which amounted to 99.7 percent of the total revised allocation of USD 25.25 million. Beneficiary contribution in the project was 172 percent of the revised allocation of USD 1.89 million.
187. Most of the expenses (70 percent) were incurred for implementing Component 1- promotion of rural micro, cottage and small enterprises; followed by Component 3 - institutional support and project management (21 percent); and Component 2 for promoting productive investment (9 percent). By cost categories, most of the expenses (37 percent) were made for training, followed by grants and subsidies (21 percent), salaries and allowances (13 percent), consultancies (10 percent), and goods, services and inputs, workshops, vehicles, and operating costs (less than 10 percent). Since the activities related to credit and guarantee funds was dropped during restructuring, no cost was incurred against this category.
188. The project at completion has demonstrated moderate cost **efficiency for project management**. Most of the project expenditure was done within the cost estimates determined during design and restructuring; with the exception of institutional support and project management, there were no cost overruns. In general, sufficient cost control measures were adopted by the project under the close supervision of IFAD and PCU. The project management adhered to **unit costs** used determined at design and restructuring for the majority of project activities^[53] and these were used as a basis for preparing AWPBs. The estimated unit and total costs for all the activities were sufficient to deliver the anticipated outputs every year. AWPBs were prepared and no objections were provided by IFAD. For the initial four years of the project however over 90 percent of the planned activities were not implemented. Progress on implementation of the AWPB improved after restructuring in November 2019^[54]. In general, RERP management was not efficient in implementing the approved AWPBs. For the 104,803 unique beneficiary HHs and 40,827 direct beneficiaries the **cost per beneficiary** was computed as USD 240 per HH and USD 55 per beneficiary population, while the cost per direct beneficiary was USD 617 per HH and USD 141 per beneficiary population - almost identical to cost per beneficiary calculated at the time of restructuring^[55]. From cost per beneficiary perspective, RERP is considered efficient.
189. On project efficiency RERP's performance is rated as **moderately unsatisfactory**.

E.2. Quality of project management

190. As noted, the pace of implementation in the period lasting up to the project restructuring in 2019 was slow. This is caused mainly by the 'teething problem' as well as the novelty of the project to MOICS. In addition, the project managers serving in initial period had to put substantial effort in establishing the project management structure and staffing, especially in the context of newly initiated federalization process. Even after design update the effort made in engaging provincial governments did not bring expected results. Following restructuring the implementation pace improved remarkably and the project achieved almost all revised targets. This reflects significant efforts made by the Project Management Office (PMO), Project Manager (PM), Senior Management Team (SMT), with support from Ministry of Industry, Commerce, and Supplies (MoICS) to deliver activities across all major subcomponents.
191. The following processes and interventions contributed significantly to enabling the project management to achieve acceptable quality of the project management:
192. The Project Steering Committee (PSC) did not meet regularly in the initial years but started meeting regularly afterwards and provided crucial guidance and timely approvals of manuals, guidelines, and the Annual Work Plan and Budget (AWPB), which were essential for project implementation.
193. Similarly, the Senior Management Team (SMT)^[56] recommended to be set-up during project restructuring held 36 meetings with the presence of IFAD technical assistance consultant, which helped in enhancing coordination, address emerging implementation challenges and recommendations for project manager (PM) to take necessary actions.
194. MoICS supported the PMO in the AWPB preparation process, including the allocation of GoN counterpart funds.
195. MoICS staff including secretary regularly monitored project field activities and provided feedback and suggestions to the project team.
196. The delegation of the budget approval authority up to NPR 500 million to the Project Manager by the Secretary, MOICS significantly expedited the project implementation, in particular, the VST procurement process.
197. The project manager displayed strong commitment by coordinating with local bodies and government entities, resolving procurement issues, and blacklisting firms that submitted fake documents in VST procurement. In addition, the PMO facilitated Helvetas in approving manuals and guidelines from PSC for conducting virtual income verification to facilitate implementation during the COVID.
198. The retention rate of project managers was high, with only two leaving during the project's duration, indicating stability and continuity in leadership. Furthermore, the project provided ample resources, such as vehicles, motorbikes, laptops, and travel allowances, ensuring staff mobility and special arrangements for pick-up and drop-off of staff affected by COVID-19, creating a conducive working environment.
199. In summing-up it is important to note that RERP: (i) suffered from substantial implementation delays in the earlier years which led to cancellation of over half of the resources committed by IFAD; and (ii) despite severe external challenges such as the devastating earthquake, supply chain disruptions, and onset of COVID-19 pandemic, almost all targets set during restructuring were achieved. Thus, the quality of project management under RERP is rated as

i) Procurement

200. RERP PDR, 2015 provisioned for a full-time procurement officer to be stationed at PMO in Itahari to perform project procurement operations over the whole project period. This, however, was not achieved till June 2020 after the recruitment of a procurement officer who continued working till April 2024. Until then, these operations were handled by: (i) Project Facilitator together with financial management staff not well versed with IFAD's Procurement Guidelines and Procedure up to September 2019; and (ii) a part-time procurement officer stationed at Kathmandu till March 2020. The supervision and MTR missions fielded during 2017-2019 continuously emphasized the urgent need to fill this vacant post to improve procurement performance. As a result, 2018 MTR declared mis-procurement for Migration Mapping Study as mission found that the firm was not selected properly to meet the technical requirements. 2017 SVN and 2018 MTR have rated procurement performance as 3 and 2 respectively.
201. The 2020 mission found that field level implementation of the project started mainly following the restructuring of the project. In FY 2018/19, project has procured 30 service providers for Delivering Vocational Training Round-1, though it was about 4 years after the entry into force of the project. The PCR Mission has noted delayed initiation of procurement operation for round 1 and 2 followed by further delay in contract award. The 2021 mission found that Project is implementing COVID RESPONSE program through AEC without obtaining NOL from IFAD for which project has agreed on April 2021 to obtain its approval. This mission still could not find IFAD NOL for this.
202. In FY 2020/21 the project procured a software for Civil Investment Trust of value NRS 11.57 million in order to support for investment opportunities for migrants, however PCR mission noticed this software is not in use. Likewise, project has procured 65 core banking software of value NRS 14.69 million in July 2021 for the use of cooperatives, however, mission found that only 31 are in use. As RERP proceeded towards procuring the service providers for final round of VST 3 (for 13,350 trainee) and LAM 1 (for 1,500 trainee) to achieve the designed target, as noted by the 2022 SVN, due to the submission of fake documents submitted by many bidders, the project management cancelled the entire procurement process for VST 3. While the decision taken was procedurally correct, it delayed the implementation.
203. Project could procure only 23 service providers to provide LAM 1 training for 1,500 trainees as these were not affected by the same issue. After introducing strict evaluation criteria with the provision of verification of submitted certificates/documents from the source, as suggested by 2022 SVN, November 2023 SVN noticed that Project was able to award contracts to 61 Service providers to train for 13,350 VST trainees. Notwithstanding the achievement of almost total targeted numbers of trainee (29,307 out of 30,000) through 3 rounds of procurement packages by 166 service providers, mission has realized the delayed initiation for the procurement operation for round 1 and 2 and cancellation of round 3 VST led to the delay in The PCR Mission reckons this is mainly due to the COVID-19 pandemic, delayed recruitment of the procurement officer, and inadequate procurement market survey
204. Procurement officer had been using newly launched OPEN system for getting IFAD's no-objection of PP after obtaining in-person training conducted by SPO and procurement expert from APR in March 2023 and using ICP-CMT system to update contract information and data since 2020. PCR mission has strongly advised to the project management to complete updating of all contractual data before the closure of the project. Before using OPEN, a web-based system called No Objection Tracking Utilities System (NOTUS) had been used since 2019.
205. Overall, RERP has performed procurement operations in **moderately satisfactory** level in terms of the quality, reliability, transparency and efficiency.
206. Following are the key factors that contribute to the successful implementation for future projects: (i) timely recruitment of dedicated experienced procurement specialist in place of procurement officer due to significant increase in prior review threshold value; (ii) realistic procurement planning in line with AWPB and implementation as planned (iii) timely quality contractual data entry to ICP-CMT system; (iv) conducting needs assessment survey of stakeholders before procuring any kind of software; (v) early initiation of procurement operation for the recruitment of service providers to conduct trainings; and (vii) preparation of evaluation criteria based upon the adequate procurement market survey with the provision of document verification in source for the procurement of VST/LAM service providers.

ii) M&E and KM

207. **Monitoring and Evaluations.** M&E systems in Nepal have come a long way in the last decade, from basic output tracking excel sheets to results-oriented web-based MIS, and expectations are increasing with every new project. With lessons from previous projects, RERP has managed to raise the bar even further with the effective integration of outcome results monitoring for directly informing the planning and management of core project activities. Acknowledging this, the RERP MIS framework has been adopted Ministry-wide by MoICS and replicated by an IFAD-financed project in Maldives.
208. The project M&E system maintains disaggregated datasets on more than 100,000 direct beneficiaries, 410 producer groups, 236 cooperatives, and 14 MRCs supported under multiple project components and sub-components. In addition, RERP's efforts on outcome-level monitoring for subsequent planning and decision-making are particularly noteworthy, making it a true results-oriented management tool. The project MIS tracks outcome results across a diverse range of themes and disciplines, including household productivity and sales through Farm Business Diaries, producer group composition and management, economic risk of cooperatives and financial service providers, and many others. In the case of vocational trainings, outcome monitoring and results have been explicitly integrated into the payment modalities of service providers, where payments are dependent on the verified gainful employment of trainees after 6 months of training completion.
209. This outcome and results orientation has enabled the management to review progress, identify bottlenecks, and tailor support for beneficiaries for enhanced effectiveness and sustainability. For example, while assessing progress datasets for goat and vegetable supply chains, several producer groups were identified where production results were below expectations. When investigations revealed water shortages as the key bottleneck for vegetable and fodder production, irrigation infrastructures were planned for the affected clusters.
210. The Endline Survey was conducted with a total of 2,228 participant households, including 1,823 treatment and 405 control. IFAD CI Framework and COI Measurement Guidelines were adopted for the Endline Survey for capturing progress on the IFAD CIs. However, the complexity of the IFAD COI Measurement Guidelines and the current service provider capacities have resulted in less than expected quality of report. Given the absence of baseline data, recall questions were used to assess change. The biggest challenges have been inconsistent data collection from different participant groups and insufficient analysis of available datasets, which have also been observed in other project surveys in the region. The lack of a project baseline study and limitations of the Endline Survey were mitigated with the analysis of raw survey data by the IFAD mission team, and the triangulated use of project thematic studies and Farm Business Diary datasets that provided critical baseline and annual information on production, sales and income. The following are the key recommendations for future projects:
- *Prioritize M&E and MIS from day one to completion* – The lack of RERP baseline study, inaccuracies of early outreach data, and the methodological and analytical issues of the endline survey and the absence of the final report for PCR mission have constrained the assessments at completion and may have dampened the true impacts and achievements of the project.
 - *Simplify processes for improved data quality* – Complexity of Farm Business Diaries has resulted in low interest among smallholders for maintaining farm records, and high data entry errors. Future supply/value chain projects should explore two versions – a detailed format for enterprising lead farmers, and a simplified format for smallholders transitioning into commercial agriculture.
 - *Enhance MIS user experience and analytical tools* and add simple tools for generating tailored reports on preferred fields and indicators can significantly enhance its accessibility and utility for decision makers.
 - *Ensure consistent monitoring of key target groups*, including of remittance receiving households or migrant families and returnee migrants who were major target groups of the project. Prevent inconsistencies in progress monitoring across the project components and activities, resulting in imprecise outreach numbers and outcome assessments.
 - *Apply contextually aware targeting and monitoring tools* in the light of the finding that the socio-economic classification tools used by the project (i.e. poverty classification, vulnerable and minority group classification) were found to be less effective in the Terai, and not reflecting the current realities. This required significant reclassifications at project completion.
211. **Knowledge Management.** With clear linkages to M&E, the project has developed numerous knowledge products on implementation experiences and innovations in the form of project manuals, success stories, news articles, documentary videos, case studies, thematic outcome papers and annual reports, local government policy papers and guidelines, and more. The most notable knowledge products developed include the agriculture development strategies of 9 Palikas, fish cluster development guidelines of 6 Palikas (among the first in Nepal), and migration operational guideline of Dhankuta Municipality (another first in Nepal). The Palika strategies and guidelines were developed with their participation and co-financing, contributing to the capacity building as well as ownership of the local representatives. Further, these have been developed through the combined efforts of the entire technical team, demonstrating a strong culture of critical reflection and knowledge generation.
212. Attention has also been given to transfer the valuable knowledge and innovations to small farmers as well as local governments in an effective way. The various knowledge products have been published online, on social media platforms such as YouTube, and broadcast through local radio and news programmes for maximum reach. In addition, more than 2000 local resource persons (LRP) such as business literacy facilitators, agriculture technicians, migration counsellors and vocational trainers have been capacitated for peer-to-peer knowledge and skills transfer, who can be directly employed by Palikas and other partners for continued development efforts.
213. However, while knowledge management functioned well during project implementation, critical end-of-project KM activities included in the AWPB were missed, such as empirically supported anthology of lessons and knowledge sharing workshops and events, reducing its overall effectiveness in retaining institutional knowledge, and enhancing ownership among stakeholders.

E.3. Quality of financial management

214. **Staff qualification and selection:** One Account Officer and one Accountant at PMO, and one Accountant in each corridor office were deputized by the Financial Comptroller General's Office (FCGO). One Accountant deputized for corridor office was working at

PMO as well. The PMO has one part time Financial Management and one full time Procurement Specialist, having working experience in IFAD funded projects. The performance of the government deputed staff and hired staff is evaluated on annual basis. IFAD provided FM training on IFAD accounting and reporting requirements to the project FM staff and consultants. The government deputed staff were transferred as per government policy usually within two years. The FM staff were not informed about anti-corruption policy of IFAD in writing.

215. **Disbursement:** The total disbursement as of 10 June 2024, for expenditures incurred till 12 April 2024 is SDR 13.32 million (USD 18.06 million) including initial deposit of SDR 0.36 million (USD 0.48 million), which is about 96.66 percent, while net disbursement rate excluding initial deposit is 94.04 percent of revised allocated fund of SDR 13.78 million. There was no problem in disbursement of WA by IFAD. The project refunded USD 235,000 after cancellation of SDR 13.67 million on 29 May 2020. The recovery plan for IFAD loan and grant was not submitted after extension of the project.
216. The disbursement under IFAD loan for eligible expenditures, excluding advance of USD 193,900 (SDR 144,725) is USD 2.29 million (SDR 1.68 million), which is 91.58 percent of revised allocation of SDR 1.83 million. The disbursement under IFAD grant excluding advance of USD 288,289 (SDR 215,833) is USD 15.29 million (SDR 11.28 million), which is 94.42 percent of allocation of SDR 11.95 million. The outstanding advances of USD 288,289 (SDR 215,833) of IFAD grant and USD 193,900 (SDR 144,725) of IFAD loan will be justified for the eligible expenditures or refunded to IFAD within the project closing date. The project has already incurred expenditure of USD 310,075 during 13 April to 31 May 2024 and projected USD 740,141 for June 2024 including USD 374,925 payable to Helvetas. As the IFAD grant has fund balance of USD 877,724 (SDR 666,508) only, the project needs to utilize IFAD loan to the extent of the expenditure not sufficient to justify only from the IFAD grant. The financial performances by financier, components and categories are given in Appendix 3.
217. **Budget monitoring:** The project was preparing AWPB based on the project document and COSTAB following the Budget Guidelines of the government in the format specified by IFAD and submitted to IFAD within due date for No-objection letter (NoL) except for the AWPB of FY 2020-21. However, the final AWPB of all fiscal years were submitted to IFAD and NoL was provided by IFAD after start of fiscal year. The existing market price is considered with justification for increase in unit rate. The GoN allocated budget required as per AWPB for the government counterpart fund and IFAD financing source. The budget of FY 2018-19 was allocated to Province No. 1 only instead of Provinces 1, 2 & 3, and Province No. 1 issued budget authorization of the recurrent budget of NPR 514.45 million on 10 Oct. 2018 which delayed project implementation. As the IFAD grant is not sufficient for payment of expenditures of IFAD financing, the project needs to obtain approval for source transfer to incur expenditures from IFAD loan and for deficient budget under government counterpart funds.
218. The project has been reporting expenditures in the government format showing approved budget, expenditures and balance budget of each budget line and each activity on trimester basis up to FY 2020-21 and quarterly basis from FY 2021-22 without providing sufficient justification for budget variance. The budget execution was lowest (15.41 percent) in the FY 2017-18 and started increasing every year and reached to 29.46 percent in FY 2019-20 and highest (74.36 percent) in FY 2022-23. The budget execution of FY 2023-24 up to 31 May 2024 is 69.83 percent and expected to be 91.14 percent based on projected expenditures of NPR 10.98 million for the remaining period of the FY 2023-24. However, average budget execution during the project period is 43.15 percent which is considerably low.
219. **Flow of funds.** Project opened two separate Designated Accounts (DAs) for IFAD Loan and Grant in the Nepal Rastra Bank. Advances of USD 1.50 million for IFAD Loan and USD 1.20 million for IFAD grant were provided as per Letter to the Borrower/Recipient, which was sufficient for the expenditures to be incurred in the trimester/quarters. The IFAD loan advance to DA was reduced to the outstanding advance of USD 193,900 (SDR 144,725). The government pre-financed the expenditures for IFAD funding sources. All payments for project expenditures are made through Treasury Single Account to the bank accounts of payees using E-payment on receipt of payment order from the project and expenditures incurred for IFAD financing are transferred from the DAs to the government treasury on trimester/quarterly basis. There was no problem in release of funds except some delay due to delay in submission of required financial reports and reimbursement of pre-financed expenditures. The WAs were prepared and submitted with some delays to IFAD for replenishment to DAs and direct payments to Helvetas.
220. **Financial Accounting and Reporting.** The project implementation manual was prepared and approved by the Project Steering Committee and NoL from IFAD was obtained. It was not updated after Mid-Term Review mission. The project maintains accounts using CGAS developed by the GoN based on cash basis of accounting of Nepal Public Sector Accounting Standards (NPSAS) to generate financial reports for the government. The accounting software called "PASS" developed for the IFAD funded project was also used for accounting expenditures by category, component and financiers and to generate financial reports for the government and statement of category-wise and component-wise expenditures required for preparation of WAs, IFRs and APFS. However, PASS software was discontinued due to mandatory use of CGAS and lack of timely support by the service provider since 2022-23. From FY 2022-23, the statements of expenditures by category and component were prepared from the information generated by CGAS in excel spreadsheet. The inventory of fixed assets and consumable items was maintained in Public Assets Management System (PAMS) software. The physical verification of inventory was conducted once a year as per GoN policy. The contract register is maintained and submitted to NOTUS. The payments to existed staff and beneficiaries for expenditures already incurred have not been made citing reasons of lack of sufficient government counterpart funds and budget for IFAD loan.
221. The project has not maintained the ledgers of designated bank accounts. However, the receipts and payments of DAs were reconciled with the bank statements during preparation of IFRs and WAs. The statements of IFAD loan and grant were reconciled with the IFAD disbursement records while preparing IFRs and annual PFS. The project does not maintain account of beneficiaries' contribution, but it is being reported in the IFRs and PFS based on the information captured in the MIS from the statement of expenditures and supporting documents submitted by the beneficiaries. The investment of the private sector is also captured in the MIS but not reported in the financial reports. Most of the IFRs of FY 2018-19 to 2023-24 have been submitted after due dates. The unaudited project financial statements of FY 2015-16 and 2018-19 were submitted after due dates. The project financial statements are informative with some missing information in the notes to the accounts.

222. **Internal Control.** The project follows internal control system of the government. Some internal control weaknesses were noted during missions and also reported in the internal audit reports relating to lack of supporting documents of expenses and payees' signatures, no detail specification in invoice, mistakes in inventory recording, excess payments, not following procurement procedures, delay in settlement of advances, work carried out without contract extension, no record of fixed assets, payment for skill test without test certificates, short advance income tax deduction, penalty for late payment, no dates and name on some quotations, insurance policies not obtained from training service providers, payment of full time salary to Account Officer of AEC based on AWPB and MOU instead of half time and not affixing "PAID" stamp on supporting documents. Some of the internal control issues were resolved subsequently. However, excess payments were yet to be recovered.
223. **Internal audit.** The Internal Audit Unit of the District Treasury Controller Office (DTCO) conducts internal audit as specified in the Financial Procedures and Fiscal Accountability Act, 2076 (2019) and Regulation 2077 (2020). The internal audit to be conducted on quarterly basis was not conducted on time and internal audit reports were provided on annual basis. The scope of internal audit includes (i) inspect, examine and scrutinize financial transactions, documentary evidence, decisions, record and accounts, (ii) ensure compliance with prevailing Laws and directives, (iii) recommend strengthening internal control system and compliance of financial discipline.
224. **Audit reports.** The OAG conducted audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs) issued by INTOSAI and Nepal Government Auditing Standards (NGAS) issued by the Office of the Auditor General of Nepal, acceptable to IFAD. The audit reports, audited project financial statements and management letters of all fiscal years except FY 2019-20 were submitted with delay. Audit opinions of all fiscal years were unqualified. The auditor did not follow up on previous years' audit observations in the FY 2017-18, 2018-19 and 2019-20. The project did not provide management responses on the audit observations of all fiscal years to IFAD. The audit management letters have reported internal control weaknesses in relation to splitting purchases for direct purchase, payment of meeting allowances to staff not authorized to attend PSC meeting, deduction of short advance income tax, expenditures incurred in excess of budget, purchase of 150 Core Banking system, software developed for CIT, income verification of the trainees not done for payment of third and fourth instalments. The quality and timeliness of the audit was rated as moderately unsatisfactory except for YY 2019-20 which was rated satisfactory. The final audit report of the project for the period from 17 July 2023 to December 31, 2024, should be submitted by closing date (31 December 2024).
225. **Filing of project records.** The filing system of the project was adequate as per GoN requirements. The documents, transactions vouchers and records of the project will be handed over to the Ministry of Industry, Commerce and Supplies for keeping for the next 10 years as per requirement of IFAD.
226. **Ineligible expenditure.** The ineligible expenses for excess payment of grant of NPR 150,000 (NPR 122,100 of IFAD source) to Swechhya Goat Farm and NPR 58,477.50 (NPR 47,600.69 of IFAD source) for vehicle repair to Sipradi Trading (P) Ltd. noted during supervision mission and already claimed with IFAD are yet to be recovered and adjusted against expenditures to be cleared with IFAD. The audit observations relating to development of software for deposit of remittances to Citizens Investment Trust at NPR 11.57 million, which was handed over to CIT but not used, purchase of Core Banking system software for 150 Cooperatives at NPR 14.69 million and provided to 65 Cooperatives but used by only 26 Cooperatives, direct purchase of furniture of NPR 1,248,843 and machinery items of NPR 2,744,859, payment of meeting allowance of NPR 15,300 to various non related person, liquidity damage of NPR 299,500 not recovered from Softech Foundation, Population Health and Development Group JV are yet to be resolved. Audit observations of OAG need to be resolved before the project closing dates otherwise the ineligible expenses already claimed with IFAD will have to be refunded to IFAD.
227. **Project Assets.** Some of the fixed assets such as pickups, motorbikes, scooter, tablets, laptop and desktop computers, printers, scanning machines, photocopy machines, television, projectors, other office equipment, furniture, 34 core banking software have been handed over to various government offices and Nijgadh Municipality and Atharai Rural Municipality. The remaining fixed assets including motorbikes and vehicles should be handed over to the government and to the R-HVAP project funded by IFAD as agreed between the government and IFAD.
228. **Closing activities.** The closing activities recommended by the PCR mission and approved by the GoN and IFAD will be carried out after project completion date (30 June 2024). It is recommended to complete all closing activities by 31 October 2024, i.e. two months before closing date (31 December 2024) so that audit report and PCR can be submitted by closing date (31 December 2024). The final WA needs to be submitted to IFAD and DA advance, if outstanding, is to be justified by or refunded to IFAD by 30 September 2024. The manpower, if required during closing period, will be decided in consultation with IFAD. The expenditures to be incurred for winding up with approval of IFAD may be funded from IFAD source provided there is IFAD fund balance and budget provision under IFAD source for FY 2024-25. Further, the Mission has taken note of the understanding that the PMU will hand over 4 vehicles and 25 motorbikes to the Ministry of Agriculture and Livestock Development (MOALD) which in turn will transfer these to the IFAD funded Resilient High Value Agriculture Project (R-HVAP).
229. The performance of quality of financial management is *moderately satisfactory*.

E.4. Project internal rate of return

230. The indicative financial assessments were done for supply chain commodities, technical and vocational training, and micro-enterprises. These models indicate that rural micro-cottage and small enterprises are financially viable with the financial benefit cost ratio (FBCR) ranging between 1.01 (MAPS) and 1.37 (goat farming). The financial net present value (FNPV) ranges between USD 294 (MAPs farming) and USD 2,199 (fishpond rehabilitation) and the financial internal rate of return (FIRR) between 17, 8 percent (fishpond leasing) and 46.1 percent (fishpond rehabilitation). Average monthly incremental income of wage employed was NPR 13,512, and that of self-employed, NPR 23,500[56]. The indicative model of the enterprise managed by self-employed graduates have average investment of USD 1,346, which generates the FIRR of 25.2 percent, FNPV of USD 851, and FBCR: 1.12 while employing 2 family labour and 1 hired labour. In sum, all models under supply chain commodities, technical and vocational training, and micro-enterprises generate satisfactory level of financial returns.

231. The Economic Internal Rate of Return (EIRR) at completion is estimated at 23.6 percent (31.4 percent at restructuring), economic net present value (ENPV) at USD 19.7 million (USD 32 million at restructuring) and the economic benefit cost ratio at 1.71 – all using the economic discount rate of 9 percent. Lower economic returns are explained mainly by: (i) higher rate of adoption assumed at restructuring; and (ii) longer implementation period that gave less time for the realization of the benefits.

232. Table 4: Comparison of Economic Indicators: at appraisal, restructuring and completion

	At appraisal	At restructuring	At completion
Project cost (USD million)	68.0	25.3	25.3
EIRR (percent)	26.0	31.4	23.6
NPV (USD million)	37.7	32.0	19.7

233. Sensitivity analyses were undertaken to assess the effect of: (i) 10 percent and 20 percent decrease in benefits; (ii) 10 percent and 20 percent increase in costs, and (iii) 10 percent and 20 percent decrease in adoption rate. In all these scenarios EIRR was above 17 percent, thus proving economic viability. These results show that the project is highly sensitive on decrease on benefits followed by increase in project costs, but less so with the decrease in adoption rate. The switching value for the total project benefits is about 71.39 percent while for the project costs it is estimated at 41.65 percent - a high bar indeed.

234. Technical and vocational training/ apprenticeship has generated and provided employment at local and regional labour markets. The returnee migrants have benefitted from supply chain development support of the project providing options for starting feasible rural micro-cottage and small enterprises, leveraging their own savings with projects co-investment support. In general, the project support has been quite effective in generating employment to direct project beneficiaries with increase in return on labour in most cases addressing the deep-rooted problem of un- and under-employment prevailing in the project area.

235. More details on economic and financial analysis are provided in Appendix 5 - Internal Rate of Return. Detailed excel tables are available in project file.

F. Partners' performance

F.1. IFAD's performance (Quality of supervision and implementation support)

236. IFAD fielded implementation support, supervision and MTR missions as per requirement, with appropriate expertise, with required preparatory actions. IFAD's contribution was particularly important in flagging under-performance when applicable and fielding missions that undertook design update, restructured project, cancelled loan and extended implementation period. Of particular relevance were: (i) the IS mission fielded May 2018 which helped reducing the project complexity and clarifying the implementation approach (Para 37-38); and (ii) supervision mission fielded in September 2019 which recommended immediate restructuring of the project along with the cancellation of SDR13.86 million from IFAD Loan, thus reducing the IFAD financing to less than half of the original estimate (Para 21). Other supervision mission helped in: (i) readjusting the projects' implementation approach in response to the emerging demands; (ii) extending the implementation period; and (iii) reallocating resources across cost categories. Design changes were introduced generally in response to the pace of project implementation or change in the context, such as Nepal adopting a federal system of governance, and were usually based on the learning generated in course of implementation.
237. RERP stakeholders unanimously agree that the IFAD's support to the project improved substantially with the creation of ICO in Nepal and posting of IFAD Country Director in Kathmandu. The communication between the IFAD-ICO once established and RERP became regular, timely, and solution-centred. IFAD provided support to empower and enhance the skills of the RERP team through regular training on fiduciary and technical issues, participation in regional learning events, quarterly reviews by IFAD's Financial Management Department, and quarterly update meetings with all IFAD projects across the region. This provided RERP staff with required exposure to new learning and changes in IFAD's processes and systems.
238. The responsiveness and flexibility shown by IFAD, supported strongly by RERP's strong MIS, helped the project management, to pursue an adaptive management style, which greatly ensured smooth implementation and course corrections necessitated by radical changes that took place in RERP's operating environment (Para 26).
239. RERP saw a relatively high turnover of four IFAD Country Directors over its lifetime. This is explained mainly by the decentralization initiative launched by IFAD management, in particular the placement of CD in Nepal. Operational level continuity was kept under control by ensuring only one turnover of the Country Programme Officer (CPO). In addition, long-term consultants under retainer arrangement were maintained throughout and this helped in providing strong implementation support.
240. Overall, IFAD's performance was **moderately satisfactory**. Going forward, IFAD could learn lessons related to the adequacy of design changes as summarised in Para 40 above.

F.2. Government's performance

241. For MOICS RERP was the first project of its kind that was assigned by GON for its design and implementation. Occasional confusions were therefore natural, also in relation to the ownership. For IFAD as well partnership with MOICS was an entirely new experience. With tactful handling by the PM and project staff, GON's strong ownership of the project was ensured throughout the life of the project (Para 173) more specifically in ensuring: (i) availability of the counterpart fund on time and in required amounts; (ii) minimizing the turnover of the PM/PD to two; (iii) providing high-quality staff and retaining them; (iv) delegating adequate authority to the PMO; and (v) regularly monitoring of project field activities, by MoICS staff, including secretaries and providing feedback for improvements.
242. Of particular importance was a very high level of trust maintained by the project manager with the: (i) municipal (local) governments; (ii) provincial governments, and (iii) other government entities despite a radical restructuring of the system of local governance in Nepal and creation of an entirely new layer of governance in the form of provincial governments. A well-functioning relationship was maintained with the National Planning Commission (NPC) and MoF. The decision to locate the project office in Itahari and corridor offices in Dharan and Janakpur continue with that was appropriate as this facilitated field movement to the Terai as well as Hill districts.
243. Overall, Government's performance in implementing RERP was **moderately satisfactory**.

F.3. Other partners' performance (including co-financiers)

244. RERP collaborated with a very large number of other partners both under contracts and with MOUs (Para 16-17). These partners performed well in terms of expanding the outreach and achieve the set targets under both of the key components of decent jobs and supply chain. Progress made under financial inclusion activities by the Cooperatives, ADBL and Laxmi Bank were generally satisfactory. SKBBL's outreach while was satisfactory, its product could have been more customised to cater to the varying needs of the different categories of cooperatives.

G. Assessment of sustainability

245. Through the application of best-practices, proven tools and innovations, RERP has been successful in implementing project activities with strong potential for sustainability and continuity after project completion, described below. The exit strategy developed for all components and subcomponents implementation was satisfactory and is in an advanced stage including deepening /broadening of partnership with existing institutions such as the CCIs and provincial and local government focusing on enhancing their ownership and engagement for continuation of the RERP-initiated activities.
246. **Government ownership and commitment.** RERP has actively engaged and partnered with respective Palikas, enhancing their ownership of several project activities. With Palika co-investments of around USD 175,000, RERP has supported the development of several local level policies and operational guidelines, including agriculture development strategies, fish cluster development guidelines, migration profiles, TVET strategies and Guidelines for conducting Result based Financing, and financial literacy guidelines. Palikas have also contributed more than US\$ 235,000 for the operation of MRCs during project implementation, and 12 out of 14 MRCs along with their respective RERP staff have been absorbed by local governments for continued migration-related services.
247. **Local government policies.** As detailed under Institutions and policies domain (Para 83-87), the project has directly contributed to 75 distinct local government policy papers, strategies and operational guidelines. The most notable contributions include agriculture development strategies for 9 Palikas; fish cluster development guidelines of 6 Palikas, TVET strategy of 4 Palikas; results-based financing guidelines for TVET trainings for 12 Palikas; migration profiles and operation guidelines for 22 Palikas; 9 migration and re-integration policy, including the first in Nepal of Dhankuta Municipality; and TVET strategy for the Madhesh Province. These were developed with direct Palika consultation and co-financing, contributing to their capacity building and expected to contribute substantially to sustain the benefits, post-project.
248. **Community organization.** The project has implemented proven cluster coordination and facilitation mechanisms such as MSPs and B2B/B2S events to develop trust and mutually beneficial relationships between producers, input suppliers, buyers and financial institutions, and also between vocational trainees and employers. Further, local CCIs and cooperatives have been capacitated to deliver continued market linkage and facilitation services to rural communities and enterprises. As a result, CCI facilitated MSPs have become a regular process, with participation of local governments.
249. **Beneficiary capacities.** In addition to production support, RERP has also capacitated smallholders in group management, financial literacy and entrepreneurship (FEEK), access to financial services, and market coordination and linkage (MSP, B2B/S). These capacities have enhanced trust and cohesion among beneficiary communities through collective marketing, and also empowered them to trade and bargain for fair prices, contributing to the establishment of profitable agri-businesses. Also, GALS participants reported improvements in empowerment (146 percent of end target).
250. **Extension agents.** For the implementation of the project, more than 2,000 local resource persons (LRP) such as business literacy facilitators, agriculture technicians, migration counsellors and vocational trainers were capacitated for peer-to-peer knowledge and skills transfer, some of whom are already employed by Palikas and other partners for continuing the development efforts. Similarly, GALS approach is being continued effectively through "passing the gift" approach from previous GALS graduates and mentors.
251. **Economic resilience.** RERP adopted a market-led and food systems approach to supply chain development for improving smallholder producers' access to assured markets and self-sufficiency with localized production of agri-inputs such as vermicompost, feed and fodder. Similarly, the market-led approach to vocational skills training through prior scoping assessments ensures continued relevance and economic viability of the human resource developed. Moreover, sustainability in supply chain development is being achieved through market mechanism in supported clusters - where SC groups are expanding and there is crowding-in of private sector investments.
252. **Financial Sustainability:** The project has strengthened capacity of approximately 200 cooperatives through SKBBL support. Of these, 95 cooperatives have already been affiliated with SKBBL and other wholesale financiers and are accessing wholesale finance for providing loans to members for investments in supply chains. Likewise, cooperatives are delivering FEEK training to other members and have plans to continue with own resources under annual training budgets. Additionally, the project has linked RERP supported cooperatives and farmers with the existing IFAD project VITA for loans, required for investment in scaling up their business. Approximately 2000 business plans are in pipeline for VITA loans.
253. **Environmental sustainability.** The project has supported smallholder farmers in the adoption of various environmentally sustainable and climate resilient technologies and practices have been supported by the project, such as plastic tunnels, liquid and bio-fertilizers, plastic mulch, drip/sprinkle irrigation, stall feeding, improved sheds, fodder production, bio-floc for fishponds, and community and leasehold forest MAPs cultivation. While being ecologically resilient, these technologies and practices provide direct economic benefits to smallholders by enhancing resource efficiency and reducing production costs and losses, ensuring their continued application.
254. Overall, sustainability of RERP is rated as **satisfactory**.

H. Lessons learned and knowledge generated

Initial selection process for institutional capacity building should be aligned with the objectives of the project.

Initial selection process for institutional capacity building should be aligned with the objectives of the project. A differentiated product for capacity building is needed as one-size-fits-all does not work well (re: SKBBL and cooperatives).

In areas of high migration, programs should consider the specific needs of migrant families with regards to financial and non-financial services, leading to opportunities for investment and decent work at home.

Data gathering about the needs of migrants and migrant households and the impact of interventions targeting them should be included in all stages of program design, M&E and KM.

Divide farm business diaries into two formats – simplified and detailed – for household level data for outcome monitoring.

Farm business diaries form the foundation for household level data collection in the RERP M&E System, whereby households self-report key data on seasonal production and sales, which is fed into the MIS by field staff on a rolling basis. This framework exists in all ongoing IFAD-financed projects in Nepal. However, the complexity of the current format of Farm Business Diaries has resulted in low interest among smallholders for maintaining farm records, and high data entry errors. Future supply/value chain projects should explore two versions – a detailed format for enterprising lead farmers, and a simplified format for smallholders transitioning into commercial agriculture.

Ensure target beneficiary groups are clearly noted in the project log-frame consistent targeting and progress monitoring.

In the case of RERP, while remittance receiving households or migrant families and returnee migrants were major target groups of the project, they were not included in the project log-frame. As a result, targeting and progress monitoring of remittance receiving households was inconsistent. Therefore, clear outreach and physical targets should be noted in the project log-frame for target beneficiary groups across all project components and activities for consistent strategic targeting and progress monitoring.

A more nuanced and contextually aware targeting approach is essential for addressing the complex socio-economic realities of the Terai.

The prevalent beneficiary targeting strategies with Dalit and Janajati prioritizations appear to be less effective in the Terai, where the socio-economic realities are more complex and changing. Development investments in the Terai region should explore and implement targeting strategies and tools (i.e. poverty classification, vulnerable and minority group classification) that are contextually aware and relevant to the current realities. At the same time, these tools should also align with the targeting policies and approach of the GoN and the larger development community, particularly in the case of poverty (re: Poverty Probability Index vs. Multi-dimensional Poverty Index).

While outcome-based payments to service providers can potentially result in significant performance gains, monitoring and verification costs are high.

The vocational training programmes implemented by Helvetas adopted a result-based payment modality for private-led training and employment service providers. Here, the service provider outcome payments are dependent on verified gainful employment of trainees after 6 months of training completion. While the rigorous monitoring and verification processes for fund release at each milestone results in relatively high costs, the approach has also resulted in high effectiveness with 79 percent of the graduates being gainfully employed based on internal assessments, making it a true performance-enhancement tool for the management.

It is also worth noting that historically, Nepal has implemented skills development training programs through budget financing modality. This approach remains prevalent among development partners and government agencies for TVET. A recent example could be cited from the EU-funded TVET PP project, which employs budget financing to implement its training programs using various apprenticeship models delivered by T&E service providers. An independent tracer study commissioned by the project found that approximately 63 percent of trained graduates are employed.

In essence, there is a need to strike a good balance between the compensation of T&Es with reasonable direct training costs on the one hand and the cost of monitoring and verification process on the other.

Financial and business education to smallholders can encourage the use of financial services, enhance awareness of agri-business opportunities, and increase investments in agriculture

Following financial and business education to smallholders, supported cooperatives and producer groups have observed a significant increase in group membership, use of financial services, including savings and credit. Further, during the field visit, the mission also observed an increase in awareness of productive investment opportunities and entrepreneurial attitudes of smallholders and processors who had received FEEK trainings. The cooperative representatives attributed this to the FEEK classes provided through the project that increased their understanding on productive investments, and the knowledge of profitable RERP supported dairy cooperatives in neighbouring communities.

I. Conclusions and recommendations

255. RERP was designed in the context of Nepal facing the challenges of slow economic growth, low agricultural productivity, limited economic opportunities, heavy and increasing dependence on migration for employment and remittance for sustaining imports, national savings and investment, as well as achieving SDGs at family level. The scale of RERP's intervention is disproportionately small when compared to the challenges being faced by Nepal. So, its performance assessment necessarily needs to be at the project level in which RERP succeeded in satisfactorily achieving all key outreach targets as well as the project development objective. The impact it created in terms of rural poverty, along with the constituent elements - such as household income and assets, agricultural productivity, food security, human and social capital, and in influencing policies and institutions – rated mostly as satisfactory. The project also had satisfactory impact in the gender equality and women empowerment domain. It was innovative and a number of institutional development approaches and technologies satisfactorily scaled-up.
256. The project suffered from severe implementation delay in early years explained both by internal challenges such as delayed staff recruitment as well as by external challenges such as the process of federalization. Consequently, the project had to be restructured with over half of the IFAD resources cancelled. Some of the activities originally envisaged were also dropped in this process which somewhat weakened the internal logic behind project design. Furthermore, the revised logframe deprioritised migrants, migrant HH, returnees or remittances, thus affecting the spirit of the project originally identified. Targeting also suffered due the failure to complete poverty mapping and apply appropriate tool to measure poverty and marginalization. The decent job component, the principal user of project resources, not considering inclusion of marginalised social groups or the migration status of the HHs, adversely affected targeting performance.
257. Despite, the scope of the interventions by RERP were appropriate to maximise the impact of remittances on rural economies and provide sustainable sources of income to migrant families and returnees. Almost a third of the outreach were migrant HH and returnees. Furthermore, not making activities exclusive to migrant families or returnees in outreach was a right approach.
258. RERP is one of IFAD's first project under the regular programme of loans and grants (POLG) that specifically focusses on migrants, migrant households and remittances. The relevance of its experience in implementing the project and the lessons learnt in the process is important not only to IFAD's Nepal country programme but even to IFAD's regional and global portfolio of projects. In addition, the use of TVET as an instrument of major intervention to create gainful employment opportunity is relatively less used in IFAD projects and thus RERP added value is notable in this respect as well. With unabated increase in Nepal's dependency on temporary out-migration and remittances, RERP is even more relevant today than when the project was designed. Considering this, the PCR mission has analysed and documented the experience related to migration and remittances as well as the vocational skills training and apprenticeship as two separate additional appendices (No 8 and 9, respectively). In sum, the need for Nepal making effort to break away from the migration cycle is undoubtedly stark. Migrants supported by the project enhanced their opportunities to stay home or return while maximizing the use of remittances. The combination of RERP activities proved appropriate for this target group. By using the learning from RERP, improving further on the design and implementation modality, and a more sharply focused selection of the project area and the target group, IFAD can contribute significantly to meeting Nepal's need in future.

Footnotes

[1] The Mission comprised of: Mr. Shyam Khadka, Mission Leader (ML) and Rural Development Policy Specialist; Mr. Buyung Hadi, Project Technical Lead (PTL)/Agronomist; Dr. Nara Hari Dhakal, Economist/Rural Finance Specialist; Mr. Sanjeev Kumar Shrestha, Value Chain and Enterprise Development Specialist; Mr. Kaushal Shrestha, M&E and Knowledge Management (KM) Specialist; Mr. Dipak Sah, Regional Financial Management Officer/Financial Management Specialist (remote participation); Mr. Tribhuban Poudel, GESI Specialist; Mr. Ram Babu Regmi, Procurement Specialist; Mr. Mahesh Hada, TVET Specialist; Ms. Bibiana Vasquez FFR Remittances and financial inclusion specialist; Ms. Sarah Hugo, FFR Remittances and migration, KM specialist; Mr. Nirajan Khadka, Environment and Climate Officer; Dr. Kamal Gaire, Country Programme Analyst/Agronomist.

[2] Fifteen from the then Eastern Development Region: Morang, Sunsari Saptari, Siraha, Bara, Dhanusa, Mahottari, Rautahat and Sarlahi in the plains and Bhojpur, Dhankuta, Khotang, Terathum, Udayapur, and Okhaldunga in the hills. A hill district viz. Sindhuli was added from the Central Development Region.

[3] See World Bank database- <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=NP>.

[4] See: World Bank, <https://www.worldbank.org/en/country/nepal/overview>

[5] Based on the National Poverty Line of 2011 and the findings of the recent nationally household survey data from the Nepal Living Standard Survey 2022/23. See https://api.giwm.gov.np/storage/36/posts/1707800524_89.pdf

[6] Nepal Demographic and Health Survey 2022- <https://www.dhsprogram.com/pubs/pdf/PR142/PR142.pdf>

[7] Selected, using recent corridor potential mapping assessment. No mention of poverty mapping as was originally envisaged since this was not ready.

[8] See the aide-memoire of the Supervision Mission fielded in September 2019.

[9] The WP 2 of the PDR noted: "Dalits constitute the highest percentage of the poor population (43.63 percent in the Hills and 38.16 percent in the Terai). They face subjugation, social exclusion and discrimination, and despite policy efforts, practices such as bonded labour still persist in Dalit communities, resulting in widespread cases of landlessness, especially in the Terai region. Moreover, Dalit women face the triple burden of caste, poverty and gender, pushing them to extreme poverty. Adivasi/Janajati and Madhesipopulations face similar challenges."

[10] See UN Secretary General's statement in:

<https://web.archive.org/web/20151117034232/http://www.msn.com/en-in/news/other/un-chief-calls-for-lifting-of-blockade-on-indo-nepal-border/ar-CCeXfV>.

[11] The pandemic caused Nepal's first economic contraction in almost 40 years in FY2020 by 2.4 percent. See Nepal Development Update, The World Bank, 22 October 2022.

[12] National Population and Housing Census 2021.

[13] See Economic Survey 2023/24 (in Nepali), GON, May 2024.

[14] See: Nepal Economic Forum (9 January 2024)- <https://nepaleconomicforum.org/on-the-move-with-nepali-migrants-remittances/>

[15] Of the total employed graduates, 32 percent (7,442) were self-employed/enterprising. Of these, 190 became entrepreneurs who created 1,400 new jobs and paid an average of NPR 20,590 to each employee against a median income 15,000.

[16] It is important to note that while original design laid emphasis on promoting off-farm enterprises, the design update saw more opportunities in on-farm sector. The results achieved eventually support the directional change adopted following the design update – in fact, it shows that the targets for on-farm enterprises could have been higher. This would have required, however, the extension of the project by a year to allow for these enterprises to achieve some degree of maturity.

[17] RERP Project LogFrame.

[18] In assessing performance against various domains, the RERP PCR mission has used multiple sources, including a very robust MIS RERP had developed and used. The Endline Survey was conducted by a consulting firm with a total of 2,214 participant households, including 1,823 treatment and 405 control. The overall quality of the survey was not satisfactory (See Para 188 for detailed analyses, M&E), especially the analytical part. The PCR mission obtained some key information by obtaining raw endline survey data and analysing them using Mission's time.

[19] As of 30 June 2024. Considering some project activities have been absorbed by the supported Palikas and cooperatives for continued services, outreach numbers continue to increase.

[20] The 70 percent figure pertains to the GoN-defined youth age group: 16-40 years and it is 6 percent under SC, 30 percent in DJ, and 11 percent in FEEK. If the UN-defined youth age group (15-24) is applied, it comes down to 16,488 persons or 16 percent of total beneficiaries

[21] USD 1 = NPR 133 (1 July 2024)

[22] Analysis is based on a sample of 8,457 HHs who had received at least two years of project support, with complete farm business diary datasets on production, consumption, loss, expenditures, sales, and income.

[23] A total of 11,522 smallholders were organized into 410 producer groups for production support (115 percent of end target), while an additional 1,759 households received business and market linkage support including irrigation.

[24] Mainly for supplying improved goats.

[25] Based on the farm business diary datasets.

[26] Based on internal assessments.

[27] The model holds training and extension service providers accountable, forcing them to deliver results (income and employment) and incentivizing them accordingly. Details are presented in Appendix 9.

[28] Data on the uptake and success of RERP's remittance-related products is not currently available and the period that they have been active for is very short. There are also successful cases of cooperatives established by returnee migrants with a key objective to support migrants, migrant families and returnees.

[29] The Endline survey reported a 69 per cent increase in household asset ownership among treatment groups. No control group data was made available. As such, with significant changes taking place in rural Nepal, selecting a reliable control group is a risky proposition. For details, see Para 188 of the main text.

[30] The road corridors are (a) north-south highway namely (i) Biratnagar-Dhankuta-Basantapur, (ii) Dhankuta-Bhojpur, (iii) Mircharya-Katari-Okhaldhunga – Diktal/Khotang, (iv) Bardibas-Khurkot, and (b) east west highway (i) mill-hill highway, (ii) east-west high-way and (iii) Hulaki highway.

[31] Tracer study was done among 16,469 graduates of 1st -2019 and 2nd round-2020

[32] 'Passing the gift' refers to the voluntary extension of the GALS approach from those already benefitted from GALS to those not reached by GALS. RERP bore no cost for this voluntary scaling-up within the communities.

[33] While the endline survey questionnaire included production and productivity questions, and the raw data includes some responses, the Report does not present any agricultural production and productivity related findings. The PCR Mission therefore relied on its analysis of a sample of 8,457 HHs who had received at least two years of project support under SC1.1 Supply Chain, with complete farm business diary datasets on production, consumption, loss, expenditures, sales, income, and others. Admittedly, no control data was available against these HHs; however, the dataset itself is robust, enabling a reliable 'before-after' analysis.

[34] The Local Government Operation Act of 2017 lays down the legal foundation for legislative, executive and quasi-judiciary practice of local government. It clarifies the rights of municipalities/rural municipalities and wards to make local laws, regulations and criteria for agricultural extension/development, conservation of environment protected areas and species, drinking water supply, micro hydro projects and alternative energy, watershed and water source conservation, etc.

[35] COPOMIS stands for 'Co-operative and Poverty-related Management Information System' a system developed and implemented by the Cooperative Department of the GoN. Each Cooperative society is required to enter the required data once a year.

[36] Principal implementing agency for the IFAD funded VITA project.

[37] As the endline survey did not provide disaggregated data of all surveyed households, these results are from the sample of 300 GALS households only.

[38] End line survey 2024[1] shows that a total of 62 HHs had purchased the land after GALS, among them 38 (61 percent) purchased in the name of women and 24 (39 percent) in the name of men.

[39] 1,378 women practiced initially and additional 280 recently started as a 'passing the gift' model facilitated by GALS catalysts and mentor which was entered in MIS.

[40] RERP's Targeting Guidelines had stipulated: 80 percent Poor families, 50 percent Women (50 percent in decent employment), 60 percent migrant and remittance receiving households, 60 percent youths (18-40 years), 8.5 percent Muslim, 3 percent Hill Dalit, 19 percent Hill Janajati, 12 percent Terai Dalit, 10 percent Terai Janajati, 32.5 percent Madhesi Socio-Economic Level 2/Oppressed Group.

[41] MIS

[42] HH Investment in Supply Chain (NPR) FY76-77 to FY80-81 from MIS.

[43] Project reported loose data of 500 plus HHs who are learning GALS through peer to peer (mentors and catalyst) as 'passing the gift' in the communities where GALS is implemented in a spontaneous manner. It was observed during the mission field visits that there are more requests to the mentors and catalysts to engage them also in GALS.

[44] Vulnerability Assessment indicators were developed by Project team to target the HHs for GALS was also used for PIF targeting.

[45] In addition, that decision of the group on targeted economically poor and marginalized with recommendation from ward chairperson were multiple steps to reach to the targeted HHs. In the case of Koshi Province, Vulnerability assessment was not applied in Koshi Province.

[46] **Priority 1:** Economically poor women from discriminated groups (Dalits, widow, disables, HIV/AIDS infected, Orphans, people affected by domestic violence and sexual abuse). **Priority 2:** Economically poor women from all caste/ethnicities excluding P1). **Priority 3:** Economically poor men from discriminated groups (Dalit, Janajati, Madhesi, Muslim, disables, HIV/AIDS infected, Orphans, people affected by domestic violence and sexual abuse). **Priority 4:** Economically poor men from all caste/ethnicities were prioritizes (excluding P3).

[47] As part of IFAD-financed regional grant 'Improving Livelihoods and Enhancing Resilience of the Rural Poor in the Hindu Kush Himalayas to Environmental and Socio-Economic Changes'.

[48] The total sampled participants of 40,505 were categorised using PPI: the result- a) ultra-poor - 1,328 (3 percent), b) poor- 13,041 (32 percent), c) active poor- 22,786 (56 percent), d) comfortable 3,219 (8 percent) and wealthy 131 (0.32 percent). Of these, ultra-poor, poor, active poor were considered as poor the total of which comes to be 92 percent .

[49] [MPI Report 2021 for web.pdf \(npc.gov.np\)](#). it is used as national level survey and may need to be simplified for use in projects.

[50] By collecting NPR 1 to 2 for each kg of the product sold through collective marketing.

[51] For example, the SDC-funded Safe Migration Project.

[52] 2 municipalities (Itahari Sub-metropolitan city and Karjana Municipality) have already conducted more than 32 events using the project developed FEEK 1 facilitators.

[53] Particularly on TVT and LAM training under decent jobs and matching grant support under supply chain development sub-components, as well as norms for conducting the training which constitute 36 percent of the actual project expenses.

[54] *Project expenditures as a percent of the total budget planned in AWPBs was always far behind the targets, less than 60 percent entire project period.*

[55] *During design, the cost per beneficiary under original allocation is computed at USD 378.0 per HH and USD 87 per beneficiary population, and cost per direct beneficiary HHs was USD 756 and USD 173 per beneficiary population.*

[56] *SMT comprises the component/subcomponent lead, Account officer, Admin officer and the Project Manager.*

[57] *Excluding family labour and including hired labour.*

Nepal

Samriddhi - Rural Enterprises and Remittances Project

Project Completion Report

Appendix 1: Project logical framework

Mission Dates: June 2024
Document Date: 10/01/2025
Project No. 1100001724
Report No. 7056-NP
Loan ID 2000000701
DSF Grant ID 2000000702

Asia and the Pacific Division
Programme Management Department

This document will be publicly disclosed unless there is written dissent on its disclosure by the Borrower at the time of this document submission to IFAD or no later than the project closing date.

Samriddhi - Rural Enterprises and Remittances Project

Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2024)	Cumulative Result (2024)	Cumulative Result % (2024)	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members							RIMS	Annual		
	Household members (number)			420 000	0	548 811	130.669				
	1.a Corresponding number of households reached							RIMS	Annual		
	Women-headed households (number)				285	27 290					
	Non-women-headed households (number)					77 513					
	Households (number)			87 500		104 803	119.8				
	1 Persons receiving services promoted or supported by the project										
	Males (number)			45 000	0	25 964	57.7				
	Females (number)			45 000	136	78 839	175.2				
	Young (number)			54 000		73 109	135.4				
	Indigenous people (number)				1 222	41 049					
	Total number of persons receiving services (number)			90 000	136	104 803	116.4				
	Project Goal Reducing poverty and achieving sustainable peace through employment-focused, equitable and inclusive economic development	Direct beneficiary households reporting increase of at least 20% in HH asset ownership within 4 years of project support, as compared to baseline							Project Impact Assessment	Annual	
Households (number)				28 000	28 108	28 108	100.386				
Percentage of women reporting minimum dietary diversity (MDDW)							Project MIS	Annual	PMO		
Female (%)				10	72	72				720	

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2024)	Cumulative Result (2024)	Cumulative Result % (2024)	Source	Frequency	Responsibility	
Development Objective Viable rural micro, small and medium enterprises (RMSEs), both in the farming and off-farming sectors, provide sustainable sources of income to rural poor households, migrant families and returnees	2.2.2 Supported rural enterprises reporting an increase in profit										Economic environment remains stable
	Number of enterprises (number)			16 000	9 928	19 090	119.313				
	No. of supported vocational trainees and apprentices are in gainful employment over at least 6 months, of which 50% are women.							Project Impact Assessment - Project MIS	Annual	PMO, HELVETAS	
	Females (number)			10 500	4 868	11 907	113.4				
	Number of vocational trainees and apprentices (number)			21 000	10 064	22 686	108				
	SF.2.1 Households satisfied with project-supported services										
	Households (%)			70	81	81	115.7				
Outcome Rural people grow more profitable and resilient household- or small enterprises or secure remunerative skills-based jobs	No. of individuals achieving a return on labour of at least 125% of official minimum wage in supported farm and non-farm enterprises within 4 years of project support							Farm / enterprise diaries via project MIS Project Impact Assessment Survey Annual	Annual	PMO	DCCIs have an interest in expanding membership to micro-entrepreneurs and in preserving operation of ESCs
	Female (number)			5 100	6 631	12 956	254.039				
	Male (number)			5 100	5 627	8 791	172.373				
	Youth (number)			6 120	10 672	17 040	278.431				
	Total (number)			10 200	12 258	21 747	213.206				
	Increase in total revenue from product and services sold by supported individual producers							Farm / enterprise diaries via project MIS Project Impact Assessment Survey Annual	Annual	PMO	
	% increase in real terms (%)			40	26	166	415				
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices							Farm / enterprise diaries via project MIS Project Impact Assessment Survey Annual	Annual	PMO	
	Total number of household members (number)			8 000		8 379	104.7				
	Women-headed households (number)					2 156					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2024)	Cumulative Result (2024)	Cumulative Result % (2024)	Source	Frequency	Responsibility	
Output	2.1.2 Persons trained in income-generating activities or business management										
	Males (number)			19 000		13 815	72.711				
	Females (number)			19 000		25 387	133.616				
	Young (number)			31 800		33 535	105.456				
	Persons trained in IGAs or BM (total) (number)			38 000		39 202	103.163				
	a) Technical and vocational skills and job placement (TVET & apprenticeships)							Project MIS, Helvetas Database	Annual	PMO	
	Male (number)			15 000	7 015	12 826	85.5				
	Female (number)			15 000		16 481	109.9				
	Young (number)			27 000		26 510	98.2				
	Not Young (number)			3 000	578	2 797	93.2				
	Total number of people (number)			30 000	13 870	29 307	97.7				
	b) Business skills (FEEK2)							Project MIS	Annual	PMO	
	Males (number)			4 000		989	24.7				
	Females (number)			4 000		8 906	222.7				
	Young (number)			4 800		7 025	146.4				
	Not Young (number)			3 200		2 870	89.7				
	Total number of people (number)			8 000		9 895	123.7				
	2.1.4 Supported rural producers that are members of a rural producers' organization										
	Males (number)			5 000	1	3 634	72.7				
	Total number of persons (number)			10 000	288	11 522	115.2				
	Females (number)			5 000	287	7 888	157.8				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2024)	Cumulative Result (2024)	Cumulative Result % (2024)	Source	Frequency	Responsibility	
	Young (number)			6 000	227	7 739	129	Project MIS	Annual	PMO	
	Not Young (number)			4 000	61	3 783	94.6				
	Business-to-business linkage events, including MSPs, in supported supply chains with representatives of producer organizations, buyers and service providers										
	Events (number)			300	64	480	160				
Outcome Improved business enabling environment and services for local RMSEs from vibrant CCIs in their local area.	Participating CCIs achieve the minimum 'RESPIRATION Check' score							Respiratory Report	Annual	AEC	Financial institutions are interested in extending affordable services in rural areas, and in particular to migrants
	Percentage of partner CCIs achieve minimum score of 145 points (%)			60	0.4	67	111.667				
Outcome Increased social and economic empowerment of vulnerable women from high-risk households	IE.2.1 Individuals demonstrating an improvement in empowerment										
	Total persons (number)			700	1 019	1 019	145.571				
	Females (number)			700	1 019	1 019	145.571				
Output	Households supported with GALS methodology							Project MIS, Thematic Reports	Annual	PMO	
	Number of Households mentored through GALS (number)			1 000		1 378	137.8				
	No. of GALS mentors trained (number)			100		107	107				
Outcome Financial inclusion improved among rural communities and individuals - with expanded supply of financial services, including credit, savings and insurance, combined with better demand and use of these services by rural people.	1.2.5 Households reporting using rural financial services							"Farm / enterprise diaries via project MIS Project Impact Assessment Survey Annual"	Annual	PMO	Partner Financial Service Providers will not be reluctant to provide the related information
	Total number of household members (number)			48 000		68 176	142.033				
	Households (%)			80	87.2	95	118.75				
	1.2.6 Partner financial service providers with portfolio-at-risk ≥30 days below 5%							Project MIS, Cooperatives Report	Annual	PMO	

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2024)	Cumulative Result (2024)	Cumulative Result % (2024)	Source	Frequency	Responsibility	
	Percentage (%)			33	0.36	26	78.8				
Output	1.1.6 Financial service providers supported in delivering outreach strategies, financial products and services to rural areas							Project MIS, Cooperative Reports	Annual	PMO	
	Service providers (number)			150		236	157.333				
	1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services							MOU, Project MIS	Annual	PMO	
	Males (number)			30 000	1 166	17 312	57.7				
	Females (number)			30 000	5 004	74 304	247.7				
	Young (number)			36 000	4 159	61 984	172.2				
	Persons in rural areas trained in FL and/or use of FProd and Services (total) (number)			60 000	6 170	91 616	152.7				
	Number of partner cooperatives accessing wholesale finance or linkage banking							Activity log, Project MIS	Annual	PMO	
	Number of partner co-operatives (number)			135	10	134	99.3				
Outcome Improved local policy framework and institutional capacities to provide sustainable and effective support services to migrants and their families before, during and on return from overseas employment.	Local authorities adopting financially and institutionally sustainable models for migration support services.							"Project reports Local authority records of service activities & costs "	Annual	PMO	GoN is interested in actively promoting RMSEs as well as the maximisation of migration benefits for the country
	Local Authorities (number)		10			12					
Output	No of local authorities signing MoUs for running MRC/MID on cost sharing basis							MoUs	Annual	PMO	
	Local Authorities (number)			14		14	100				
	People receiving project supported migrant services before, during or on return from overseas employment by themselves or members of their family.							Project MIS via MRC/MID Record	Annual	PMO	

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2024)	Cumulative Result (2024)	Cumulative Result % (2024)	Source	Frequency	Responsibility	
	Males (number)			38 250	1 609	62 230	162.7				
	Females (number)			6 750	590	13 635	202				
	Young (number)			27 000	1 647	62 254	230.6				
	Not Young (number)			18 000	551	13 610	75.6				
	People (number)			45 000	2 247	75 913	168.7				
	Returnee migrants supported/facilitated by the project to access economic opportunities							Project MIS, Record of Pre departure training center	Annual	PMO, Local Level	
	Males (number)			850		1 522	179.1				
	Females (number)			150	15	1 885	1 256.7				
	Young (number)			600	20	2 520	420				
	Not Young (number)			400		887	221.7				
	People (number)			1 000	15	3 407	340.7				

Nepal

Samriddhi - Rural Enterprises and Remittances Project

Project Completion Report

Appendix 2: Summary of amendments to the financing agreement

Mission Dates: June 2024
Document Date: 10/01/2025
Project No. 1100001724
Report No. 7056-NP
Loan ID 2000000701
DSF Grant ID 2000000702

Asia and the Pacific Division
Programme Management Department

This document will be publicly disclosed unless there is written dissent on its disclosure by the Borrower at the time of this document submission to IFAD or no later than the project closing date.

Appendix 2: Summary of amendments to the financing agreement

A. Amendment of 29 May 2020

- (a) Reduction in IFAD loan from SDR 15.5 million to SDR 1.83 million
- (b) Reduction in the project outreach to 40,000 primary beneficiaries (from 179,0000)
- (c) Revision of the target - 50 percent women and 60 percent youth.

B. Amendment of 2 June 2022

- (a) Reduced focus areas until 31 December 2023: Supply Chain Development activities (Component 1.1), mentoring of rural finance co-operatives as they professionalize their operations (Component 2.1) and policy engagement on migration and employment (Component 2.2).
- (b) Following specific sub-components will be advanced:
 - C1.1: Financial Education and Enterprise Knowledge (FEEK) training of producer organizations (POs) and their members to become successful market-oriented actors.
 - C1.3: Facilitate job placement of over 5000 trainees who have graduated from the Technical and Vocational Education and Training (TVET) support.
 - C1.4: Scale-up social mentoring and delivery of the Gender Action Learning System (GALS) by 20 trained GALS Mentors to further integrate women in supply chain producer organizations.
 - C2.2: Undertake policy development with 6 local authorities in collaboration with Access Advisory Centre for Migration and International Relations for better reintegration of returnee migrants and improved investment of remittances.
- (c) Category-wise allocation of IFAD funds approved

C. Amendment of 19 October 2023-

6-month extension of the RERP completion and closing dates approved to allow the project to recuperate the time lost during the 2022 general elections, thus completing essential activities in view of future sustainability.

Nepal

Samriddhi - Rural Enterprises and Remittances Project

Project Completion Report

Appendix 3: Actual project costs

Mission Dates: June 2024
Document Date: 10/01/2025
Project No. 1100001724
Report No. 7056-NP
Loan ID 2000000701
DSF Grant ID 2000000702

Asia and the Pacific Division
Programme Management Department

This document will be publicly disclosed unless there is written dissent on its disclosure by the Borrower at the time of this document submission to IFAD or no later than the project closing date.

Appendix 3: Actual project costs

Appendix 3A: Financial performance by financier as at 31 May 2024

Financier	Original Approval (USD '000)	Revised Approval (USD '000)	Disbursements (USD '000)	Percent disbursed
IFAD loan*	21,795.14	2,233.35	2,485.85	111.31
IFAD grant*	16,815.58	16,311.70	15,574.73	95.48
Government	9,148.72	4,203.65	3,663.95	87.16
Private Sector Investment	13,749.18	620.00	385.62	62.20
Beneficiaries Contribution	6,636.85	1,882.39	3,232.34	171.71
Total	68,145.47	25,251.10	25,342.49	100.36

* Including initial deposit as per Historical Transactions Report of IFAD.

As per GRIPS, revised loan amount is USD 2,979,501 and Grant USD 16,809,219 (FMD updated the GRIPS's IFAD financing figure based on Partial cancellation DM)

Appendix 3B1: Financial performance by financier by components (USD '000) as at 31 May 20224

Component	IFAD loan			IFAD grant			Government			Private Sector Investment			Beneficiaries			Total		
	Revised Appraisal	Actual	perce nt	Revised Appraisal	Actual	perce nt	Revised Appraisal	Actual	perce nt	Revised Appraisal	Actual	perce nt	Revised Appraisal	Actual	percent	Revised Appraisal	Actual	perce nt
Component 1 - Promotion of Rural Micro Cottage and Small Enterprises (RMSEs)	928.15	1,270.05	136.84	11,660.14	10,704.06	91.80	2,893.49	2,169.51	74.98	620.00	385.62	62.20	1,882.39	3,232.34	171.71	17,984.18	17,761.58	99.76
Component 2 - Productive Investment	563.35	155.69	27.64	1,294.19	1,470.31	113.61	395.97	466.89	117.91	-	-	-	-	-	-	2,253.51	2,092.89	92.87
Component 3- Institutional Support and Project Management	741.85	866.21	116.76	3,357.38	3,422.14	101.93	914.19	1,027.56	112.40	-	-	-	-	-	-	5,013.41	5,315.90	106.03
Total	2,233.35	2,291.95	102.62	16,311.70	15,596.51	95.62	4,203.65	3,663.95	87.16	620.00	385.62	62.20	1,882.39	3,232.34	171.71	25,251.10	25,170.38	99.68

Appendix 3B2: Financial performance by financier by categories (USD '000) as at 31 May 2024

Component	IFAD loan			IFAD grant			Government			Private Sector Investment			Beneficiaries			Total		
	Revised Appraisal	Actual	perce nt	Revised Appraisal	Actual	perce nt	Revised Appraisal	Actual	perce nt	Revised Appraisal	Actual	perce nt	Revised Appraisal	Actual	percent	Revised Appraisal	Actual	perce nt
Training	1,373.08	1,260.86	91.83	7,128.85	6,307.49	88.48	1,968.33	1,830.32	92.99	-	-	-	-	-	-	10,470.26	9,398.68	89.77
Goods, Services & Inputs	-	-	-	1,209.02	1,687.07	139.54	306.65	422.19	137.68	-	-	-	-	-	-	1,515.67	2,109.26	139.16
Workshops	-	-	-	324.93	220.63	67.90	68.69	46.46	67.63	-	-	-	-	-	-	393.62	267.09	67.85
Salaries & Allowances	543.62	627.67	115.46	1,930.68	1,972.97	102.19	599.47	647.25	107.97	-	-	-	12.39	-	-	3,086.16	3,247.89	105.24
Grants & Subsidies	-	-	-	1,997.86	1,269.71	63.55	329.22	290.13	88.13	620.00	385.62	62.20	1,870.00	3,232.34	171.85	4,817.08	5,177.80	107.49
Vehicles	-	-	-	492.42	514.55	104.50	162.91	81.52	50.04	-	-	-	-	-	-	655.32	596.07	90.96
Consultancies	-	-	-	1,593.25	2,387.75	149.87	352.62	32.26	9.15	-	-	-	-	-	-	1,945.87	2,420.01	124.37
Operating Costs	316.65	403.42	127.40	1,634.70	1,236.35	75.63	415.76	313.81	75.48	-	-	-	-	-	-	2,367.12	1,953.58	82.53
Total	2,233.35	2,291.95	102.62	16,311.70	15,596.51	95.62	4,203.65	3,663.95	87.16	620.00	385.62	62.20	1,882.39	3,232.34	171.71	25,251.10	25,170.38	99.68

Note: Expenditures incurred up to 31 May 2024 have been reported.

Appendix 3C1: IFAD Loan 2000000701 Disbursements (SDR, as at 10 June 2024) by category

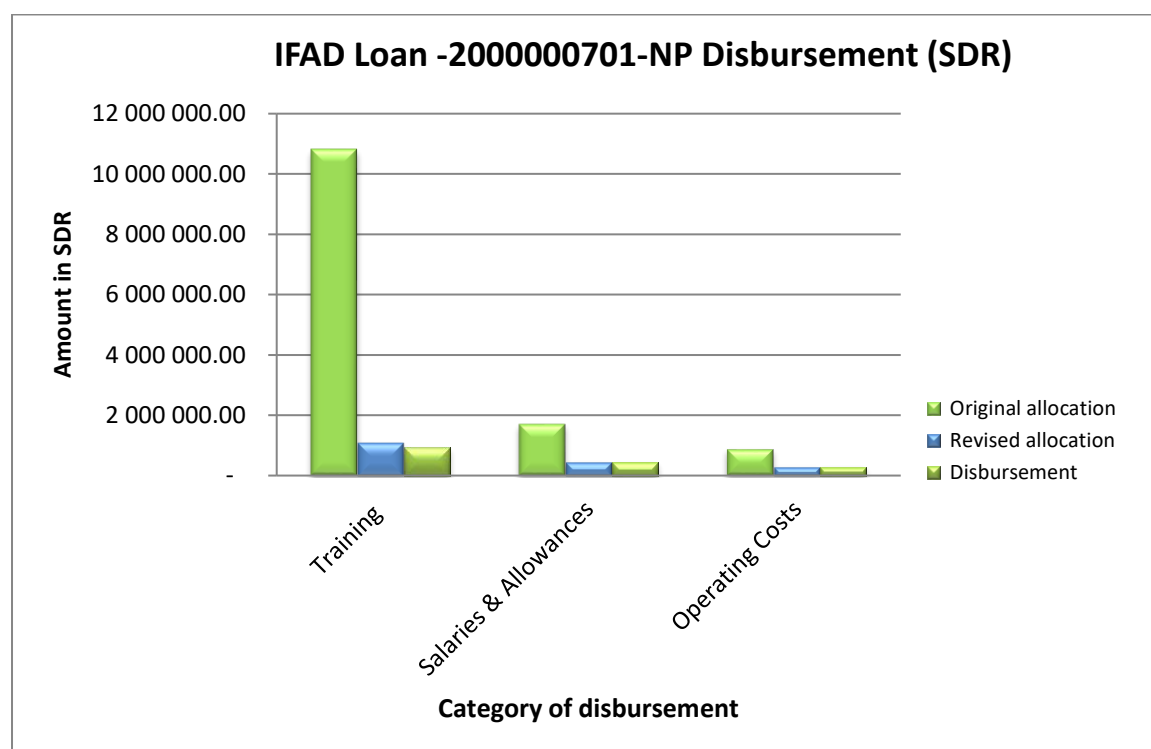
Category	Category description	Original allocation	Revised allocation	Disbursement	W/A Pending	Balance	Per cent disbursed
200019	Training	10,820,000.00	1,090,000.00	935,978.92	-	154,021.08	85.87
200018	Salaries & Allowances	1,700,000.00	450,000.00	449,851.47	-	148.53	99.97
200016	Operating Costs	870,000.00	290,000.00	290,026.97	-	(26.97)	100.01
	Credit Guarantee Funds	560,000.00	-	-	-	-	-
	Unallocated Costs	1,550,000.00	-	-	-	-	-
270001	Authorised allocation	-	-	144,725.10	-	(144,725.10)	-
	Total	15,500,000.00	1,830,000.00	1,820,582.46	-	9,417.54	99.49

Appendix 3C2: IFAD Grant 2000000702 Disbursements (SDR, as at 10 June 2024) by category

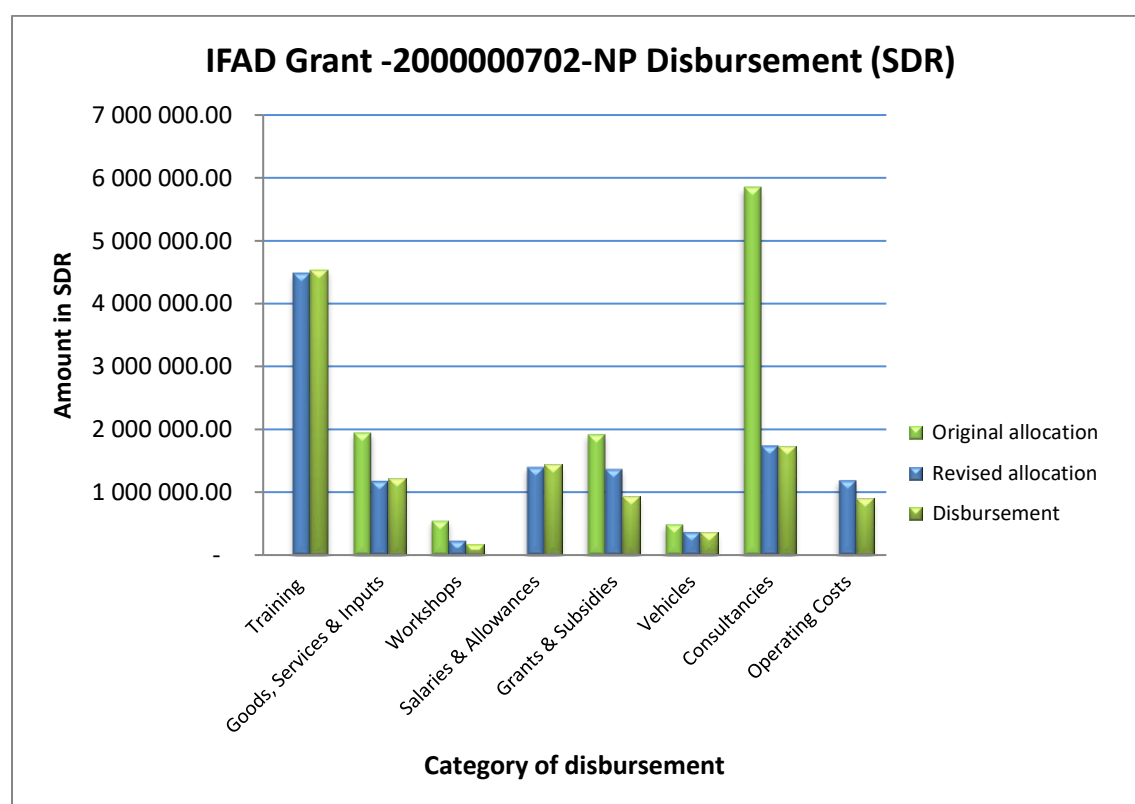
Category	Category description	Original allocation	Revised allocation	Disbursement	W/A pending*	Balance	Per cent disbursed
200019	Training	-	4,474,320.00	4,533,185.88	184,064.86	(58,865.88)	101.32
200013	Goods, Services & Inputs	1,950,000.00	1,180,000.00	1,218,140.97	731.07	(38,140.97)	103.23
200022	Workshops	550,000.00	230,000.00	161,541.38	-	68,458.62	70.24
200018	Salaries & Allowances		1,400,000.00	1,435,000.08	9,819.21	(35,000.08)	102.50
200012	Grants & Subsidies	1,920,000.00	1,368,000.00	935,709.36	13,380.49	432,290.64	68.40
200021	Vehicles	490,000.00	367,680.00	367,680.10	-	(0.10)	100.00
200008	Consultancies	5,850,000.00	1,740,000.00	1,732,896.03	16,262.84	7,103.97	99.59
200016	Operating Costs		1,190,000.00	899,338.12	11,199.55	290,661.88	75.57
	Unallocated Costs	1,190,000.00				-	
200022	Authorised allocation			215,833.27		(215,833.27)	
	Total	11,950,000.00	11,950,000.00	11,499,325.19	235,458.02	450,674.81	96.23

Note: Expenditures incurred up to 31 May 2024 and paid up to 10 June 2024 have been reported in the Appendix 3C.

Graph 1: IFAD Loan 2000000701 disbursements against original & Revised allocation



Graph 2: IFAD Grant 2000000702 disbursements against original & Revised allocation



Appendix 3D: Project expenditure by year

Table 1: Actual Project Expenses by source of financing (USD '000)

Year	IFAD Loan	IFAD Grant	Government	Beneficiaries	Private sector	Total	Percent of Total
2015/16	8	19	4	-	-	31	0 percent
2016/17	173	205	51	-	-	430	2 percent
2017/18	348	501	140	-	-	989	4 percent
2018/19	463	456	166	-	-	1,085	4 percent
2019/20	1,299	1,600	578	243	-	3,720	15 percent
2020/21	-	2,131	467	344	-	2,942	12 percent
2021/22	-	4,635	953	1,441	163	7,192	29 percent
2022/23	-	3,862	785	921	164	5,733	23 percent
2023/24	-	2,188	521	282	58	3,049	12 percent
Total	2,292	15,597	3,664	3,232	386	25,170	100 percent
percent of Total	9 percent	62 percent	15 percent	13 percent	2 percent	100 percent	

Table 2: Actual Project Expenses by Components (USD '000)

Fiscal year	Component 1	Component 2	Component 3	Total
	Promotion of Rural Micro-Cottage and Small Enterprises	Productive Investment	Institutional Support and Project Management	
2015-16	-	-	31	31
2016-17	100	-	330	430
2017-18	400	21	567	989
2018-19	496	245	344	1,085
2019-20	2,874	290	556	3,720
2020-21	1,678	548	715	2,942
2021-22	5,609	597	987	7,192
2022-23	3,920	485	1,328	5,733
2023-24	2,500	71	477	3,049
Total	17,579	2,257	5,335	25,170
Fund Balance	406	- 3	- 321	81
percent of total	70 percent	9 percent	21 percent	100 percent

Table 3: Actual Project Expenses by Cost Categories (USD '000)

Fiscal year	Cost categories (USD '000)									Total
	Training	Goods, Services & Inputs	Workshops	Salaries & Allowances	Credit & Guarantee Funds	Grants & Subsidies	Vehicles	Consultancies	Operating Costs	
2015-16	-	15	1	0	-	-	2	2	9	31
2016-17	6	80	11	110	-	-	113	25	84	430
2017-18	26	185	15	236	-	-	346	52	130	989
2018-19	153	289	56	272	-	7	-	178	130	1,085
2019-20	1,438	252	38	517	-	346	136	739	255	3,720
2020-21	497	730	46	608	-	459	-	220	382	2,942
2021-22	2,839	286	24	658	-	2,281	-	705	400	7,192
2022-23	2,460	228	51	584	-	1,545	-	459	406	5,733
2023-24	1,979	45	27	262	-	540	-	40	157	3,049
Total	9,399	2,109	267	3,248	-	5,178	596	2,420	1,954	25,170
percent of total	37 percent	8 percent	1 percent	13 percent	0 percent	21 percent	2 percent	10 percent	8 percent	100 percent

Nepal

Samriddhi - Rural Enterprises and Remittances Project

Project Completion Report

Appendix 4: Project internal rate of return (detailed analysis)

Mission Dates: June 2024
Document Date: 10/01/2025
Project No. 1100001724
Report No. 7056-NP
Loan ID 2000000701
DSF Grant ID 2000000702

Asia and the Pacific Division
Programme Management Department

This document will be publicly disclosed unless there is written dissent on its disclosure by the Borrower at the time of this document submission to IFAD or no later than the project closing date.

Appendix 4: Project internal rate of return (detailed analysis)

Overview:

1. Ex-post economic and financial analysis (EFA)⁵⁸ of the RERP was done to quantify incremental project benefits from different project interventions, primarily through supply chain development and creation of decent jobs. The supply chain development of the farm activities was through investment in technology development/dissemination, adoption of improved technologies / management practices five agricultural supply chain such as fish, milk, meat (goat), vegetables and medicinal and aromatic plants (MAPs). Major sources of quantifiable benefits were derived from incremental production of season vegetables, herbs, fish, goat and livestock products as a result of adoption of improved technology, management practices and RERP investment fund support. The project benefits were estimated at 2023/24 prices over a period of 25 years with 12 percent discount factor for financial analysis and 9 percent discount factor as social opportunity cost of capital. Financial analysis was done at project level using market prices. For economic analysis taxes were deducted from financial prices and subsidy was added, and conversion factor was applied for key relevant inputs and outputs...

Benefits:

2. The project is expected to lead to increase in incomes for existing and new rural entrepreneurs and to generate employment opportunities in the target areas. Key benefits have accrued from:

- Enterprise creation and expansion, facilitated by project support on supply chain development through RERP financed performance-based matching grants in a co-investment approach where beneficiaries' contribution, and short to medium term loans from financial institutions contributed for enterprise establishment and management.
- Increased *employability* of vocational trainees and apprentices, coupled with job placement services;
- Greater labour demand from project supported enterprises, both within and outside the household; and
- Enhanced access to finance, through the promotion of innovative financial instruments and strengthened capacities of the overall financial sector in general and cooperative sectors in particular in the project areas.

3. Other benefits were derived from the productive use of remittances by migrants, returnees and remittance recipient households, that can provide an alternative to foreign employment as a result of financial education and other support services to migrants, and incremental tax revenues as a result of increased number of registered enterprises and volume of taxable production.

Target areas and beneficiaries

4. The target area of the project was implemented in 16 districts⁵⁹ of Koshi, Madesh and Bagmati province and adopted a corridor approach, linking districts along main roads running South to North, as well as in areas along east-west highway, mid-hill highway and Hulaki highways. The project activities were implemented in all the 16 districts.

5. The project outreach has been 40,827 primary beneficiaries (11,520 supply chain and 29,307 decent jobs). There are 1,761 supply chain beneficiaries who are linked with the supply chain enterprises such as 33 milk collection centres, two fish hatcheries, three goat resource centers, and four MAPs distillation units. RERP does not have information on exact number of and type of benefits derived by such (spill-over) beneficiaries. The project targeted mainly to people below the poverty line and border-line poor, with special focus on the migrant community, marginalized groups, women and unemployed youth. The project supports were provided through a range of activities and services as discussed below.

⁵⁸ The project's cost benefit analysis was carried out based on 'with/without' assumptions. Required data were collected from multiple sources including agriculture census survey 2011, publications from Agribusiness Promotion and Marketing Development Directorate, and Agribusiness promotion and statistics division of Ministry of Agriculture and Livestock Development, and field level data collected by project staff and field survey of representative enterprises.

⁵⁹ These districts are Bara, Rautahat, Sarlahi, Mahottari, Dhanusha, Siraha, and Saptari (Madesh Province), Sunsari, Morang, Dhankuta, Udayapur, Okhaldhunga, Khotang, and Terhathum (Koshi province) and Sindhuli (Bagmati province).

6. *Support to income generating activities and micro-enterprise creation or expansion:* About 11,520 (exclude 1,761 spill-over) households benefited through supply chains development support provided by the project and they received co-investment support from the project to set-up or expand their business through performance based matching grants, complemented by beneficiaries' contribution, and short to medium term loans from financial institutions.

7. *Capacity building and job placement:* 29,307 people received support under decent jobs (26,870 under technical education and vocational training, 1,871 under Leading to Apprenticeship Model (LAM) 1 and 566 under LAM 2) benefit from vocational training packages and apprenticeship in small and medium enterprises, who in turn receive business and technical training from the project (on-demand).

8. *Households supported with GALS methodology:* A total of 1,378 women were supported with GALS. An additional 280 women have been recently initiated into GALS. Some of the GALS graduates are also the beneficiaries of supply chain and decent jobs participants.

9. *Training on financial education and entrepreneurship knowledge (FEEK):* 68,176 shareholders of financial cooperatives received FEEK 1 for better money management, and about 9,000 supply chain group members received FEEK 2 for improved business, money and investment management. The benefits derived from FEEK 1 and 2 are enormous but practically impossible to segregate due to difficulties attributable to observed changes in incremental benefits and cost. The benefit of FEEK 1 and FEEK 2 is evident to promote financial inclusion.

10. *Migration support:* The project supported more than 75,000 individuals through RERP supported Migration Resource Centres (MRC)/Migration Information Desks (MID). Supported individuals are considered indirect beneficiaries, and therefore, are not included in the EFA.

11. *Support to returnee migrants:* The project supported over 3,400 returnee migrants (2,322 under supply chain and 1085 under decent jobs). There are included on the direct beneficiaries of the supply chain and decent job components.

12. *Altogether,* it has been estimated that over 80 percent of the target population falls under the national poverty line or to nearly poor families, as per the government's classification of population below the poverty line. Services on financial education, migration and GALS will be integrated among the primary beneficiaries.

13. *The secondary target group* will include (i) medium enterprises and large enterprises as well as service providers, and (ii) migration services to new or repeat or returnee migrants. They will extend support to the primary target group through the provision of business development services as well as business partnerships.

14. Furthermore, project investments generated indirect benefits for rural micro, small and medium enterprises (RMSEs) and poor households even out of the target area and they have benefited from: (i) dissemination of evidence-based business models emerging from the project; (ii) enhanced capacity of banks and financial institutions to better respond to RMSE's financing needs; and (iii) provision of migration services.

15. For reasons discussed above, 40,827 direct beneficiaries (11,520 supply chain and 29,307 decent jobs) were considered for EFA using the standard cost-benefit analysis framework.

Project Duration and Beneficiary Phasing

16. The project was approved in April 2015 and became effective in December 2015. Original closing date of this seven-year project was June 2022. The project underwent serious implementation delays for four years between FY 2015/16 to FY 2018/19⁶⁰. The project implementation gained momentum only after the project restructuring in November 2019. Project performance improved gradually then after. Owing to major initial delays on actual project implementation, upon request of the Government of Nepal, the project was granted 12-month extension to 31 December 2023 wherein reallocation of funds was also done. The project was granted further 6-months in October 2023, and revised completion date is 30 June 2024.

⁶⁰ FY 2015/16 and FY 2016/17 were the early implementation phase and project performance was unsatisfactory. Mid-term review was done in December 2018, reformed project implementation modalities (provincial delegation). In November, overall project rating was 1/6 (unsatisfactory, problem project), disbursement as 5.68 percent versus 54 percent target, and restructuring of the project was done following cancellation of USD 19 million from loan, and provincial implementation was rolled-back.

17. Though, apparently the project had a nine-year project implementation phase, no work was done till 2017/18. Though the first batch of decent job training (TVT) was done in 2018/19, the full-fledged project implementation started only on FY 2019/20, and project implementation continues till June 2024. Covid-19 pandemic affected project implementation mainly on the implementation of the decent job sub-component. Information on phasing of the project beneficiaries is provided in Table 1.

Table 1: Phase-in of Direct Beneficiaries of the Project

S. N.	Direct beneficiaries	Unit	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total	percent of Total
A	Supply chain component	No	-	-	-	-	1,685	7,180	1,645	559	451	11,520	28.2
1	Vegetables supply chain	No	-	-	-	-	759	2,186	336	165	96	3,542	8.7
2	Goats supply chain	No	-	-	-	-	-	1,453	136	58	98	1,745	4.3
3	Fish supply chain	No	-	-	-	-	346	1,075	315	4	48	1,788	4.4
4	Micro-enterprises / Family run enterprises	No	-	-	-	-	-	-	-	27	-	27	0.1
5	Dairy supply chain	No	-	-	-	-	452	1,713	772	101	121	3,159	7.7
6	Aromatic and medicinal herbs supply chain	No	-	-	-	-	128	753	86	204	88	1,259	3.1
B	Decent jobs	No	-	-	-	5,002	10,111	-	1,356	12,838	-	29,307	71.8
1	Vocational skill training	No	-	-	-	5,002	9,030	-	-	12,838	-	26,870	65.8
2	Leading to apprenticeship model 1	No	-	-	-	-	797	-	1,074	-	-	1,871	4.6
3	Leading to apprenticeship model 2	No	-	-	-	-	284	-	282	-	-	566	1.4
	Total	No	-	-	-	5,002	11,796	7,180	3,001	13,397	451	40,827	100.0

There was no project implementation during the first three years of the project, and actual project implementation was done from 2018/19. Major project implementation was done in FY 2023/24, followed by FY 2019/20 and FY 2020/21.

Enterprise models

18. At design, the demand-driven nature of the project made both financial modelling and calculation of a benefit stream rather indicative, and a total of 23 enterprise models were prepared in an attempt to illustrate income generating activities and micro-enterprises that can be subject of RERP support. Examples are categorized by sector such as agricultural supply chain and decent jobs. During implementation, original design of enterprise models was simplified under two broader categories: (i) five supply chain commodities, and (iii) two types of employment of the decent jobs (self-employed and wage employed, with self-employed being either enterprise owner or self-employed catering services).

Supply chain development

19. The project continued supply chain development activities in five (fish, off-season vegetables, dairy, MAPs and goat) commodities only in location where B2B interaction is already started, and goat supply chain was added later. A brief account of these supply chains commodities is discussed hereunder.

20. Fish farming: small-medium scale aquaculture requires fairly high initial investments, but when properly managed, commercially oriented fish production can yield very high returns and become an important source of employment. The carps production model shows how a pond constructed in about 1/3rd hectare of land can generate as much as USD net profit per year on full development while creating 2 and 3 full time jobs for family and non-family labour respectively.

21. Vegetable production: the agro-ecological conditions in the project districts are favourable for the production of vegetables round the year. The vegetables grown have experienced increasing domestic demand and have a huge export potential. The model assumes that a smallholder with 0.33 ha of land can produce up to 2,500 kg of open field cauliflower and 1,500 Kg of tomato in a low-cost poly-house of 5 x 20 m and earn as much as 426 USD on full development, obtaining about USD 5 per family labour-day while generating some additional external employment during plantation and harvest time including the maintenance of the green houses.

22. Dairy: Demand for dairy products in project area of Koshi, Madhesh and Bagmati province has been growing significantly in the recent years, driven by more consumers, higher incomes and greater interest in nutrition. Dairy production is one of the growing economic sectors, in the recent years, and is playing an important role to increase household level income in rural areas, mainly by increasing employment opportunities and establishing rural-urban linkages through milk and milk product as well as industrial products trade. The two herd cattle and buffalo model provide earnings of 497 USD on full development, obtaining about USD 5 per family labour-day while generating some additional external employment during cattle and buffalo shed maintenance as well as plantation of fodder and pasture crops.

23. Medicinal and aromatic plants: The MAPs sector is a growing as a commercial sector⁶¹. In the recent years, MAPs are cultivated and there are five species namely menthe, lemon grass, citronella, palmarosa and chamomile and basil that are cultivated in the project area. A 0.5 to 0.67 ha of herb farming model provide earnings of 109 USD on full development and provide supplementary days of employment to family labour worth of daily wage of USD 5.

24. Goat: Goat sector is an important part of farming system in the project areas and suitable for smallholders' livelihood improvement. It not only provides manure to increase the productivity of the field but also assist in livelihood of rural farmers. Goats are easy to raise with other animals due to their friendly nature. Goats can be raised to produce meat, milk, skin/fibre and manure. Goat farming in Nepal requires low capital than poultry and dairy farming setup. Goat meat is nutritious, lean and has an excellent demand in both local and international markets and it is very popular in the project area. A 5-goat herd size model is estimated to generate USD 336 on full development and provide supplementary days of employment to family labour worth of daily wage of USD 5.

Without and with project scenario

25. While fish, vegetable, and MAPs are land intensive activities, goat and dairy are not land intensive. Goat farming is very much suitable to marginal and landless farmers. Project has designed the intervention packages in such a way that goats as well as cattle and buffaloes are raised under stall feeding conditions.

26. Due to project support on supply chain development, there will be modernization of the farming sector through (i) transformation of paddy and wheat farming into fish farming, (ii) paddy, wheat, maize and millet farming to vegetable farming, and (iii) shifting of traditionally grown crops (paddy, wheat, maize and millet) to the mix of suitable MAPs species, mainly replacing the winter wheat crops under domestication context.

Table 2: Enterprise without and with project scenario

S.N.	Supply chain commodities	Substitution crop (Before project)	Model		Remarks
			Unit	Size	
1	Vegetable Terai	Paddy, wheat	Ha	0.05	Three season vegetables
2	Vegetable hills	Paddy, wheat, maize	Ha	0.17	Three season vegetables
3	Fishpond (new)	Paddy, wheat	Ha	0.33	Fish
4	Fishpond (rehabilitation)	None	ha	0.35	Fish
5	Fishpond (Leasing)	None	ha	0.35	Fish
6	Dairy (Cattle/Bufferalo)	Upgrading on existing cattle/buffalo	No	2.00	Cattle/buffalo
7	Goat	Upgrading on existing goat	No	5.00	Improved farming
8	Enterprise	-	No	-	Self-managed
9	Medicinal and aromatic plants	Wheat, barren land nearby and community forest area.	Ha	0.33	Lemongrass, citronella, palmarosa, chamomile, basil

⁶¹ Any plant used in any type of medical system, such as Ayurvedic, Unani, Siddha, Tibetan, or in the ethnic healing system is generally categorized as medicinal plants. Aromatic plant is one having aroma in any of its parts.

Under MAPs, the project piloted the domestication of lemongrass, citronella, palmarosa, chamomile, and basil on farmers' field on pilot basis and rolled-out commercial farming linking with 4 MAPs distillation unit supported by of project on co-financing support. This is the new innovation of the project, building the works of the completed Leasehold Forestry and Livestock project.

Farm models

27. Farm models were prepared for all farming activities. Profit margin for traditional crops (paddy, wheat, maize and millet), vegetable crops and MAPs were calculated. Further, models for cattle/buffalo, goat and fish farming were also worked-out for with-out project and with project situation.

Financial benefit and cost analysis

28. Fixed investments and incremental benefits of all the five farm activities over 25-year horizon the project (2015-2039) was estimated. Incremental annual net benefits vary widely across activities, ranging from USD 294 from fish farming to USD 1,492 from fish farming. Average investment ranges between USD 1,154 (fish farming) and USD 1,769 (cattle/buffalo farming) with an average investment of USD 1,392.

29. All the models demonstrate very satisfactory benefit/cost ratios, financial internal rates of return (FIRR) and positive financial net present value (FNPV) demonstrating the attractiveness of the investments on these farm activities. As anticipated, these activities are playing a bigger role in employment generation, on an average 2 family members and 1 hired worker. Table 3 and 4 provides summary of financial analysis of these Supply chain commodities.

Table 3: Summary of Financial Analysis of Supply chain Farm Activities

Model	Model type	Unit	Size of Enterprise	Total Investment (US\$)	Incremental annual net benefits at full development	Incremental family labour per year	Incremental hired labour per year
1	Vegetable Terai	Ha.	0.17	1,269	358	2	1
2	Vegetable hills	Ha.	0.05	1,385	494	2	1
3	Fishpond (new)	Ha.	0.35	1,746	498	3	1
4	Fishpond (rehabilitation)	Ha.	0.35	1,255	491	3	1
5	Fishpond (Leasing)	Ha.	0.35	1,255	255	3	1
6	Dairy (Cattle/Buffalo)	No.	2.00	1,769	457	2	1
7	Goat	No.	5.00	1,154	336	1	1
8	Herbs farming	Ha.	0.17	1,346	109	2	1
9	Micro-enterprises	No.	1,200	1,346	295	2	1

30. Net incremental benefits per USD of investment in these activities ranges between 0.08 (MAPs farming) and 0.39 (fishpond rehabilitation). FBCR ranges between 1.01 (herb farming) and 1.37 (goat farming), FNPV ranges between USD 294 (MAPs farming) and USD 2,199 (fishpond rehabilitation), and FIRR ranges between 17.8 percent (fishpond leasing) and 46.1 percent (fishpond rehabilitation). This indicates that investments on these commodities are financially attractive.

Table 4: Summary of Financial Analysis of Supply chain Farm Activities

Model	Model type	Unit	Size of Enterprise	Net incremental benefits per USD of investment	BCR	NPV (USD)	IRR
1	Vegetable Terai	Ha.	0.17	0.28	1.07	559	25.0 percent
2	Vegetable hills	Ha.	0.05	0.36	1.14	1,171	37.6 percent
3	Fishpond (new)	Ha.	0.35	0.29	1.06	1,842	32.0 percent
4	Fishpond (rehabilitation)	Ha.	0.35	0.39	1.20	2,199	46.1 percent
5	Fishpond (Leasing)	Ha.	0.35	0.20	1.01	436	17.8 percent
6	Dairy (Cattle/Buffalo)	No.	2.00	0.26	1.17	1,337	24.9 percent
7	Goat	No.	5.00	0.29	1.37	1,125	28.7 percent
8	Herbs farming	Ha.	0.17	0.08	1.01	294	21.0 percent
9	Micro-enterprises	No.	1,200	0.22	1.05	851	25.2 percent

Decent jobs

31. Decent job sub-component focused on promoting mainly off-farm activities of different scale and nature. The off-farm employment opportunities created through access to vocational training and apprenticeship opportunities provided by the project sponsored decent job support.

32. Vocational Training: Initial market assessment identified that the vocational trainings were conducted in 36 different occupations under 9 different sectors. The sectors/trades are automobile, computer and electronics, construction, electrical, health, mechanical, textile, tourism / hospitality, and miscellaneous. Information on sectors and occupations are provided in table 5.

Table 5: Training on Decent Jobs: Sector and Occupations

S.N.	Sector	Occupation
1	Automobile	Motorcycle Service Mechanic
2	Computer and Electronics	Junior Computer Hardware Technician
3	Computer and Electronics	Mobile Phone Repair Technician
4	Construction	Brick Layer Mason
5	Construction	Building Painter
6	Construction	Construction Carpenter
7	Construction	Furniture Maker
8	Construction	Junior Plumber
9	Construction	Tile/Marble Fitter
10	Electrical	Building Electrician
11	Electrical	Industrial Electrician
12	Health	Assistant Beautician
13	Mechanical	AC Technician
14	Mechanical	Aluminium Fabricator
15	Mechanical	Arc Welder
16	Mechanical	Finishing Machine Operator
17	Mechanical	Machine Operator
18	Mechanical	Refrigeration & Air-condition Junior Mechanic

S.N.	Sector	Occupation
19	Mechanical	Sewing/Finishing Machine Operator
20	Textile	Carpet Weaver
21	Textile	Dress Maker
22	Textile	Dress Maker (Tailor Master)
23	Textile	Fashion Designer
24	Textile	Hand Embroidery
25	Textile	Jute Spinner
26	Textile	Jute Weaver
27	Textile	Tailoring (Dress Making)
28	Tourism / Hospitality	Assistant Waiter
29	Tourism / Hospitality	Baker
30	Tourism / Hospitality	Chinese Cook
31	Tourism / Hospitality	Commis (III)
32	Tourism / Hospitality	Indian Cook
33	Miscellaneous	Early Childhood Development Facilitator (Montessori)
34	Miscellaneous	Receptionist Cum Cashier
35	Miscellaneous	Security Guard

Sector mix in decent jobs

33. The project imparted decent jobs training (VST, LAM 1 and LAM 2) to a total of 29,307 people and all 29,307 graduated, and most completed / get skill test certificates except of LAM-2 graduates. Most of the people (20 percent) were trained in construction sector, followed by mechanical and textiles (17 percent each), and tourism and hospitality (15 percent). Number of people trained is ≤ 8 percent (See Table 6 for details).

Table 6: Composition of Vocational Training

S.N.	Sector	Awarded	Enrolled	percent of Total
1	Automobile	1,500	1,465	5.0
2	Construction	6,000	5,861	20.0
3	Electrical	2,400	2,345	8.0
4	Electronics	2,100	2,051	7.0
5	Health	1,800	1,758	6.0
6	Mechanical	5,100	4,982	17.0
7	Other	1,500	1,465	5.0
8	Textile/Garment	5,100	4,982	17.0
9	Tourism and Hospitality	4,500	4,396	15.0
	Total	30,000	29,307	100.0

Employment status of trained graduates

34. Tracer study of the vocational training graduates conducted by Helvetas⁶² and similar independent study commissioned by RERP in 2023⁶³ revealed that 69 percent of the trained graduates

⁶² "Tracing the Pathways to Sustained Employment"- A tracer study among the graduates of 2012 of the Employment Fund in 2015.

⁶³ "A Tracer Study on Career Progression, Employability, and Skill Acquisition" An independent assessment commissioned by RERP in 2023.

are employed and of the employed graduates 74.9 percent got job after training while 76.8 percent took 1 month to get the job. The average time taken for getting the job was calculated to be 35 days. About 85.5 percent of them got job within 2 months. The minimum time taken to get a job was 1 day and the maximum time taken was regarded as 2.5 years. Among the unemployed graduates, the major reasons for being unemployed was the family problem, lack of skill, lack of experience, lack of education, lack of relative/personal contact for job, higher number of people than job, etc.

35. The tracer study show that trained people are either self-employed or wage employed. The study found that 46 percent graduates were employed either daily wage or salary basis, and remaining 54 percent are self-employed, either as enterprise owner (12.7 percent) and engaged in family run enterprises (41.3 percent). The capital invested in self-employed enterprises ranged between Rs. 5,000 and Rs. 1,000,000 with an average of Rs. 173,348. The businesses like automobile and hospitality were the one requiring highest investment while enterprise such as cottage industries (bamboo product), construction and electrician needed lowest investment. Likewise, annual turn-over of these businesses ranged between Rs. 5,000 and Rs. 1,000,000 with an average Rs. 366,434. Business such as construction, electrical, cottage industries (furniture) had highest turn-over and textile/garment had lowest turn-over. Net profit ranged between Rs. 15,000 and Rs. 600,000 with an average of Rs. 115,154. Trades like cottage industries (furniture making) and hospitality had highest annual profit and that of textile (dhaka weaving and dress makers) had lowest annual profit.

Table 7: Average employment rate of trained (VST and LAM 1 and 2) Graduates

Employment status	Employment percent				Of the Total Employed			
	LAM 1	LAM 2	VST	Grand Total	LAM 1	LAM 2	VST	Grand Total
Employed - daily wage/ salary	48.8	51.4	32.1	35.0	70.9	85.7	46.0	50.5
Enterprise owner	10.0	2.9	8.9	8.7	14.5	4.8	12.7	12.6
Self Employed	10.0	5.7	28.9	25.6	14.5	9.5	41.3	36.9
Unemployed	31.3	40.0	30.1	30.7				
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

36. Both Helvetas and RERP studies found that self-employed had two members of the family helping them for managing the enterprises and about 17 percent of them were using hired labour. They had hired three members for managing the enterprises.

37. On the basis of above, of the total trained graduates, 69.9 percent are found to be employed, of which 46 percent were employed under daily wage / salary, 12.7 percent as enterprise owner and 41.3 percent self-employed in family run enterprises. The later categories are creating enterprises and remaining 46 percent being wage employed. Self-employed enterprises are providing employment opportunities to family labours (average two) and hired labours.

38. The tracer study show that trained people are either self-employed or wage employed. The study found that 46 percent graduates were employed either daily wage or salary basis, and remaining 54 percent are self-employed, either as enterprise owner (12.7 percent) and engaged in family run enterprises (41.3 percent). The capital invested in self-employed enterprises ranged between Rs. 5,000 and Rs. 1,000,000 with an average of Rs. 173,348. The business-like automobile and hospitality were the one requiring highest investment while enterprise such as cottage industries (bamboo product), construction and electrician needed lowest investment. Likewise, annual turn-over of these businesses ranged between Rs. 5,000 and Rs. 1,000,000 with an average Rs. 366,434. Business such as construction, electrical, cottage industries (furniture) had highest turn-over and textile/garment had lowest turn-over. Net profit ranged between Rs. 15,000 and Rs. 600,000 with an average of Rs. 115,154. Trades like cottage industries (furniture making) and hospitality had highest annual profit and that of textile (dhaka weaving and dress makers) had lowest annual profit.

39. Helvetas study found that self-employed had two members of the family helping them for managing the enterprises and about 17 percent of them were using hired labour. They had hired three members for managing the enterprises.

40. On the basis of above, of the total trained graduates, 69.9 percent are found to be employed, of which 46 percent were employed under daily wage / salary, 12.7 percent as enterprise owner and 41.3

percent self-employed in family run enterprises. The later categories are creating enterprises and remaining 46 percent being wage employed. Self-employed enterprises are providing employment opportunities to two family labours and three hired labours (on average).

Average monthly income and employment rate

41. The same studies estimated the average incremental monthly income of the graduates at NPR 13,542. It is highest in tourism and hospitality sector (NPR 22,767), and lowest in electronics (NPR 7,797). Average employment rate is 70 percent, maximum (81 percent) in mechanical and lowest (54 percent) in tourism and hospitality sector. Details employment rate and monthly income before and after training is provided in Table 7.

42. Further, the same study clearly shows that net incomes of TVET trainees increase substantially between 6 months and 24 months after training - increasing by around 55 on average. This has been adjusted in the analysis from the beginning of third year training completion by the participants.

Table 9: Average monthly income of the participants of vocational training

S.N.	Sector	Employment rate	Average monthly income at 2023 price		
			Before	After	Incremental
1	Automobile	75	13,743	28,743	15,000
2	Construction	74	22,234	36,138	13,904
3	Electrical	79	22,392	34,182	11,790
4	Electronics	64	27,915	35,712	7,797
5	Health	79	32,564	46,795	14,231
6	Mechanical	81	23,487	34,681	11,193
7	Other	66	20,265	34,735	14,471
8	Textile/Garment	66	27,345	38,067	10,723
9	Tourism and Hospitality	54	27,500	50,267	22,767
	Average	70	24,668	38,058	13,542

Apprenticeship

43. The project provided implement two model of apprenticeship: (i) LAM 1 which are T&E service providers, CTEVT and participating industries such as automobile, mechanical, textile/garment, tourism/hospitality, construction, electrical and others, and (ii) LAM 2 which are FNCCI province office together with its member industries led on trade such as mechanical, garment and others such as leather goods, bamboo/paper handicrafts, cement, sugar, carpet weaving, etc.

44. The study findings revealed that of the total trained LAM 1 graduates, 68.7 percent are found to be employed, of which 70.9 percent were employed under daily wage / salary, 14.5 percent as enterprise owner and 14.5 percent self-employed in family run enterprises. Both enterprise owner and those self-employed in family run enterprises are creating enterprises and remaining 70.9 percent being wage employed. Self-employed enterprises are providing employment opportunities to two family labours and three hired labours (on an average).

45. Further, the study findings revealed that of the total trained LAM 2 graduates, 60 percent are found to be employed, of which 85.7 percent were employed under daily wage / salary, 4.8 percent as enterprise owner and 9.5 percent self-employed in family run enterprises. Both enterprise owner and those self-employed in family run enterprises are creating enterprises. Self-employed enterprises are providing employment opportunities to two family labours and three hired labours (on an average).

46. RERP tracer study estimated that about 69 percent and 60 percent of the LAM 1 and LAM 2 graduates were employed. For LAM 1 graduates, employment is highest (86 percent) in automobile, followed by construction sector (83 percent) and mechanical sector (76 percent), and textile sector (61 percent). Employment in another sector was less than 60 percent. Among the LAM 2 graduates, employment was 100 percent in construction and electrical sector. It was 65 percent in mechanical sector and 40 percent in textile sector.

47. Further, the same study estimates incremental average monthly income of the LAM 1 and LAM 2 graduate at NPR 12,075 and NPR 9,400 respectively. Among LAM 1 graduates, incremental monthly income was highest (NPR 19,167) in construction sector, followed by automobile sector (18,000) and mechanical sector (14,206). Incremental average income in other sectors was less than NPR 12,200. On the other hand, incremental average income was highest (NPR 11,304) in mechanical sector. It was incremental monthly income was less than NPR 6,500. Difference on average incremental income can be clearly visible among LAM 1 and LAM 2 graduates, with LAM 1 graduates having higher incremental monthly income.

Table 10: Average monthly income of the participants of LAM 1 and LAM 2

S.N.	Sector	Employment rate (percent)	Average monthly income 2023 price		
			Before	After	Incremental
A	Leading to apprenticeship model 2				
	Construction	100 percent	25,000	30,000	5,000
	Electrical	100 percent	25,000	25,000	-
	Mechanical	65 percent	27,087	38,391	11,304
	Textile	40 percent	20,600	27,000	6,400
	Total	60 percent	25,114	34,514	9,400
B	Leading to apprenticeship model 1				
	Automobile	86 percent	11,286	29,286	18,000
	Construction	83 percent	28,333	47,500	19,167
	Electrical	25 percent	16,750	22,750	6,000
	Mechanical	76 percent	20,647	34,853	14,206
	Miscellaneous	60 percent	17,000	29,200	12,200
	Textile	61 percent	16,722	23,778	7,056
	Tourism / Hospitality	50 percent	19,167	24,167	5,000
	Total	69 percent	18,988	31,063	12,075

48. The Helvetas study indicates that net incremental incomes of LAM 1 and LAM 2 graduates increase substantially between 6 months and 24 months after training - increasing by 64 percent and 37 percent on average among the LAM 1 and LAM 2 respectively. This has been adjusted in the analysis from the beginning of third year training completion by the participants.

49. All the norms generated in the vocational skill training and apprenticeship training has been used for the economic and financial analysis for the forecast for future benefit stream from decent jobs component.

Microenterprise for self-employment generation

50. Experience from Microenterprise Development Programme (MEDEP), HELVETAS funded Employment Fund Programme and other micro-enterprise programme in Nepal reveals that of the total participants enrolled on relatively longer duration skill training program like the one being supported by the project, about 80 percent complete the skill training courses. Findings of the tracer study of the graduates of the Employment Fund revealed that 68.9 percent graduates are employed. Of the total graduates employed, 24 percent are self-employed and remaining 76 percent are wage employed, while the latest RERP commissioned survey revealed that 50.5 percent are employed as daily wage/salary, 12.6 percent as enterprise owners and 36.9 percent are self-employed in family or sole owned enterprises.

51. More details on enterprise models and financing plans are provided in the enclosed excel files.

Financing plans

52. Total investments will be financed by grant under the RERP investment fund, beneficiaries matching contributions in cash, contributions in kind and short to medium term loans from banks and financial institutions (BFIs). Financing plans were prepared for all models, in order to assess whether the mix of funding sources would be sufficient and adequate for enterprise creation and expansion. The following parameters were used.

53. All the selected enterprise models meet the eligibility criteria to receive grant received from RERP investment fund. This has been treated as grant (non-interest bearing) and in case they could not receive it, the same will be either managed as equity (cash or kind) and borrowing. Medium term loan interests were set at 12 percent and working capital loans at 15 percent. Enterprises borrow money to finance working capital in their initial years and during expansion. Assumption that the loan repayment will be fixed based on enterprise cash flow and its debt serving ability across all the models used in this analysis.

54. On the other hand, self-employment type enterprise will be based on preference and potential survey identified by the trained TVET graduates. These enterprises will be financed either by entrepreneurs' equity or loan or both. Self-employed enterprise models were prepared using the key parameters included in the Helvetas commissioned traces study of the TVET graduates and these parameters are consistent to the financial analysis results of the micro-enterprises developed by different programme in Nepal.

Table 11: Key parameters of the Self-employment Type Micro-enterprises

S.N.	Key parameters	Unit	Minimum	Maximum	Average
1	Capital investment	Rs.	5,000	1,000,000	173,348
2	Annual turn over	Rs.	5,000	1,000,000	366,434
3	Net profit	Rs.	15,000	600,000	115,154

Source: Helvetas, Tracer Study

55. The results of the financing analysis showed that almost all these models yield negative net cash flow in the first and second year and positive cash flow from third year onward after the establishment. Some models presented a negative cash flow after financing that turned positive when grace periods were revisited and extended to one year. This reflects need to set repayment terms and conditions on a case-by-case basis and strictly on enterprise cash flow basis in order to adapt to different financing needs and production cycles as presented in the enterprise business plans.

Economic Analysis

Main assumptions

56. **Benefit stream.** The EIRR is calculated both for the (i) supply chain and (ii) decent jobs components. As discussed already, five supply chain components, one self-employment generating microenterprise and incremental wages generated through technical and vocational training was assessed from financial and economic perspective. This has been done in cognizance to the fact that these are the primary project targets.

- Incremental net benefits were used for both farm investment and investment on decent jobs. Graduation rate, employment rate, and self-employment rate were factored as appropriate and relevant.
- Parameters generated by the tracer study conducted by RERP in 2023, and Helvetas Employment Fund in 2015 were used to estimate employment rate, self-employment rate and wage rate before TVET and expected wage rate after TVT. The wage rate of the trained graduates in 2015 (Helvetas study) and in 2023 (RERP study) were used to triangulate the findings as well as 2015 rate was adjusted to 2023 wage rate using average inflation rate during the period. Further, experiences of other enterprise development and TVET program were used to factor the graduation rate of the enrolled participants.
- A 53 percent enterprise success rate was assumed. This figure is based in MEDEP's MIS system as of November 2013, which records the number of enterprises that remain fully active (34,274 out of the 64,669 supported by the project). In addition, it is assumed that 50 percent of the project

investments achieve the expected returns (success rate assumption) to account for implementation risks.

- A twenty-five-year analysis period is assumed, which included 9-year project investment period.
- All the costs and benefits are valued at constant market price of December 2023.
- Only direct beneficiaries are considered, and benefits and cost associated to supply chain development and decent job beneficiaries was considered.
- Economic investment costs are net of taxes.
- A standard conversion factor (SCF) of 0.91 is applied to both traded and non-traded items for adjusting financial prices.
- Adoption / success rate is assumed to be 66 percent (69 percent in decent jobs and 58 percent for supply chain beneficiaries).
- The average financial rural wage rate is taken to be the best estimate of the economic value of labour.
- All costs and benefits are relating to investments made on targeted RERP area households and the resultants benefits.
- Opportunity Cost of Capital (OCC) of 9 percent was employed. This is the interest rate paid for the long-term bond in Nepalese financial market.

57. **Costs stream:** Total cost of the project was USD 25.17 million as shown in Table 12. Of the total cost, 9 percent is IFAD loan, 62 percent is IFAD grant, 15 percent government contribution, 13 percent beneficiaries' contribution and 2 percent private sector contribution. Details provided in Table 12.

Table 12: RERP Total Project Expenses

Year	IFAD Loan	IFAD Grant	Government	Beneficiaries	Private sector	Total	Percent of Total
2015/16	8	19	4	-	-	31	0 percent
2016/17	173	205	51	-	-	430	2 percent
2017/18	348	501	140	-	-	989	4 percent
2018/19	463	456	166	-	-	1,085	4 percent
2019/20	1,299	1,600	578	243	-	3,720	15 percent
2020/21	-	2,131	467	344	-	2,942	12 percent
2021/22	-	4,635	953	1,441	163	7,192	29 percent
2022/23	-	3,862	785	921	164	5,733	23 percent
2023/24	-	2,188	521	282	58	3,049	12 percent
Total	2,292	15,597	3,664	3,232	386	25,170	100 percent
percent of Total	9 percent	62 percent	15 percent	13 percent	2 percent	100 percent	

58. Form total project cost, economic cost was derived adjusting for duties, taxes and price contingencies, but keeping the physical contingencies. In order to avoid double-counting of costs, RERP investment fund (both IFAD and beneficiaries contributions) were deducted from the overall costs. Economic cost of the project has been estimated at USD 19.01 millions. Details provided in Table 13.

Table 13: RERP Total Project Expenses - Economic

Year	IFAD Loan	IFAD Grant	Government	Beneficiaries	Private sector	Total	Percent of Total
------	-----------	------------	------------	---------------	----------------	-------	------------------

2015/16	8	19	3	-	-	30	0 percent
2016/17	173	205	36	-	-	414	2 percent
2017/18	348	501	98	-	-	947	3 percent
2018/19	463	456	116	-	-	1,035	4 percent
2019/20	1,299	1,440	404	-	-	3,144	9 percent
2020/21	-	1,918	327	-	-	2,245	9 percent
2021/22	-	4,172	667	-	-	4,839	12 percent
2022/23	-	3,475	550	-	-	4,025	26 percent
2023/24	-	1,969	365	-	-	2,334	22 percent
Total	2,292	14,155	2,565	-	-	19,012	100 percent
percent of Total	9 percent	56 percent	10 percent	0 percent	0 percent	76 percent	

59. **Shadow prices:** There are both traded and non-traded goods to be used or generated by the project. For the traded products such as meat, milk, fish and MAPs market prices are considered to reflect economic prices. For non-traded products a standard conversion factor of 0.91 was applied to all items to adjust financial prices to economic, with the exception of labour, to which a 0.85 standard conversion factor was used, to account for the high unemployment and underemployment rates present in the target districts.

Analysis Results

60. **Economic analysis:** The economic internal rate of return (EIRR) was estimated at 23.6 percent and the economic benefit cost ratio was 1.71 with the economic discount rate of 9 percent. The project would earn at the end of 25-years including the 9-year implementation period an economic net present value (ENPV) of USD 19.7 million (NRs. 2,561.41 million) with 9 percent opportunity cost of capital (discount rate).

Table 14: Comparative Economic Indicators: Appraisal, Restructuring and Completion

	At appraisal	At restructuring	At completion
Project cost (USD million)	68.0	25.3	25.3
EIRR (percent)	26.0	31.4	23.6
NPV (USD million)	37.7	32.0	19.7

61. The EIRR at the design of RERP was 26 percent and the ENPV was USD 37.7 million, while EIRR was 31.4 percent and ENPV was USD 32.0 million at restructuring. The main reasons that the ex-post economic indicators being lower than the ex-ante economic indicators at design and restructuring was due to not considering adoption / success rate at appraisal and higher rate applied at restructuring, and longer implementation period provided less time for the beneficiaries for post project realization of the benefits. Main results for economic cost-benefit analysis are presented in separate excel file.

62. **Sensitivity Analysis:** A sensitivity analysis was conducted to assess the effect of variations in (i) 10 percent and 20 percent decrease in benefits; (ii) 10 percent and 20 percent increase in costs, and (iii) (iv) 10 percent and 20 percent decrease in adoption rate. Results are presented in Table.

Table 15: Results of Sensitivity Analysis

Risk scenario	Δ percent	Link with the risk matrix	IRR	NPV (USD M)
Base scenario			23.6 percent	19.71
Project benefits	-10 percent	Combination of risks affecting output prices, yields and adoption rates	20.5 percent	14.98
Project benefits	-20 percent		17.2 percent	10.25
Project costs	10 percent	Combination of risk associated to inflation of project related materials	20.8 percent	16.95
Project costs	20 percent		18.4 percent	14.19
Adoption rate	-10 percent	Combination of risks affecting output prices, yields and adoption rates	23.4 percent	18.66
Adoption rate	-20 percent		23.1 percent	17.51

63. Results of the sensitivity analysis reveal that in all these scenarios, EIRR was above 17 percent , and the project results is highly sensitive on decrease on benefits by 20 percent , followed by increase in project cost by 20 percent . The project is less sensitive on decreases in adoption rate.

64. **Switching Values:** The switching value for the total project benefits is about 71.39 percent while for the project costs it is estimated at 41.65 percent .

Table 16: Results of Switching Value Analysis

Particulars	NPV (NRs. '000)	Switching value (percent)
NPV of incremental benefit	6,151,794	(71.40)
NPV of incremental cost	3,589,156	41.66

65. **Project cost per direct beneficiary:** Average project expenses per direct beneficiary household are USD 617, and that of average project expenses per beneficiary population is USD 141 (average family size of 4.37⁶⁴).

Table 17: Project Cost per Beneficiary Households

	Beneficiaries	Total project cost	Cost per Unit
Cost per direct beneficiary household	40,827	25,170,377	617
Cost per direct beneficiary population	178,414	25,170,377	141

66. Though per households project support was relatively small through promotion of rural micro-cottage and small enterprises including decent jobs, and profitable investment support, there are instance that such an support has been used as a seed money by many direct beneficiaries, have used on creating productive assets on supply chain development such as improved cattle/buffalo shed, fodder and forage management, mini tillers, boring/water pumps, aerator, plastic tunnels, etc. and with an average value of assets creation estimated to be more than USD 1,887. The project support has been quite effective to generate employment to direct project beneficiaries with increase in return on labour in most cases addressing the deep-rooted un-employment and under-employment problem in the project areas.

67. Technical and vocational training and leading to apprenticeship model 1 and 2 has generated and provided employment at local and regional labour markets. The returnee migrants have benefitted from supply chain development support of the project providing options for starting feasible rural micro-cottage and small enterprises, leveraging their own savings with projects co-investment support.

⁶⁴ Source: Population censuses of Nepal 2021.

Nepal

Samriddhi - Rural Enterprises and Remittances Project

Project Completion Report

Appendix 5: Environmental social and climate impact assessment (detailed analysis)

Mission Dates: June 2024
Document Date: 10/01/2025
Project No. 1100001724
Report No. 7056-NP
Loan ID 2000000701
DSF Grant ID 2000000702

Asia and the Pacific Division
Programme Management Department

This document will be publicly disclosed unless there is written dissent on its disclosure by the Borrower at the time of this document submission to IFAD or no later than the project closing date.

Appendix 5: Environmental social and climate impact assessment

1. Project design

The project's concept note was approved in March 2013 and follows IFAD's Environmental and Social Assessment Procedure⁶⁵ (2012 edition). The environmental and social risk was categorized as 'B', indicating that the project may have localized impacts on human populations or environmentally significant areas, which are less adverse compared to Category A impacts. As such, no formal Environmental and Social Impact Assessment (ESIA) was mandated. Category A pertains to programs or projects that could potentially cause significant and adverse environmental and social effects, which may be sensitive, irreversible, or unprecedented, affecting areas broader than the sites or facilities undergoing physical interventions.

IFAD's Operational Results Management System (ORMS) facilitates reporting on projects' outputs and outcomes, indicates social and environmental risk of this project as 'moderate' (equivalent to Category B). Climate risk information has not been available since the 2012 edition does not require climate risk classification.

The project design document references the Environmental and Climate Change Assessment (ECCA) prepared in 2013 for the Country Strategic Opportunities Program (COSOP) design. According to the ECCA, the project is anticipated to have negligible negative environmental impacts. Attachment 1, which includes the Environmental Assessment and Social Review Note, contains the following two paragraphs:

1. The design mission used the ECCA (Environmental and climate change assessment done in 2013 for the COSOP design, available in the project life file) and reached the following conclusions:
2. RERP will have negligible negative environmental impacts. Building on existing IFAD projects, and taking inspiration from the MEDEP⁶⁶ framework, RERP focuses community building and strengthening of local enterprises. Further, in line with national policies and programmes, the project's strategies support on farms and off farms systems. The project will support the construction or rehabilitation of small community-managed infrastructure systems and gravity ropeways, which may require separate environmental assessments. All the potential negative impacts can be mitigated by properly following existing regulation guidelines and field practices and the recommendations of the environmental management action plan prepared for the implementation of the project. However, more in-depth consideration must be given to project activities following the completion of project design and finalization of project activities. Further, as environmental and climate change issues are complex, sensitive, and uncertain, preparation of Environmental Management Guidelines/Action Plan is suggested to avoid risk and minimize uncertainties.

In the second paragraph above, two recommendations were made. Firstly, it was suggested to conduct a separate environmental assessment specifically for the construction or rehabilitation of small community-managed infrastructure systems and gravity ropeways. However, since the project did not support either of these activities, a separate environmental assessment was deemed unnecessary.

Secondly, it was recommended to prepare Environmental Management Guidelines or an Action Plan to proactively address risks and minimize uncertainties, given the complex, sensitive, and uncertain nature of environmental and climate change issues. Nevertheless, the project did not develop separate management guidelines or an action plan as the supported activities were on a small scale.

During the beginning of its third year of implementation, with only 1.4 percent disbursement and minimal field activities conducted, the project underwent restructuring in 2018. A design update technical note was prepared during an Implementation Support Mission (ISM) held in May 2018. While the note did

⁶⁵ <https://www.ifad.org/documents/38711624/43547649/esap2012.pdf/c3560c17-bc15-4ecf-dd7f-3112d8c0e187?t=1629187522749>

⁶⁶ *Micro-Enterprises Development Programme*

not specifically mention safeguards and SECAP requirements and compliances, it emphasized climate-smart production. Below are two key areas highlighted:

- The project will provide additional pre-investment technical advice to producers and farmers as necessary to ensure the viability of their plans, with a focus on climate resilience. This advice will help stakeholders better understand climate risks associated with their investments and identify technologies or strategies to mitigate these risks (Technical note, para 83).
- Services for crop production are expected to encompass climate-smart agriculture practices, crop protection services, and mechanization services, particularly for field crops like legumes. The project will also support equipment suppliers (e.g., drip irrigation, trellis nets, grading machines), as well as grading, packaging, transport, storage, and marketing services. Furthermore, it aims to facilitate investments by producer groups, cooperatives, and RMSEs (Rural Marketing Service Enterprises) in developing these essential services (Technical note, para 116).

2. **Supervision and Mid Term Review Missions**

The mission suggested no rating until the 2019 Supervision Mission, which included the mid-term review conducted in 2018. From then on, it maintained a rating of 'moderately satisfactory-4' until the 2022 Supervision Mission. In the latest Supervision Mission, SECAP performance was upgraded to 'satisfactory-5'. The table below summarizes the SECAP performance assessments by the supervision and mid-term review missions:

Mission	SECAP performance rating
Supervision Mission 2017	Default moderately satisfactory – 4
Mid Term Review 2018	Not Rated
Supervision Mission 2019	Not Rated
Supervision Mission 2020	Moderately Satisfactory-4
Supervision Mission 2021	Moderately Satisfactory-4
Supervision Mission 2022	Moderately Satisfactory-4
Supervision Mission 2023	Satisfactory-5

Since 2020, missions have begun assessing SECAP performance, detailing the Environmental Assessment and Social Review Note outlined in the Project Design Document. The mission reports have highlighted initiatives aimed at implementing climate-resilient practices, particularly in production. These efforts are intended to enhance the project's environmental sustainability, improve community adaptive capacity, and amplify social impact.

The missions somehow lack to provide detailed specifics on issues or agreed actions for the SECAP related matters. It is also noteworthy that SECAP specialists have not been included in mission compositions up to 2023. This gap suggests an opportunity to strengthen SECAP compliance and reporting best practices within the project framework, even though SECAP compliance is not explicitly mentioned in the PDR.

3. **Implementation**

The project spans across diverse geographical regions, focusing on three provinces: Koshi, which includes Okhaldhunga, Khotang, Bhojpur, Dhankuta, Terhathum, Udayapur, Sunsari, and Morang districts; Madhesh, covering Saptari, Siraha, Dhanusha, Mahottari, Sarlahi, Rautahat, and Bara districts; and Bagmati, in Sindhuli district. These areas represent a wide-ranging scope that addresses agricultural development and sustainability across both hill and plain terrains of Nepal.

In terms of supply chains, the project supports five key commodities: vegetables, dairy, fish, medicinal and aromatic plants, and goat farming. Each supply chain plays role in enhancing agricultural productivity, promoting economic growth, and improving livelihoods within the targeted communities. The supply chain has integrated climate-smart practices to enhance farmers' adaptive capacity in addressing the adverse impacts of climate change. The project aims to improve agricultural productivity and diversification by assisting farmers in adopting polytunnels, off season vegetable farming, efficient

water use, and using organic inputs. In addition, Vocational Skills Training (VST) were conducted under the decent job subcomponent.

The following provides an overview and implementation performance on social, environmental, and climate standards. Climate considerations were not included in the SECAP 2012 version that this project follows. Nonetheless, due to commendable efforts in integrating adaptation measures, its performance is outlined below.

- **Biodiversity conservation**

The project cultivated Medicinal and Aromatic Plants (MAPs) within community and leasehold forest areas. Consultations were held with community forest user groups, leading to necessary agreements for working in these areas. Barren lands were selected for this purpose, resulting in revived nutritional flow, and converting these lands into suitable vegetation areas. There were no activities conducted inside the protected or conservation areas.

The project has conducted technical sessions and training sessions on environmentally sustainable practices, with a specific focus on producing and applying organic inputs. Efforts have been made to raise awareness among smallholders about the consequences of using agrochemicals, while promoting the increased use of organic manure and pesticides.

Increasing practice of multiple cropping, agroforestry, fodder plantation, use of organic inputs, and the increase in the number of trees outside forests (largely due to outmigration and fallow lands) has enhanced farm biodiversity.

- **Resource Efficiency and Pollution Prevention**

The Goat supply chain integrated stall-feeding practices with improved goat sheds and support for fodder and forage plantation. While all dairy farmers adopted stall feeding, grazing was still practiced by few goat farmers according to the Endline survey.

Over the project period, the average herd size per household increased by 59 percent for goats and 60 percent for cattle compared to the baseline. Additionally, there was an 80 percent increase in average fodder land for goats and a 124 percent increase for cattle. These findings suggest that the livestock support provided by the project did not impose additional pressure on forest and environmental resources.

Vegetable farming has incorporated efficient water use technologies, which are well integrated with polytunnel cultivation and offseason vegetable production. The promotion of organic inputs, the infrastructure construction limited to small processing and collection centres, and the lack of chemical input requirements have prevented pollution from the project. Instead, household losses decreased to 2.2 percent in 2023 from a baseline of 2.7 percent. In the first half of 2024, losses further decreased to 1.4 percent, indicating a significant reduction in waste.

Bore pumps were primarily used for the fishponds. Due to a lack of assessment, it is difficult to determine whether this has impacted groundwater levels. Small-scale irrigation facilities such as solar lifts, solar pumps, plastic ponds, and rainwater harvesting were supported to alleviate water stress.

- **Cultural Heritage**

There were no complaints or feedback regarding the project's impact on cultural heritage. The project did not engage with tangible or intangible heritage sites or practices.

- **Indigenous Peoples (IPs)**

The project supported the livelihoods of IPs. Of the total beneficiaries, 39 percent were IPs. Details on the project support to IPs are briefed on the targeting and outreach section of the PCR report.

Disaggregated data specifically for IPs among the beneficiaries has been collected by the project. Consultations were carried out throughout all stages of the project, from planning to monitoring. A separate Free, Prior, and Informed Consent (FPIC) process was, however, not in practice as the project's SECAP document didn't specify this requirement.

- **Labour and Working Conditions**

Supply chain activities primarily operated at the household level, with family members collaborating on production, processing as necessary, and transporting goods to the market using various methods. The project documents do not indicate any issues regarding labour and working conditions.

The skill development trainings conducted by the project included sessions on worker health and safety, raising participants' awareness of its importance and requirements.

- **Community Health and Safety**

The project has positive contribution of the nutrition status of the communities (please refer to the nutrition section of the PCR report).

Supply chain activities did not pose any negative threats or impacts to the community's health and safety. The project did not engage in agrochemicals; instead, support was provided for organic inputs.

Small infrastructures were supported for processing and collection centres, as well as small-scale irrigation. There was no influx of labour, thereby avoiding any impact on the safety and health of surrounding communities.

The project followed inclusive targeting strategies and has benefitted to women headed households, youth, and marginalized and vulnerable communities. Details of this is presented in targeting section of the PCR report.

The endline survey indicates that women experienced reduced violence within their families following the GALS program, and they now have increased access to resources and services. The project has played a transformative role among women and men through the participatory engagement of the GALS methodology in the project areas.

- **Physical and Economic Resettlement**

The project supported small infrastructures (collection and processing centres) were built on cooperative or group's registered land with proper documentation. None of the activities demanded land acquisition (voluntary or nonvoluntary) from beneficiaries or communities. There was not any physical displacement case in the project.

Moreover, the project created more income generating opportunities (see supply chain section of the PCR report) and employment diversification (refer to decent job section of the PCR report). The project has overall positive contribution on economic generation and there were no cases reported or recorded for economic displacement.

- **Financial Intermediaries and direct investments**

The project has engaged with financial intermediaries. According to IFAD's 2012 Environmental and Social Assessment Procedures, projects involving credit operations through financial intermediaries, including credit for pesticides/other agrochemicals, livestock purchasing, irrigation, drainage, etc., should be categorized as 'B'. These projects pose unique challenges during screening because the specifics of the sub-components may not be fully known at the time of project screening. Additionally, financial intermediation projects present specific challenges because the activities to be financed through credit may be difficult to accurately anticipate. However, there is no clarity on the Environmental and Social Management Systems that need to be followed, and the project's SECAP also does not include this information.

- **Climate Change**

Nepal has experienced warming across its climate zones, from the low-lying Tarai region below 500 meters above sea level (asl) in the south to the high Himalayan regions exceeding 5,000 meters asl in the north. Historical data indicates a warming of approximately 1.0°C to 1.3°C between 1900-1917 and 2000-2017. From 1974 to 2014, there was a notable upward trend in annual maximum temperatures, increasing at a rate of 0.056°C per year. This warming trend has been observed uniformly across Nepal, with the greatest temperature increases occurring at higher altitudes in the mountains and Himalayan regions⁶⁷.

While precipitation showed a decreasing trend in all seasons from 1974 to 2014, these trends were not statistically significant. Projections suggest that Nepal's climate will continue to warm, with temperature increases expected across all seasons. Decreasing precipitation trends have been particularly noted in the high mountains and high Himalayan regions among Nepal's five physiographic zones. Average annual precipitation in Nepal is projected to rise by 2-6 percent in the medium term and 8-12 percent

⁶⁷ National Adaption Plan (2021-2050). Ministry of Forest and Environment, Government of Nepal

in the long term compared to the reference period of 1981-2010, although there remains uncertainty in these precipitation forecasts⁶⁸.

In recent years, Nepal has reported an increase in soil erosion, landslides, flash floods, and droughts, all of which have intensified and significantly impacted the lives and livelihoods of its people⁶⁹. According to the World Bank's country risk profile for Nepal, climate change is expected to affect food production through both direct and indirect mechanisms that influence crop growth processes. Direct effects encompass changes in carbon dioxide levels, precipitation patterns, and temperatures. Indirect effects will manifest through alterations in water availability and seasonal patterns, transformations in soil organic matter, increased soil erosion, shifts in pest and disease dynamics, potential introduction of invasive species, and changes in arable land due to dryland expansion and modifications in local hydrology. These combined impacts highlight the multifaceted challenges climate change poses to Nepal's agricultural sector and food security⁷⁰.

According to the National Adaptation Plan (NAP), the project areas experience climate change impacts those include an increased frequency and severity of extreme weather events, heat waves, drought, floods, landslides, and forest fires. The change in precipitation pattern and intensity is one of leading impact to the project targeted smallholder farmers.

The project design did not explicitly integrate climate change adaptation, climate finance, or other specific resilience-building interventions. Nevertheless, all project activities indirectly enhance the resilience of targeted supply chains and improve the adaptive capacity of smallholder farmers.

The project supported protected agriculture by distributing poly tunnels to farmers. Community-level Lead Resource Persons were trained to set up and operate polytunnels, providing technical assistance to fellow farmers. Communities were oriented towards off-season vegetable farming practices. The farmers adopting mulching, crop diversification, crop rotation, and multi cropping.

Efficient water technologies were introduced to farmers, including drip/sprinkle irrigation and mulching, to address water stress. Additionally, small-scale irrigation supports were provided including solar lift, conservation plastic ponds, and bore pumps. The project also supported rainwater harvesting to tackle severe water stress in some of the project areas.

For goat and dairy supply chains, improvements were made to goat sheds and stall-feeding practices, along with fodder management enhancements. The improved goat shed helped them to protect with heat waves.

Adaptations included investments in water supply services with boreholes/pumps to mitigate drought risks and aeration systems to enhance water quality and fish resilience to heat and other conditions. Shaded surface-tank based production systems (biofloc) were introduced to reduce heat stress and vulnerability to flooding, requiring less water compared to conventional ponds for similar income levels. Simple, improved pond designs were also developed and tested to minimize flood impacts and prevent fish escape.

In the realm of Medicinal and Aromatic Plants (MAPs), adaptation efforts involved planting resilient perennial species, introducing irrigation for field-based production, and enriching MAPs species within community forests.

The project supervision missions report that the large-scale delivery of vocational skills training (VST) and job placement in non-weather-dependent sectors significantly enhances economic resilience to climate change impacts in households and communities.

4. Grievance Redress Mechanism

The project has appointed an Information Officer as the focal person responsible for facilitating communication, addressing inquiries, and sharing feedback and suggestions. A complaint box was placed at the entrance of the Project Management Unit (PMU) office to receive suggestion and grievances. Grievances received through phone calls and emails were forwarded to the Information Officer and Project Director. While most grievances have been resolved and communicated to the

⁶⁸ National Adaption Plan (2021-2050). Ministry of Forest and Environment, Government of Nepal

⁶⁹ <https://climateknowledgeportal.worldbank.org/country/nepal>

⁷⁰ Climate Risk Country Profile: Nepal (2021): The World Bank Group and the Asian Development Bank.

concerned individuals, the exact status of grievances is not available due to insufficient recording and reporting practices.

5. **Stakeholder Engagement**

The RERP design mandated meaningful participation of various stakeholders throughout implementation. Multistakeholder platforms, Business-to-Business forums, etc., were integrated into the program and effectively conducted. Municipalities were actively engaged in various project activities. Joint monitoring practices were implemented to assess project performance and facilitate knowledge exchange for improvement. Detailed information on stakeholder participation is presented in component descriptions and partner performance in the PCR report.

Nepal

Samriddhi - Rural Enterprises and Remittances Project

Project Completion Report

Appendix 6: Dates of supervision mission and follow-up missions

Mission Dates: June 2024
Document Date: 10/01/2025
Project No. 1100001724
Report No. 7056-NP
Loan ID 2000000701
DSF Grant ID 2000000702

Asia and the Pacific Division
Programme Management Department

This document will be publicly disclosed unless there is written dissent on its disclosure by the Borrower at the time of this document submission to IFAD or no later than the project closing date.

Mission	Dates
Impl. Sup/Follow Up Mission 1	22 April 2017 - 28 April 2017
Supervision Mission 1	30 October 2017 - 12 November 2017
Impl. Sup/Follow Up Mission 2	28 January 2018 - 08 February 2018
Impl. Sup/Follow Up Mission 3	08 May 2018 - 15 May 2018
Impl. Sup/Follow Up Mission 4	10 September 2018 - 19 September 2018
Mid-Term Review 1	03 December 2018 - 20 December 2018
Impl. Sup/Follow Up Mission 5	04 March 2019 - 14 March 2019
Impl. Sup/Follow Up Mission 6	25 May 2019 - 29 May 2019
Supervision Mission 2	17 September 2019 - 27 September 2019
Remote partial supervision 1	16 March 2020 - 20 March 2020
Remote supervision mission 1	01 October 2020 - 19 October 2020
Supervision Mission 3	01 April 2021 - 15 April 2021
Impl. Sup/Follow Up Mission 7	25 October 2021 - 29 October 2021
Supervision Mission 4	07 June 2022 - 19 June 2022
Supervision Mission 5	30 October 2023 - 10 November 2023

Nepal

Samriddhi - Rural Enterprises and Remittances Project

Project Completion Report

Appendix 7: Terms of Reference of the completions review mission

Mission Dates: June 2024
Document Date: 10/01/2025
Project No. 1100001724
Report No. 7056-NP
Loan ID 2000000701
DSF Grant ID 2000000702

Asia and the Pacific Division
Programme Management Department

This document will be publicly disclosed unless there is written dissent on its disclosure by the Borrower at the time of this document submission to IFAD or no later than the project closing date.

Appendix 7: Terms of Reference for Consultants and other persons hired by IFAD to participate in missions under a non-staff contract

COUNTRY OF ASSIGNMENT/LOCATION: Nepal

MISSION NAME: Project Completion Review (PCR) Mission of the SAMRIDDHI - Rural Enterprises and Remittances Project (RERP)

MISSION START AND END DATES: 9 – 29 June 2024

REPORT TO: Mr. Roshan Cooke, Country Director Asia and the Pacific Division, PMD

MISSION COMPOSITION:

Mr. Shyam Khadka, Mission Leader (ML) and Rural Development Policy Specialist

Mr. Buyung Hadi, Project Technical Lead (PTL)/Agronomist

Dr. Nara Hari Dhakal, Economist/Rural Finance Specialist

Mr. Sanjeev Kumar Shrestha, Value Chain and Enterprise Development Specialist

Mr. Kaushal Shrestha, M&E and Knowledge Management (KM) Specialist

Mr. Dipak Sah, Regional Financial Management Officer/Financial Management Specialist (remote participation)

Mr. Tribhuban Poudel, GESI Specialist

Mr. Ram Babu Regmi, Procurement Specialist

Ms. Mahesh Hada, TVET Specialist

Ms. Bibiana Vasquez FFR Remittances and financial inclusion specialist

Ms. Sarah Hugo, FFR Remittances and migration, KM specialist

Mr. Nirajan Khadka, Environment and Climate Officer

Dr. Kamal Gaire, Country Programme Analyst/Agronomist

Introduction

The proposed project completion review (PCR) mission for the **Rural Enterprises and Remittances Project (RERP)** is to be undertaken jointly by IFAD and the Ministry of Industry, Commerce and Supplies (MoICS), Government of Nepal. Its main purpose is to report on the results achieved through project interventions for accountability and learning purposes. The process should also help reflect on performance, elicit lessons learned and define an appropriate hand-over or post-project strategy.

The project completion review mission will take place from 9 – 29 June 2024. The project completion review process should be guided by the methodological framework set out in IFAD Project Completion Review Guidelines, while the present TOR describe the detailed objectives, timeline, and deliverables of the completion review mission. In-country, the work of the PCR team will be facilitated by MoICS, under the overall supervision of IFAD.

Project background

The Rural Enterprises and Remittances Project (RERP) "Samriddhi" is a joint initiative of the Government of Nepal (GoN) and the International Fund for Agricultural Development (IFAD). Its strategic goal is to 'reducing poverty and achieve sustainable peace through employment-focused, equitable and inclusive economic development'. Against the backdrop that migration is a direct result of the lack of economic opportunities in rural areas and of an increasing demand for short-term labour in the Gulf Countries and Malaysia, RERP's development objective was that "viable rural micro, small and medium enterprises (RMSEs), in both farming and off-farming sectors, provide sustainable sources of income to poor households, migrant families and returnees".

Ministry of Industry, Commerce and Supplies (MOICS), GON is the Lead Project Agency. The Project covers 16 districts of the Eastern and Central Development regions, (Koshi, Madhesh and Bagmati Provinces under the new federal constitution) following a corridor approach linking districts along the main roads running north to south to facilitate the connection of hill communities to larger markets in the plains (*Tera*). The Project's original targets was a total of about 179,660 primary beneficiaries

comprising around 60,000 enterprises and 30,000 unemployed youth. GoN and IFAD signed the Financing Agreement for the Project on 10 December 2015.

2. RERP has three components: i) RMSEs and Job Promotion, II) Productive Investment, and iii) Institutional Support and Project Management. The initial total Project cost was estimated at US\$68.1 million. IFAD financing about 56.7 per cent (Loan: US\$ 21.8 million – 56.5 percent and DSF grant: US\$16.8 million – 43.5 percent), the Government, private sector and the beneficiaries contributing as 13 per cent (US\$ 9.1 million), 20 per cent (US\$ 13.8 million) and 8.8 per cent (US\$ 6.6 million) respectively. GoN and IFAD signed the Financing Agreement for the Project on 10 December 2015.

3. At the Mid Term Review (MTR), completed in December 2018, the Project was rated as a Problem Project by the MTR which led to restructuring of the Project with the proposed partial cancellation of loan proceeds of USD 18, 822,000 (49.8 per cent of IFAD's initial loan financing) and effected in March 2020 and communicated to the government. MTR reduced the target of primary beneficiary to 90,000. RERP moved out of the Problem Status as rated by the supervision mission in October 2020. Two 'no cost' extensions totalling 18 months have been approved (2 June 2022 and 30 October 2023) allowing time to fully complete activities delayed due to COVID-19. Project completion is now on 30 June 2024 and project closing on 31 December 2024.

4. The restructuring concluded during the MTR addressed a series of structural issues while reckoning the project being 'at risk', principally due to its very slow initial start-up and low disbursement rate. A major reason for project delays was Nepal's transition to federalism. In addition, COVID-19 acted as a substantial drag on project performance. Over time, project performance improved, and the Supervision Mission fielded in November 2023 assessed the Project performance as satisfactory. The mission acknowledged that should the strong performance observed across all project areas continue for the remaining period, the project will be highly likely to exceed all its key development objective, delivering substantial impacts demonstrable through its high-quality monitoring and evaluation systems and making significant progress to institutionalize these impacts, putting in place the foundation for further scaling-up.

Detailed objectives of the PCR

The overall objective of the completion review is to assess and document overall project implementation performance and the results achieved. This process calls for an informed reflection on the relevance, effectiveness, efficiency, and sustainability of project interventions. As such, the project completion review process is aimed at promoting accountability, reflecting on performance, and eliciting lessons learned to inform scaling-up and new project designs, and to defining an appropriate post-project strategy.

More precisely, the detailed objectives of the proposed completion review exercise are to:

- assess the relevance of project interventions at the time of project design and at project completion.
- assess the effectiveness of project implementation, or the extent to which project objectives were met, and to document the immediate results and impacts of project interventions.
- review the project costs and benefits and the efficiency of the overall project implementation process, including IFAD's and partners' performance.
- assess the prospects of sustainability of project benefits beyond project completion.
- generate and document useful lessons from implementation that will help improve IFAD's or Borrower's future programming and designs.
- identify any potential for the replication or up-scaling of best project practices.

Methodology

In line with the broad methodological framework provided by IFAD's Guidelines for project completion review, the PCR mission will use a mix of quantitative and qualitative tools to form an informed judgement on overall project performance and results. For transparency and accuracy purposes, it is important that the consultation with project stakeholders should be as large, as inclusive, and as representative as possible and the list of persons to be met by the mission will require careful consideration.

Primary sources of information will include project reports and documents (supervision reports, MTR report, progress reports, AWPB, etc.), M&E and MIS data (including log frame data), any surveys or specific studies undertaken by the project or IFAD, Project Management Units (PMU) and service providers' records and the records of the groups supported by the project. These sources will be used extensively in order to generate quantitative information on project results or estimate project efficiency. COI surveys and self-assessments carried out by PMUs are also key sources of information to feed the PCR exercise.

In addition to primary sources of information, the mission will collect relevant data from secondary sources, such as national and local statistics, other donors' statistics, the civil society, private sector entities (trade associations, universities, etc.). These will be used mainly to bridge information gaps on certain issues or to cross-examine the data generated from other sources.

In addition, to gather an in-depth understanding on certain issues, collect stakeholders' feedback and generate important insights, the mission may use a variety of qualitative tools where feasible, such as key informants' interviews, focus group discussions and rapid case studies. Alternatively, the mission may cross-check results from the Impact Assessment and COI surveys by holding beneficiaries' interviews and upon observations in the field. Before the field work, it is important that the mission dedicates sufficient time to prepare the necessary interview guides.

The method of direct observation will also be used by the mission. A large sample of women and men beneficiaries in different project sites, or locations where project activities took place, will thus be visited in order to collect qualitative impressions, verify that reported interventions took place, confirm that they met expected quality standards, catered needs of different segments of the project target groups, verify if beneficiaries correspond to the intended target groups, and take note of the external context of project intervention. Selection of project sites will require careful consideration in order to avoid biases.

If found useful, the organization of a stakeholders' workshop either before the beginning of the field work or towards the end of the mission, can be envisaged in order to collect initial feedback on project performance or to share the mission's preliminary findings.

In order to strengthen the analysis and overcome the weaknesses, intrinsic biases and the problems that may be associated with a single method, the mission will "triangulate" all findings, combining methods and data sources in order to cross-examine initial findings.

Timeframe and deliverables

The mission will take place from 9 – 29 June 2024. The in-country work will start with the mission kick off meeting with Ministry of Industry, Commerce and Supplies (MoICS), to be held on 9 June 2024. The field work will take place from 10 – 25 June 2024, following the detailed programme and itinerary that will be finalized at the start of the mission based on the tentative programme presented in these TOR. Tentative mission schedule is included in the Attachment 2.

Towards the end of the in-country work, the mission will present its initial findings and draft conclusions during the stakeholder workshop to be held end of June 2024 to be hosted by RERP/MoICS.

The mission will prepare a draft Project Completion Review report based on the consultation and inputs provided by the Government during the mission and following the outline presented in IFAD's Project Completion Review Guidelines as well as the project performance rating guidelines. The draft report will be prepared shortly after the end of the PCR mission and finalized no later than 31 July 2024.

Mission Composition and individual responsibilities of mission members

Mr. Shyam Khadka, Mission Leader (ML) and Rural Development Policy Specialist

As a mission leader, you will guide the mission team to prepare a comprehensive and accurate PCR consistent with IFAD's standards. Your specialist insight as a rural development policy specialist will be pivotal.

Key responsibilities:

- Facilitate Project Completion Preparations: Guide the PMU in advancing the project towards successful completion.
- Examine Project Conformity: Determine if the project has complied with the restructured plans.

- Extract Replicable Lessons: Identify and document successful practices from RERP that can serve as case studies or stories for wider dissemination.
- Innovative Practices Review: Evaluate the influence of the project's effort to integrate the lessons learned and innovations into local, provincial, and federal government policies and programmes.
- Endline Survey Oversight: Collaborate with the M&E specialist to review the quality and utility of the endline survey and use the data to assess impact.
- Working closely with the Country Director and the Country Programme Analyst and using effectively the inputs provided by all mission members prepare for Stakeholders' workshop, including the presentation of provisional findings of the mission and collect feedback and insights on project performance.
- Together with mission members assess the relevancy and internal logic of the project.
- Efficiency Analysis: Together with the Economist, critically evaluate project efficiency through EFA and VfM assessments.
- Partner Performance Assessment: Together with mission members assess the overall implementation of TVET/VST, CCI Capacity building and rural finance components of the project and draw lessons learned on project's partnership with Helvetas, AEC and SKBBL.
- Together with mission members, examine the performance of partners involved in the project, ensuring accountability and impact.
- Working closely with the RERP Project management and mission members assess the overall performance of project implementation progress and make an evaluation of realized implementation as compared to the expected results and objectives, specifically on the quality of Project Management and efficiency of the implementing agencies.
- Assign tasks/ sections of the report to be written to the team members.
- Ensuring that all deliverables are met in a timely manner and comply with IFAD's required formats and quality standards.
- In close co-ordination with the M&E specialist, engage with the relevant staff members in consolidating the data and information required to assess the Project's effectiveness on target and output delivery, and targeting and outreach; and
- Identify the areas of policy implications emanating from the implementation of Project activities and the lessons learned from PCR.

Deliverables:

Prepare a detailed Project Completion Report (PCR) that thoroughly assesses and documents the overall project implementation performance, and the results achieved, addressing both accountability and learning objectives. The report will offer an informed reflection on the relevance, effectiveness, efficiency, and sustainability of project interventions. This document will serve as the definitive record of the project's impact and efficacy in achieving its stated goals.

Mr. Buyung Hadi, Agronomist and Project Technical Lead

Your role will be to advise and support the ML in assessing and documenting overall project implementation performance and the results achieved. You will also scrutinize how project interventions impacted productivity of project supported supply chains (crops and livestock) and analyse the commercialization of supply chains considering their sustainability and impact on income generation for smallholders.

Deliverables:

Together with the CD, review the PCR report and finalize for IFAD's internal clearance.

Dr. Nara Hari Dhakal, Economist/Rural Finance Specialist

You will assume overall responsibility to ensure that data and information required for assessing the Project performance on economic and financial analysis, and the overall costs and benefits are included in the PCR. This will be conducted in line with IFAD practices for economic and financial analysis (EFA) and best practices. You will have a primary role in assessing the project's development effectiveness. As a cornerstone for ensuring the project's accountability and strategic alignment, you will handle several pivotal areas.

Key responsibilities:

Efficiency Analysis:

- Rural Finance Progress: Gauge the project achievements in providing women and men beneficiaries with access to rural finance, analysing the effectiveness of the collaboration between SKBBL, Partner Cooperatives, and the PMU.
- Review evidence of the effectiveness and sustainability of the cooperative capacity building activities carried by the Service providers (SKBBL), expansion of linkage with bank and other financial services and effectiveness of FEEK1 trainings and document lessons learned.
- Financial Literacy Assessment: Evaluate the level of financial literacy among the project participants, and its contribution to project sustainability.
- Examine the adequacy of data and information available required to analyse the performance from economic and financial perspective, including conduct of the ex-post EFA and estimation of the Project's Economic Rate of Return (ERR), showing actual costs by component/sub-component and an updated estimation of projected benefits, reflecting changes made during implementation, actual coverage and any changes in economic prices and market conditions.
- Review data and information, on the NPV/ROR, efficiency on the use of resources along with the sensitivity analysis of performance indicators; critically evaluate project efficiency through EFA and VfM assessments.
- Review and validate the data and information contained in EFA included in the PCR report submitted by the government; obtain missing data from the PCU, if any, to complete the EFA exercise; finalize the EFA aspects of the PCR/PSR report.
- Prepare/consolidate required tables and information sheets for the assessment of Project's efficiency – cost and financing and partner's performance (from financing angle) focusing on the PCR appendices of actual project cost by financiers; and,
- Write the sections of the PCR report as required by the Mission Leader.

Deliverables:

Write sections of the draft Project Completion Report (PCR) including project performance on economic and financial analysis, and the overall costs and benefits.

Mr. Sanjeev Kumar Shrestha, Value Chain and Enterprise Development (VCED) Specialist

As a VCED specialist, you will work closely with the ML and other mission members to review the performance of the project in relation to sub-components 1.1, 1.2 and 1.4 and make an overall assessment of project performance and draw lessons learned that will guide the design of the future projects.

Key responsibilities:

- Assess the overall performance of supply chain development and CCI capacity building and evaluate results as compared to the objectives.
- Analyse the effectiveness of the market-led cluster-based approach in project supply chains (crops and livestock activities) development, assessing their sustainability and impact on income generation for women and men smallholders.
- Assess the progress and document lessons learned on project's facilitation/ implementation on mutually beneficial and profitable production and marketing arrangements between producers and agri-businesses in benefitting rural farmers from increases in volumes, value of production, and value additions.
- Jointly work with the Agronomist and Economic Specialist to evaluate the efficiency of the 'Samriddhi Fund' including Poverty Inclusion Fund, focusing on their economic and financial benefits to the targeted communities, and their long-term viability and sustainability.
- Assess the commercialization of supply chain groups and review progress in the delivery of the Financial Education and Entrepreneurial Knowledge (FEEK 2) to supply chain group members, drawing lessons learned for their sustainability and scaling up.
- Together with mission members, review the implementation arrangements of Project sub-components, identifying innovations and good practices and challenges, and making recommendations for scaling and risk minimization in other IFAD-funded projects.

- Identify the areas of policy implications stemming from the implementation of programme activities to various levels of governments.
- Together with M&E and KM Specialist assess how different programme interventions impacted productivity enhancement in RERP-intervened supply chains and evaluate the adequacy of the data and evidence supporting these results.
- Together with the ML, TVET Specialist and other mission members assess the implementation VST/TVET and CCI capacity Building sub-components, drawing lessons learned on the project's partnership with Helvetas and AEC.
- Contribute a succinct and strategic analysis on the implementation of Inclusive Cluster based approach, including Samriddhi Fund and Poverty Inclusion Fund support for commercialization of supply chains and CCI capacity building for the Project Completion Report.
- Review and document the Samriddhi and Poverty Inclusion Funds from institutions and targeting perspectives. In collaboration with the Economist, validate their economic and financial performance and results, long-term viability, and sustainability, as well as results on the economic inclusion of different segments of the RERP target group (e.g. poorest groups in the community, women and returning migrants).
- Assess the exit and sustainable strategy and prepare a plan to engage potential Supply Chain groups with ongoing and upcoming IFAD financed projects,
- Together with mission members, identify innovations within project activities with potential for scaling up to reinforce the project's long-term impact and success.

Deliverables:

Write the sections of the PCR report as required by the Mission Leader.

Mr. Dipak Sah: Regional Financial Management Officer/Financial Management Specialist

Your role as a Financial Management Specialist will be critical in overseeing and validating all fiduciary aspects of the project. You will ensure proper financial governance, including audit compliance, procurement effectiveness, and the overall performance of the Annual Work Plan and Budget (AWPB), while also focusing on the mobility and disbursement of counterpart funds. You will join the mission remotely.

Key responsibilities:

- Financial Records Verification: Check the integrity and accuracy of all financial records, including Statements of Expenditure (SoE) within the PMU, and funds allocated to implementing partners.
- Audit Report Review: Examine all audit reports, ensuring compliance with observations, and manage assets at the community level.
- Project Cost and Financing Analysis: Work alongside the Economist to address all aspects of project costs and financing in accordance with PCR Guidelines.
- Financial Asset and Performance Assessment: In collaboration with the mission economist, assess the financial performance of partners and compliance with financial agreements.

Deliverables:

Contributions to the assessment of financial performance, including appendices detailing actual project costs and disbursement by financier. Write the sections of the PCR report as required by the Mission Leader.

Mr. Ram Babu Regmi, Procurement Specialist

As the Procurement Specialist, you will be instrumental in ensuring the transparency, efficiency, and compliance of procurement processes within the project. Your responsibilities will encompass a thorough review of the procurement operations, identification of issues and non-compliance, and the provision of recommendations for process improvements.

Key Responsibilities:

- Final Procurement Review: Conduct a conclusive review of all procurement activities, ensuring thorough access to and assessment of transactions and documentation throughout the project.

- **Procurement Performance Evaluation:** Scrutinize the performance and structure of the Procurement Unit, review the adherence to the Procurement Plan, and assess the efficiency of various stages of procurement from initiation to completion.
- **Identification and Analysis of Non-Compliance:** Identify any non-compliance issues within completed procurements, providing a comprehensive analysis and description of such instances.
- **Capacity and Process Evaluation:** Evaluate the procurement capacity of the Implementing Agencies and the effectiveness of current procurement processes, including the application of procurement software tools.
- **Quality Assurance:** Execute spot checks on procurement documentation to ensure quality and accuracy.
- **Performance and Compliance Synthesis:** Develop a synthesis of findings related to procurement performance and compliance, including the creation of scorecards.
- **Recommendations for Future Procurement Practices:** Propose strategies for streamlining procurement processes and recommend measures to mitigate malpractices in future initiatives.

Deliverables:

Contribute a comprehensive section to the Project Completion Report, encapsulating the evaluation of the procurement processes over the project's span.

Mr Kaushal Shrestha: M&E and KM Specialist

As the M&E and KM Specialist, you will be instrumental in assessing the project's development effectiveness, by guiding the finalization of the logical framework and comparing physical progress against objectives and targets. You will also assess the success of project's targeting and outreach strategies.

Key Responsibilities:

- **M&E System Review:** Collaborate with the mission members to assess the monitoring and evaluation practices, ensuring strategic coherence and methodological soundness.
- **MIS Analysis:** Examine the Management Information System including its data management and reporting capabilities.
- **Knowledge Management (KM):** Review the utilization and impact of KM products, ensuring that they are effectively contributing to the project's objectives and stakeholder engagement.
- **Logframe and COI Surveys:** Conduct a detailed analysis of the Logframe and Core Outcome Survey (COI), document the project's performance against its intended objectives. Help PMU staff fill any data gaps to finalize the logframe.
- **Finalize Effectiveness analysis in the PCR:** drawing on logframe data as well as other quantitative and qualitative information gathered through the mission, finalize the assessment of the project performance in reaching its goal, development objective, and outcomes, and discuss reasons for under- or over performance.
- **In close collaboration with the GESI specialist and value chain specialist,** assess the impacts, costs, benefits, and economic returns from the GALS interventions in combination with and in comparison, to other project interventions.
- **Finalize Targeting and Outreach Analysis:** Evaluate the targeting strategies and outreach efforts, ensuring that the project effectively reached and benefited the intended demographics.
- **Contribute to distilling lessons learned** for the design and implementation of new projects in line with the IFAD Guidelines and using the prescribed format.
- **GIS Utilization Guidance:** Provide strategic direction on the application of GIS data for project completion and identification of exemplary use cases.

Knowledge management:

- **Review the implementation of KM** in view of the Project's KM Strategy and adopted approached and guide the project to identify innovations, best practices and lessons learned.

- Together with the ML and other mission members identify and document any evidence of short and long-term policy impacts emanating from the implementation of the Project that can potentially be fed into the national/provincial and/or local governments' policy processes.
- Review the knowledge products that have been prepared by the project to ensure that these are captured for future learning and ensure that major lessons are included in the report.
- With input from the other mission members, review the priority KM themes and prepare a full list of KM products including operational documents (published/unpublished) planned to be prepared during the PCR process by the project.
- Assess the process of capturing, processing, and using the innovative tools, best practices, and case studies developed and successfully applied to achieve projects' objectives.
- Extract Replicable Lessons: Together with mission members, identify and document successful practices from RERP that can serve as case studies or stories for wider dissemination.

Deliverables:

Contribute a succinct and strategic analysis for the Project Completion Report, focusing on the assessment and effectiveness/enhancement of the monitoring and evaluation systems, the utility of the Management Information System, and the application of knowledge management practices.

Mr. Tribhuban Poudel, GESI Specialist

As a GESI specialist, you will assume a pivotal role in critically examining the impact of the project on gender roles and relations, women's economic empowerment, and their participation in decision-making both at the household and community levels.

Key responsibilities:

- Critically examine the progress made on promoting gender equality and women's empowerment, particularly the involvement of women in all activities carried out by the project, and against the three dimensions covered by IFAD gender policy: (a) economic empowerment to enable both rural women and men to participate in and benefit from profitable economic activities; (b) both women and men have equal voice and influence in rural institutions and organizations, including decision making processes at household, community or local level; (c) more equitable balance in workloads and in the sharing of economic and social benefits between women and men.
- Evaluate the relevance and effectiveness of the project's targeting and outreach strategy.
- Review the project results and document the changes in gender roles or gender relations and the changes in women status that were induced by project activities.
- Review Gender Action Learning System (GALS) activities of the project and draw lessons learned. Explore possibilities of scaling of GALS in other IFAD Projects in the Country in a cost-effective manner.
- In close collaboration with the M&E and value chain specialist, assess the adequacy of the data and evidence to provide reliable estimates of the impacts, costs, benefits, and economic returns from the GALS interventions in combination with and in comparison, to other project interventions.
- Analyse the socio-cultural, external factors that may have limited progress around gender equity or women's empowerment.
- Examine the changes promoted at the household level (workload, nutrition status, women influence on decision-making) and/or at the community level (participation in local elections or decision-making processes, representation in rural groups).
- Assess the impact of capacity-building activities on individual women, or on women groups, as well as the changes in the institutional or legal framework brought about by the project through policy dialogue or other activities.
- Review the effectiveness of Poverty Inclusion Fund and Dream Support Fund in relation to promoting GESI responsive and inclusive economic development as well as addressing vulnerability; draw lessons learned.
- Review and analyse gender/age-disaggregated information on project performance in gender and targeting.

- Assess the poverty ranking of each member of the Producer's organisations carried by the Project using the PPI tools; carry out a few sample tests to validate the PPI indicators in the country's context align with the food sufficiency status during the field visit to ensure the level of accuracy.
- Support the M&E and KM Specialist of the mission team to document lessons learned in line with KM strategy/plan and next steps in producing KM products by the project.
- Contribute a succinct and strategic analysis for the Project Completion Report, focusing on the provision of Poverty Inclusion and Dream support fund for overall social and economic targeting of the project including the GALS.

Deliverables:

Write the sections of the PCR report as required by the Mission Leader.

Mr. Mahesh Hada, TVET Specialist

Your role as a TVET specialist, will be to critically review and make an overall assessment of the performance of the TVET and Decent Jobs activities and draw lessons learned that will guide the design of the future projects.

Key responsibilities:

- Assess the progress achieved in VST programmes and evaluate the overall performance relative to their expected results and objectives.
- Review and assess the implementation arrangement of Decent Jobs sub-component activities (TVET, LAM1, LAM2), identifying innovative and good practices, challenges or issues and recommend strategies for upscaling successful practices in other IFAD-funded projects while mitigating risks.
- Analyse the effectiveness of Outcome-Based Payment method in VST programmes aimed at promoting decent jobs among the young men and women.
- Assess the career progression and employment status of sampled graduates and evaluate the relevancy and applicability of skills acquired during the training to their employment.
- Assess the relevance, effectiveness, efficiency, and sustainability of the TVET agriculture Programme, piloted in the project, in strengthening agricultural supply chains.
- Measure the effectiveness of VST/TVET programs beyond the training cycle period to identify areas for improvement, including policy gaps.
- Analyse enablers and barriers to quality training and employment support from the perspectives of training providers, reflection from donor and stakeholders.
- Evaluate the implementation effectiveness of the Leading to Apprenticeship (LAM) Programme, managed by FNCCI, Koshi Province, its alignment with industry needs, and its impact on participants' employability.
- Together with GESI specialist, evaluate the impact of training on women's access to equal income opportunities, and assess any changes on family power dynamics after the skills training.
- Review the strategic directions and guidelines used in beneficiary selection focusing on inclusion of women and disadvantaged groups (DAG) and promoting women in non-traditional sectors and document lesson learned and suggest measures for upscaling in future projects.
- In collaboration with M&E Specialist, evaluate the effectiveness of MIS system for income and employment verification and suggest improvements for future projects design.
- Document progress and lessons learned on project's facilitation in institutionalizing Outcome-Based payment methods in VST/TVET training at local and Provincial level including its long-term applicability and sustainability.
- Assess the formulation of strategic Policies/Plans of TVET sector at Local and Provincial levels and suggest the areas of policy implications to various levels of governments.
- Together with other mission members, evaluate the implementation of VST Programme in technical support and partnership with Helvetas, drawing lessons learned for future designs.
- Contribute to the Project Completion Report with a strategic analysis on the institutionalization of Outcome-Based Payment in the VST Programme, focusing on procedural and policy implications at various government levels.

Deliverables:

Write the sections of the PCR report as required by the Mission Leader.

Ms Bibiana Vasquez, and Ms Sarah Hugo, FFR, Remittances and Migration specialists

The FFR specialists will work, with guidance from the ML, with other members of the team to analyse the project's impact applying the remittances for development perspective. The focus will be on the Productive Investment Component (sub- components: Rural Finance and Mobilizing Migrant Resources and Skills).

Specialists will support the broader project team in assessing the impact that project activities have had on project goals related to:

- (i) financial inclusion of remittance recipients.
- (ii) the development impact of quantified migrant contributions (remittances and migrant returnee investments) in project value chains and employment generation.
- (iii) migration resources provided to prospect migrants, remittance receiving families and returnee migrants.

Specifically, the **specialists** will focus on activities related to migrant contributions to local development in the provinces of implementation of the project:

- Review the impact of Component 2 regarding remittances and migrant contributions, including implemented activities, specific quantitative data from the project MIS and qualitative analyses by the project KM team, MOUs with key partners and supporting consultancies by project completion. It is expected that the PMU provides data to the FFR team ahead of the mission. A questionnaire to gather information about access and use of remittances by project beneficiaries has been shared with PMU (by the last supervision mission and revised and sent on 12 April 2024).
- Assess Migration Resource Centre (MRC) as an institution, its impact and replication in other Palikas and provinces (if considered effective).
- Testimonies: evidence-based results from individuals and focus groups in the project areas: including project facilitators, service providers, trainers and beneficiaries, as well as government officials from Local Levels (palikas) and staff from the MRCs/MIDs, staff from MFIs.
- Develop Practice and Policy Briefs related to: (i) the impact of remittances on value chains supported by the project; (ii) the financial inclusion of remittance recipients; and (iii) the benefit of migration resource centers with the model implemented by RERP, as compared to other models vis a vis the opportunities offered particularly to potential migrant workers and returnees.
- Provide guidance to the PMU on a sustainability strategy for activities related to Component 2.
- Contribute to the drafting of the relevant sections of the PCR.
- Undertake any other relevant tasks as requested by the ML or Country Director Asia and the Pacific Division, PMD.

Deliverables:

1. Contribution to the draft aid memoire/ PPT deck for presentation to Government at the wrap-up meeting with the assessment of migrant contributions to local development, including remittances, returnees' savings, and investments.
2. Practice Briefs and Policy Briefs that draw out models, results, lessons learned and good practices for replication and mainstreaming within IFAD portfolio and the next generation of projects in the country. These documents will include comparisons of results in the provinces included in the project.
3. For MRC/MIDs: The Policy Brief will focus on the Sustainability of MRCs with Local Governments. This will include models for local government ownership and charging for services. Identification of gaps to be covered. The FFR team will be supported by local consultants who can compare the models of MRCs that have been created in the country.
4. Audiences to be confirmed with IFAD team: IFAD, local and central government institutions, private sector providers.
5. A How-To-Guide: Scaling Up Remittances for Development for pitching to local government to support scaling up, based on lessons learned.

6. Guidance on Data Collection for assessing how remittances have been used for productive investments in the value chains. (*If it was not applied optimally into the project MIS.*)
7. Testimonial video.
8. A report on the IDFR multi-stakeholder meeting summarizing the current context of the remittances industry in Nepal, and priorities from key actors in the country regarding migrant contributions to development, particularly in rural areas.

Mr. Nirajan Khadka, Environment and Climate Officer

As a Climate, Environment and Natural Resource Management and SECAP specialist, you will work with the ML and other mission members and assume a pivotal role in critically examining project's performances in climate change adaptation, environment preservation, conservation, and natural resource management and SECAP.

Climate change

- Assess and document the effectiveness of Environmental and Natural Resources Management (ENRM) practices and climate change adaptation measures, ensuring integration with cultivation practices and the participation of vulnerable groups.
- Evaluate the extent to which the project contributed to climate change adaptation, particularly in line with National Determined Contributions (NDCs).
- Assess the appropriateness and effectiveness of approaches used for climate change adaptation, mitigation, and sustainable agriculture.
- Determine the project's role on empowering rural communities to cope with and mitigate the effects of climate change and natural disasters, particularly in enhancing resilience among farming communities.

Environment and Natural Resource Management

- Evaluate the restoration or enhancement of natural systems and biodiversity as a result of project interventions, as relevant.
- Assess the project's contribution to environmental preservation, conservation, and natural resource management, including changes in the natural resource base and environmental vulnerability.
- Document successful environmental and climate mitigation activities, highlighting good practices for future replication.

SECAP

- Evaluate the integration of mitigation measures throughout project implementation to address social, environmental, and climate risks and impacts.
- Assess community participation, the operationalization of the Project Grievance Redress Mechanism (GRM), and the adequacy of measures to identify, address, and mitigate environmental, social, and climate risks during the project life cycle.

Deliverables:

Write the Climate change, Environment and NRM, and SECAP sections of the PCR report.

Dr Kamal Gaire, Country Programme Analyst/Agronomist

Your responsibilities will encompass leading institutional engagements and serving as the representative of IFAD in all interactions with government officials and key stakeholders.

Key responsibilities

- Together with the ML and M&E and KM Specialist assess policy engagements of the project and document any evidence of short and long-term policy impacts emanating from the implementation of the Project that can potentially be fed into the national/provincial and/or local governments' policy processes.
- Together with VCEDS and M&E and KM Specialist assess how different programme interventions are impacting productivity enhancement in RERP-intervened supply chains.
- Ensure the mission complies with IFAD procedures and regulations for the project supervision.

- Review mission reports to ensure that all relevant sections have been completed and meet IFAD quality standards.
- Facilitate logistics for the mission including meetings with the federal and sub-national level governments and PMO in Kathmandu.
- Support the mission team and the PMO to finalize the mission's plan including wrap up meeting and the working sessions with PMO.
- Lead the discussions in the meetings at various levels representing IFAD.

Mr. Roshan Cooke, Country Director will guide the mission's work and will debrief the Government during the kick off meeting and stakeholder workshop and will lead the team's meetings with Government counterparts and partners.

Documentation

The following documentation will be made available to the team on or before 30 September 2022:

From ICO

- Design documents including the request for extension,
- Supervision Mission Reports,
- An updated logframe.

From PMU

- Project Sustainability/Exit Plan,
- Progress Reports (quarterly or annually),
- Other relevant project documents that will be requested by the mission,
- AWPBs,
- Procurement Plans,
- **Project Completion Report (PCR) or related documents.**

Appendix 7, Attachment 1: Main performance assessment questions

The PCR mission will seek to answer each of the following detailed questions, grouped according to the criteria to be used in the assessment. Obviously, the scope of coverage will depend upon the nature of the project and areas of performance assessment covered. So, most project completion exercise will cover only a selected set of questions.

Project relevance

Broadly speaking, the mission will assess the extent to which project objectives were consistent with the priorities of the rural poor and their perception of their needs and potential; with the priorities and poverty alleviation policies and strategies of the country; and with IFAD's mandate and policies. More precisely, the mission will answer each of the following detailed questions:

– What were the development challenges faced by the target groups (including women/men/ youth and different sub target groups if applicable)? What were the main underlying causes and determinants? Describe them by using quantitative evidence as much as possible.

- What are the solutions brought by the project? Describe them by referring to the project overall goal and development objectives. According to sex, age and target groups, there can be multiple development pathways.
- How is the project Results Chain structured? Identify the medium-term changes that are necessary to achieve those solutions, which should correspond to the project outcomes, and the deliverables needed to produce those changes (outputs). What are the logical links among these elements i.e. how were the planned outputs expected to produce the desired results?
- Were there any changes in the outputs, and if so, what were the main reasons behind such changes (Were the outputs not enough or of the required quality? Were activities and outputs changed during implementation so that they could no longer be expected to achieve the expected results? Were other required outputs not produced by the project?)
- How did output changes affected the achievement of project outcomes, development objective, and project goal?
- what were the risks that materialized and prevented the project from fulfilling its results chain? Did any assumptions/conditions changed, and how did these changes affect the original vertical logic and achievement of the specific development objectives?
- are the project objective and areas of intervention aligned with national development plans, poverty reduction strategies, agriculture and rural development strategies and other sectoral priorities?
- are the project objective and areas of intervention aligned with IFAD's mandate, its Strategic Framework and with IFAD's country strategy as reflected in the COSOP?
- Was the design quality in line with available knowledge, recognized standards (if available)?
- Was the design realistic in terms of meeting the context and implementation capacity?

Project effectiveness

The mission will assess the extent to which the project's specific objectives were achieved in both quantitative and qualitative terms. This will involve the careful description of the main activities undertaken by the project since its start, as well as a thorough analysis of the results achieved at the output, outcome and impact levels. Variations between initial and actual targets will be highlighted and the external factors that had a bearing on project effectiveness will be explained. More precisely, the mission will answer the following questions:

- Did the project achieve its objectives and provide all expected benefits to the intended target groups?
- Are all results at all levels properly measured, quantified, and documented? Is this information reliable?
- Did all results meet expected quality standards? If not, what were the problems?
- Were all activities implemented as planned? If not, what were the reasons? Were all expected outputs achieved in quantitative and qualitative terms? Did they lead to the intended outcomes and were those properly measured and documented? Are there significant discrepancies between original targets and actual achievements, and if so, what are the reasons?
- What are the external factors that facilitated, or constrained, output delivery and the achievement of project objective?

- Did the project achieve other objectives, or did it have any unexpected consequence?

Impact

The mission will gather all available data from the Impact Assessment Report (if available). The mission will then summarize its main findings, and report on impact on those domains that are relevant to the project, amongst the five reported below:

1. Economic mobility
2. Productive capacities (agricultural/non-agricultural production and productivity)
3. Access to markets (access and integration into markets)
4. Resilience (ability of households to cope with climate and non-climate shocks)
5. Improved nutrition
6. Increased gender equality and women's empowerment

Gender and Women Empowerment

The mission assess the extent to which the project has addressed the following three dimensions: (1) economic empowerment to enable both rural women and men to participate in and benefit from profitable economic activities; (2) both women and men have equal voice and influence in rural institutions and organizations, including decision making processes at household, community or local level; (3) more equitable balance in workloads and in the sharing of economic and social benefits between women and men.

More precisely, the mission will examine the following aspects:

- Did the project expand women's access to and control over fundamental assets – capital, land, knowledge, and technologies?
- Did the project strengthen women's agency and thus their decision-making role in community affairs and representation in local institutions?
- Did the project improve women's well-being and ease women's workload? Did the project implement operational measures to ensure gender-equitable participation in and benefit from planned activities?
- Did the project, through its practices and innovations, influenced the GoN way of addressing GESI issues in its policies/programmes/interventions at federal or district level?

Climate change adaptation

The mission will examine the extent to which the project contributed to the following elements (as per Evaluation Manual):

- Improving farming practices? Minimizing the damage and introducing offsets to counter the damage caused by those farming practices?
- Supporting agricultural productivity that is sustainable and integrated into ecosystems?
- Channelling climate and environmental finance through the intervention/country programme to smallholder farmers, helping them to reduce poverty, enhance biodiversity, increase yields, and lower greenhouse gas emissions?
- Building climate resilience by managing competing land-use systems while reducing poverty, enhancing biodiversity, increasing yields and lowering greenhouse gas emissions?

Additional questions to be addressed:

- Did the project contribute to the targets set within the National Determined Contributions (NDC)?
- Were the approaches for climate change adaptation and mitigation promoted by the project appropriate to local circumstances and were they effective?
- Did the project manage to empower rural communities to cope with, mitigate or prevent the effects of climate change and natural disasters? Are farming communities more resilient to such disasters and are farming practices better adapted to climate change?
- Were the coping capacities of vulnerable natural systems restored or enhanced?

Environment and natural resource management:

The mission will examine the extent to which the project contributed to the following elements (as per Evaluation Manual):

- Improving farming practices, minimizing the damage, and introducing offsets to counter the damage caused by those farming practices?

- Supporting agricultural productivity that is sustainable and integrated into ecosystems?
- Channelling climate and environmental finance through the intervention/country programme to smallholder farmers, helping them to reduce poverty, enhance biodiversity, increase yields, and lower greenhouse gas emissions?
- Building climate resilience by managing competing land-use systems while reducing poverty, enhancing biodiversity, increasing yields and lowering greenhouse gas emissions?

Additional questions to be addressed:

- Were the approaches to environment preservation and conservation, and natural resources management appropriate to local circumstances and were they effective in addressing local problems?
- Are there positive or negative changes in the natural resources base (including forests, marine/fisheries resources, pastureland, water resources) that may be attributable to project interventions? Did the project have positive or negative changes – intended or unintended - on the environment? Did it contribute to the protection or rehabilitation of natural and common property resources (land, water, forests and pastures)?
- Has the degree of environmental vulnerability changed?
- Did explicitly taken biodiversity-positive actions result in improvements in livelihoods and/or social equity?
- Was there an improvement in ecosystems (e.g. pollination management, payment for ecosystem services - PES)?

Social, Environment, and Climate Risks/Impact and Mitigation (SECAP)

The mission will examine the following aspects:

- Have recommendations reflected in the SECAP review note and Environmental Social and Climate Management Framework (ESCMF) or Environmental, Social and Climate Management Plan (ESCMP) been incorporated into the project design? If not, what is the rationale for not doing so?
- Were alternative proposals put forward to enhance the ESC performance of the project?
- To what extent have mitigation measures been integrated in project implementation and how have they contributed to add value and address social, environmental and climate risks and impacts?
- What were the (foreseen and unforeseen) impacts of social, environmental and climate issues encountered during implementation (including risk management and disaster preparedness)?
- Have any problems related to environmental, social or climate risks been encountered during the project life cycle and what solutions have been identified?
- Was there sufficient and appropriate community participation throughout the project implementation process?
- Has the Project Grievance Redress Mechanism (GRM) been operational during the project cycle? Was the GRM changed during the project cycle, and if so, why?
- Have the measures and actions to identify, address and mitigate SH/SEA related risks as set out in the ESMP and agreement been implemented effectively?

Targeting and outreach

The mission will assess the extent to which project interventions have reached the intended target groups, that is the specific individuals or organizations for whose benefit specific interventions were initially designed and implemented. The mission will also assess the effectiveness of the project targeting strategy. More precisely, the mission will examine the following aspects:

- Did the project reach out to the expected number of beneficiaries in the manner intended? Did the project provide all anticipated benefits to the specific socio-economic groups identified in the Project Design Document? Were there deviations from initial outreach targets and if so, what were the reasons?
- Was outreach properly monitored in both quantitative (e.g. number of direct and indirect beneficiaries, disaggregated by sex, age, ethnicity) and qualitative terms (e.g. beneficiaries' socio-economic profile)?
- Did the project implement a sound targeting strategy? Did the project regularly analyse the needs, potentials and priorities of intended target groups and the poverty dynamics in the project target area and developed specific outreach strategies accordingly?

- Were there measures taken to ensure that the poor and vulnerable groups would not be excluded from project implementation and would benefit from it; and that the non-poor would not capture project benefits?
- Did the project implement gender-sensitive implementation approaches? Did the project ensure equal participation of men and women in implementation? Were there specific measures undertaken in order to promote women participation in project activities? Did the project's M&E system track gender-disaggregated data?

Innovation

The mission will assess the extent to which project interventions have introduced and tested innovative approaches to rural poverty reduction. Innovation is defined by IFAD as a new process, product or approach that adds value and delivers a sustainable, equitable, inclusive and/or new contextual solution to rural development challenges.

The mission will examine the following aspects:

- To what extent did the programme or project support / promote new processes or approaches that are relevant to solve the rural development challenges faced by the target group (as defined under the relevance criterion)?
- Are the solutions supported or promoted by the project equitable and inclusive to all beneficiary groups included in the target group (in terms of gender, youths, and diversity of socio-economic groups)?
- Are the solutions supported or promoted by the project sustainable? What is the level of ownership by beneficiaries? Is it reasonable to assume that the benefits brought by such solution will last over time?

Scaling up

174. The mission will examine the following aspects:

- To what extent were results scaled up or likely to be scaled up in the future?
- Is there an indication of commitment of the government and key stakeholders in scaling-up interventions and approaches, for example, in terms of provision of funds for selected activities, human resources availability, continuity of pro-poor policies and participatory development approaches, and institutional support?

Project efficiency

The mission will assess how economically project inputs and resources (funds, expertise, time, etc.) were converted into results. This analysis will involve a review of the following aspects:

- What is the relation between benefits and costs (e.g., net present value, internal rate of return, cost benefit ratio, input to output ratio)? How does it compare with similar interventions (if the comparison is plausible)?
- Are unit costs of specific interventions in line with recognised practices and congruent with the results achieved?
- Are programme management cost ratios justifiable in terms of intervention objectives, results achieved, considering contextual aspects and unforeseeable events?
- Is the timeframe of the intervention development and implementation justifiable, taking into account the results achieved, the specific context and unforeseeable events?

Partners Performance

The mission will assess the performance of IFAD and the government. These are the organizations or entities directly responsible for project implementation, for providing strategic guidance and oversight. More precisely, and in addition to determining if all implementation partners have adequately fulfilled their respective roles and responsibilities, the mission will examine the following points:

Performance of IFAD

- How effectively did IFAD support the overall quality of design, including aspects related to project approach, compliance, and operational aspects?
- How proactively did IFAD identify and address threats to the achievement of project development objectives?

- How effectively did IFAD support the executing agency on the aspects of project management, financial management, and setting-up project level M&E systems?
- How did IFAD position itself and its work in partnership with other development partners?

Performance of the Government

- How tangible was the Government's commitment to achieving development objectives and ownership of the strategy / project?
- Did the Government adequately involve and consult beneficiaries/stakeholders at design and during implementation?
- How did the Government position itself and its work in partnership with other development partners?
- How well did the Project Management Unit/Project Coordination Unit manage start up procedures, implementation arrangements, appointment of key staff, and resource allocation/funding?
- How timely did the PMU identify and resolve implementation issues? Was project management responsive to changes in the environment or the recommendations made during supervision missions or by the Project Steering Committee?
- How useful were the various project management tools (AWPB) and the Management Information System (MIS) developed during implementation? Were these tools properly used by project management?
- How did the PMU fulfil fiduciary responsibilities? How useful was the procurement plan and how was it used during implementation?
- How adequate were monitoring and evaluation arrangements made by the PMU, including the M&E plan, and the utilization of evaluation M&E data in decision-making and resource allocation?

Project Sustainability

The mission will assess the likelihood that the benefits from project intervention will continue after project completion. It will also assess the likelihood that actual and anticipated results will be resilient to risks, including climate-related risks, beyond project life. The adequacy of the post-project strategy, as designed and/or implemented, will also be examined. More precisely, the mission will examine the following questions:

- Was an appropriate post-project strategy developed and implemented since project start-up?
- Social sustainability (Empowerment): Do project beneficiaries have the necessary capacities and skills, individually or collectively, to continue the approaches or manage the investments promoted by the project? Are these socially acceptable? Is there sufficient local ownership for these approaches or investments? Was there adequate beneficiary participation during project implementation? Is there interest and willingness, among concerned communities, to continue with promoted approaches or investments after project completion?
- Economic and financial sustainability: Do project investments generate sufficient cash flow and income to offset future investment and O&M costs? Are project investments economically and financially viable? If not, what are the constraints?
- Technical sustainability: Are the approaches promoted by the project viable from a technical point of view? Are spare parts for acquired or promoted machineries and equipment locally available? Do beneficiaries have the necessary technical capacities to operate and maintain the investments promoted by the project? Do they have access to adequate funds for operation and maintenance?
- Institutional sustainability: Are the institutions supported by the project self-sufficient and viable? Have operating capacities been created and/or reinforced in national and local partners? Are the new approaches or practices promoted by the project mainstreamed within normal government operations? Is there a clear indication of government commitment after the loan closing date in terms of follow-up actions, provision of O&M funds, etc.?
- Environmental sustainability: Are the approaches and investments promoted by the project environmental-friendly? Are they helping reduce the pressure on the natural resource base? Are they having any negative impact on the environment or the natural resource base? Did promoted techniques and approaches take into account climate change issues? Are they

promoting adaptations to climate change? Can recurrent natural hazards endanger prospects of sustainability? Are the agricultural approaches promoted by the project suitable in a context of a rapidly changing climate? How changes in climatic conditions may have affected the sustainability of interventions in the long run? Which precursors are critical to achieve long-term impact?

While looking at the above dimensions, the mission must assess how the project has worked with private sector partners and identified the correct market segments and actors to partner with. The mission must answer the following question:

- Did the project identify the relevant market segments and private sector actors to work with? Have partnerships been established, and what are the mechanisms in place to ensure they continue after project closure?

Lessons learned

In order to identify and describe Lessons Learned, the mission will focus on these questions:

- What factors most significantly contributed to (or hindered) achievement of the project's development objective and outcomes?
- What factors most significantly contributed to (or hindered) successful project implementation, or demanded significant project re-design?
- What factors most significantly contributed to (or hindered) the sustainability and/or scaling-up of one or more project intervention(s)?
- What specific knowledge, including innovative experiences, can we derive from the project for use in the future in similar or different contexts?
- Which approaches and/or technologies were most (or least) successfully taken-up by target groups, including by the more vulnerable sub-groups?
- With the benefits of hindsight, what things should have been done differently? What are the specific dimensions of the project design that one should never repeat again in similar contexts or circumstances?
- What are the specific aspects of project implementation (e.g., project management) and/or project development intervention(s) (e.g., theory of change, development results and objectives) that will be worthwhile replicating in future interventions in the country, or elsewhere, because they were particularly successful? In the external context, what will be the important conditions required for similar interventions to lead to similar results elsewhere or in the future?

Appendix 7, Attachment 2: Tentative Mission schedule

(Detailed itinerary of the field visit to be prepared by the project in coordination with the mission)

Date	Day	Activities	Location
9 June	Sunday	Mission Kick-off Meeting with MoICS, MoF, AEC and Helvetas-Nepal	Kathmandu
10 June	Monday	Fly to Biratnagar by Buddha Air (07:30 AM) and Travel to PMU, Itahari Presentation and Discussion (Overall and Thematic Project Progress, focusing on outputs, outcomes, and impact)	Itahari, Sunsari
11 June	Tuesday	Theme- wise progress presentation and Discussion continues and completed.	Itahari, Sunsari
12-18 June	Wednesday- Tuesday	Field visits and Interaction with various stakeholders: Mission team divided into 3 sub-teams. Most mission members back to Itahari by 18th evening.	Project Districts
19 June	Wednesday	Mission Field Debriefing and further information collection and discussions.	Itahari, Sunsari
20 June	Thursday	Thematic team Meetings and individualized interactions continues within among the mission members as well as with the project management team	Itahari, Sunsari
21 -24 June	Friday - Monday	Some mission members travel back to Kathmandu by Buddha Air . Meeting with concerned stakeholders in Kathmandu continues. Drafting of presentation slides and PCR begins	Kathmandu
		Part of the mission members and Mission leader continue Field Visit and Interaction	Project Districts
25 June	Tuesday	Rest of the mission member and Mission leader travel back to Kathmandu Drafting of presentation slides and PCR continues	Kathmandu
26 June	Wednesday	Pre-wrap up meeting with Project team in the late afternoon	Kathmandu
27 June	Thursday	Drafting of presentation slides completed and shared with GoN and other stakeholders by 2 PM.	Kathmandu
28 June	Friday	Mission Wrap-up cum Stakeholders' Workshop to be organized by the project	Kathmandu
30 June – 7 July	Sunday	Mission members submit their final contributions to the PCR report	Kathmandu
8 – 11 July	Wednesday	PCR write-up	Kathmandu
12 July	Friday	Draft PCR report submission for review, comments, and suggestions	Kathmandu
17 July	Wednesday	Comments/ suggestions provided to the Mission Leader	Kathmandu
22 July	Monday	Finalized PCR report submission to IFAD	Kathmandu

Nepal

Samriddhi - Rural Enterprises and Remittances Project

Project Completion Report

Appendix 8: List of person met and mission's programme

Mission Dates: June 2024
Document Date: 10/01/2025
Project No. 1100001724
Report No. 7056-NP
Loan ID 2000000701
DSF Grant ID 2000000702

Asia and the Pacific Division
Programme Management Department

This document will be publicly disclosed unless there is written dissent on its disclosure by the Borrower at the time of this document submission to IFAD or no later than the project closing date.

Appendix 8: List of persons met and mission's programme

I. Persons met

A. Government Official, Municipality Representatives and Staff

S.N	Name	Designation	Organisation	Address
1	Mr. Krishna Bahadur Raut	Secretary	Ministry of Industry, Commerce & Supplies (MoICS)	Kathmandu
2	Mr. Surya Paudel	Under Secretary	Foreign Aid Division, MoF	Kathmandu
3	Mr. Prabin Acharya	Manager, In Charge	Herbal Plants Processing Company Limited (HPPCL)	Tamagadhi, Bara
4	Mr. Chintan Tamang	Mayor	Dhankuta Municipality	Dhankuta
5	Ms. Bhima Devi Khanal	Deputy Mayor	Dhankuta Municipality	Dhankuta
6	Mr. Tanka Roila	Ward Chairperson	Dhankuta Municipality Ward.No.-9	Dhankuta
7	Ms. Manju Rai	MRC Information Officer	Dhankuta municipality	Dhankut
8	Mr. Bikash Adhikari	Economic Development Officer	Dhankuta municipality	Dhankuta
9	Mr. Dasharath Rai	Chief Administrative officer	Dhankuta Municipality	Dhankuta
10	Mr. Punya Bikram Poudel	Chief District Officer (CDO)	Dhankuta Municipality	Dhankuta
11	Mr. Sanjaya Tumbahamphe	Mayor	Myanglung Municipality	Terhathum
12	Mr. Jayaram Shrestha	CAO	Myanglung Municipality	Terhathum
13	Mr. Surya Bahadur Bhandary	Deputy CDO	District Administration Office	Terhathum
14	Mr. Ram Sharan Bhattarai	Admin Assistant	District Administration Office	Terhathum
15	Mr. Jagdish Subedi	Officer	Myanglung Municipality	Terhathum
16	Ms. Yasodha Timilsina	Chief	Coop Unit, Myanglung Municipality	Terhathum
17	Ms. Ganga Bardewa	MRC Information Officer	MRC, Myanglung Municipality	Terhathum
18	Mr. Kailesh Ale	Mayor	Bhojpur Municipality	Bhojpur
19	Sunil Dahal	Chief Administrative Officer	Bhojpur Municipality	Bhojpur
20	Khagendra Khadka	Migration officer	Bhojpur Municipality	Bhojpur
21	Karna Bahadur Moktan	President	Bhojpur CCI	Bhojpur
22	Anil Basnet	Member	Bhojpur CCI	Bhojpur
23	Anil Baraili	Member	Bhojpur CCI	Bhojpur
24	Urmila Shrestha	Member	Bhojpur CCI	Bhojpur
25	Tirtharaj Bhattarai	Mayor	Diktal Municipality	Khotang
26	Bisan Rai	Depuy Mayor	Diktal Municipality	Khotang
27	Dinesh Kumar Rai	Chief Administrative Officer	Diktal Municipality	Khotang
28	Tej Prakash Jaisi	Chief, Agriculture Unit	Diktal Municipality	Khotang
29	Birendra Kumar Darnal	Working Committee Member	Diktal Municipality	Khotang
30	Dinesh Kumar Ghimire	Ward Chairperson-5	Diktal Municipality	Khotang
31	Hariprasad Chaulagain	Ward Chairperson-7	Diktal Municipality	Khotang

S.N	Name	Designation	Organisation	Address
32	Mahendra Bahadur Rai	Ward Chairperson-3	Diktel Municipality	Khotang
33	Ms. Sirjana Danuwar	Deputy Speaker	Koshi Province	Udayapur
34	Ms. Maheshwari Rai	Deputy Mayor	Triyuga Municipality	Udayapur
35	Mr. Kaluman Lama	Mayor	Chaudandigadhi Municipality	Udayapur
36	Ms. Manika Devi Dulal	Deputy Mayor	Chaudandigadhi Municipality	Udayapur
37	Mr. Raj Kumar Danuwar	Ward Chairperson	Triyuga Municipality - 09	Udayapur
38	Mr. Raj Kumar Raut	Ward Chairperson	Triyuga Municipality - 08	Udayapur
39	Mr. Tulsiram Dhakal	Ward Chairperson	Chaudandigadhi Municipality - 05	Udayapur
40	Mr. Jeet Bahadur Shrestha	Chief Administrative Officer	Chaudandigadhi Municipality	Udayapur
41	Mr. Mr. Som Bahadur Danuwar	Agriculture Technician	Ag Unit, Triyuga Municipality	Udayapur
42	Mr. Wahipma Chemjong	Chief, Agriculture Unit	Chaudandigadhi Municipality	Udayapur
43	Mr. Madhav Raut	Chief, Agriculture Unit	Triyuga Municipality - 09	Udayapur
44	Mr. Bed Narayan Gacchadar	Mayor	Duhabi Municipality	Sunsari
45	Mr. Devash Kumar Chaudhary	Senior EDF	Duhabi Municipality	Sunsari
46	Mr. Shivshankar Mahato	Mayor	Dhangadhimai Municipality	Siraha
47	Ms. Sangita Kumari Chaudhary	Deputy Mayor	Dhangadhimai Municipality	Siraha
48	Dr. Dipendra Mahato	Mayor	Gaushala Municipality	Mahottari
49	Mr. Kamalesh Kumar Yadav	Agriculture Officer	Gaushala	Mahottari
50	Mr. Ranjeet Kumar Karna	IT Officer	Gaushala Municipality	Mahottari
51	Ms. Kamala Poudel	Cooperative Section	Gaushala	Mahottari
52	Mr. Lalan Singh	Office Chief	PMAMP, Dhanusha-Mahottari	Janakpur
53	Mr. Tejan Khanal	Mayor	Siddhicharan Municipality	Okhaldhunga
54	Mr. Nilkantha B.K	Chief Administrative officer	Siddhicharan Municipality	Okhaldhunga
55	Ms. Sarita Tamang	Officer (Coop)	Siddhicharan Municipality	Okhaldhunga
56	Ms. Shikshya Neupane	Employment Coordinator	Hariwon Municipality	Sarlahi
57	Mr. Ramesh Budhathoki	Mayor	Hariwon Municipality	Sarlahi
58	Ms. Kalpana Pakhrin	Deputy Mayor	Lalbandi Municipality	Siraha
59	Mr. Santalal Chaudhary	Mayor	Guajara Municipality	Rauthat
60	Mr. Rajkumar Adhikari	CAO	Gujara Municipality	Rauthat
61	Mr. Ram Prasad Chaudhary	Mayor	Kolhavi Municipality	Bara
62	Ms. Laxmi Kumari Chaudhary	Deputy Mayor	Kolhavi Municipality	Bara
63	Mr. Pitanmath Luitel	CAO	Kolhavi Municipality	Bara
64	Ms. Uma Chaudhary	MID Counsellor	Kolhavi Municipality	Bara
65	Ms. Sangita Chaudhary	Fish Cluster Facilitator	Kolhavi Municipality	Bara

A. RERP Staff (Existing and Ex-staff)

S.N	Name	Post	Workstation
1	Mr. Saroj Prasad Guragai	Project Manager	PMO, Itahari
2	Mr. Rajendra Prasad Ojha	Account Officer	PMO, Itahari
3	Mr. Dhan Bahadur Khatri	Nayab Subba	PMO, Itahari
4	Mr. Chitra Prasad Acharya	Accountant	PMO, Itahari
5	Mr. Santosh Kumar Baidhya Tamang	Senior Planning, M&E and KM Expert	PMO, Itahari
6	Mr. Emil Pradhan	Supply Chain Coordinator	PMO, Itahari
7	Mr. Jiban Kumar Shrestha	Migration Coordinator	PMO, Itahari
8	Mrs. Indira Shrestha	Financial Inclusion Coordinator	PMO, Itahari
9	Mr. Raju Gadtaula	Economic Inclusion Officer	PMO, Itahari
10	Mr. Yogesh Deuba	SC cum KM Officer	PMO, Itahari
11	Mr. Sandip Paudel	Team Leader, SAMRIDHI Helvetas	Itahari Sunsari
12	Mr. Lokendra Rawal	Ex-SC Lead/Corridor Coordinator	PMO, Itahari
13	Mr. Moti Giri	Ex-SC Lead/Corridor Coordinator	PMO, Itahari
14	Mr. Rajat Pokhrel	Supply Chain Supervisor	Dhankuta
15	Mrs. Barsha Timsina	Supply Chain Supervisor	Morang, Sunsari
16	Mrs. Laxmi Ghimire	Economic Development Facilitator	Dhankuta
17	Mr. Sangram Kirati	Ex-Economic Development Facilitator	Terathum
18	Mr. Devaki Sedhain	Ex-Supply Chain Supervisor	Mahottari
19	Mr. Tara Nath Phuyal	Supply Chain Supervisor	Khotang
20	Mr. Poshraj Niraula	Ex- Programme Officer, RERP Helvetas	PMO, Itahari
21	Mr. Prakash Khadka	Supply Chain Supervisor	Siraha
22	Mr. Krishnandan Yadav	Economic Development Facilitator	Sarlahi
23	Ms. Sobha Kharel	Ex-Economic Development Facilitator	Bara
24	Ms. Sujita Baniya	Economic Development Facilitator	Rautahat
25	Mr. Akhil Ahmad	Economic Development Facilitator	Rautahat
26	Ms. Rajani Danuwar	Supply Chain Supervisor	Udaypur
27	Mr. Dharmendra Khadka (Previous)	KM and communication Officer, RERP-Helvetas	PMO, Itahari
28	Mr. Ashyug Rai	IT & MIS officer, RERP Helvetas	PMO, Itahari
29	Mr. Tulsi Raj Dahal	Ex-Monitoring Officer, RERP Helvetas	PMO, Itahari

B. Implementing Partner, Private sector, Traders VST Graduates

SN	Name	Designation	Address
1.	Mr. Praveen Manandhar	Country Director, Helvetas Nepal	Bukhondole, Lalitpur
2.	Mr. D.B. Basnet	Chairperson, AEC/FNCCI	Teku, Kathmandu
3.	Mr. Deependra Raj Joshi	CEO-Incharge, AEC	Teku, Kathmandu
4.	Mr. Dev Raj Dhungana	Finance Officer, AEC	Teku, Kathmandu
5.	Mr. Bal Krishna Dahal	Business Development Officer, AEC	Teku, Kathmandu

SN	Name	Designation	Address
6.	Mr. Pradeep Dutta	Director, Madhesh Pradesh CCI	Janakpur Dham, Janakpur
7.	Mr. Karna Bahadur Moktan	President, Bhojpur CCI	Bhojpur
8.	Mr. Anil Basnet	Member, Bhojpur CCI	Bhojpur
9.	Mr. Anil Baraili	Member, Bhojpur CCI	Bhojpur
10.	Ms. Urmila Shrestha	Member, Bhojpur CCI	Bhojpur
11.	Mr. Rajendra Raut	Chairperson, PCCI, Koshi Province	Biratnagar, Morang
12.	Mr. Shyam Bhandari	Executive Director, PCCI, Koshi Province	Biratnagar, Morang
13.	Mr. Rajan Shrestha	Member, PCCI/HAN	Biratnagar, Morang
14.	Mr. Pratik Raut	Proprietor, Shivam Footwear	Biratnagar, Morang
15.	Dinesh Kumar Chaudhary	Branch Manager, ADBL	ADBL Kolhavi Branch, Bara
AGRIBUSINESS & SERVICE PROVIDER (W 2 and W SP)			
16.	Mr. Bhuwan Karki	W-2 Proponent, Proprietor,	Himali Chhurpy Udhog, Mahalaxmi Municipality-9
17.	Mr. Tanka Roila	W-2 Proponent Vegetable trader	Hile, Dhankuta Municipality -1
18.	Mr. Daiba Ram Rai	W-2 Proponent Vegetable trader	Diktel Municipality, Khotang
19.	Mr. Sudama Singh	W-2 Proponent, Proprietor	Shivam Dairy Udyog, Rajbiraj, Saptari
20.	Mr. Mohan Das	Marketing Manager	Shivam Dairy Udyog, Rajbiraj, Saptari
21.	Mr. Manish Adhikari	W2-Proponent Proprietor	Essence Aroma Pvt Ltd, Gujarat Municipality, Rauthat
22.	Mr. N K Mahato	W-2 Proponent (MAPs Processor)	Mirchhaya, Siraha
23.	Mr. Ram Sudish	W-2 Proponent (Fish Trader)	Jaleshwor, Mahottari
24.	Ms. Saradha Niraula	W-SP Proponent (Agrovet)	Okhaldhunga
25.	Laxmi Basnet	Local Resource Person (Soil Testing & Agriculture Technician)	Triyuga Municipality-8, Udayapur
FACILITATOR (FEEK 1 FEEK 2)			
26.	Ms. Kanchan Mainali	FEEK-1 Facilitator	Kolhavi Municipality, Bara
27.	Ms. Kabita Mahato	FEEK 2 Facilitator/Secretary - Ganapati Kushwaha Group	Karjanha Municipality, Siraha
28.	Ms. Hima Lamichhane	Feek-2 Facilitator, Shantitol Krishi Krishak Samuha	Dhankuta Municipality-9, Dhankuta
29.	Ms. Saru Subedhi	FEEK-2 Facilitator, Bipanna Milk PO	Agnisair Krishnasabran Mun-6, Mahuli
30.	Ms. Mamta Devi Yadav	FEEK-2 Facilitator, Jai Maa Shantoshi Mahila Krishak Samuha	Dewanganaj Gaupalika-04, Sunsari
31.	Ms. Nirmala Chaudhary,	FEEK-2 Facilitator, Mahalaxmi Krishak Samuha	Gujara-2
VST Graduates			
32.	Karishma Khadka Ray	Off Season Vegetable	Dhankuta Municipality-11 Belhara, Dhankuta
33.	Resmita Nepali	Off Season Vegetable	Dhankuta Municipality-11 Belhara, Dhankuta

SN	Name	Designation	Address
34.	Mina Tamang	Off Season Vegetable	Dhankuta Municipality-11 Belhara, Dhankuta
35.	Pabitra Tamang	Off Season Vegetable	Dhankuta Municipality-11 Belhara, Dhankuta
36.	Sanjita Rai	Off Season Vegetable	Dhankuta Municipality-11 Belhara, Dhankuta
37.	Mr. Yagya Bahadur Dahal	TVET Graduates (Aluminium Furniture)	Hile, Dhankuta Municipality -1, Dhankuta
38.	Ms.Punam Nepali	MRC Client / TVET Graduates (Aluminium Furniture)	Myanglung Municipality, Terrathum
39.	Rambabu Tamang	Mason Graduate	Myanglung Municipality, Terrathum
40.	Karna Bahadur Bhujel	Mason Graduate	Myanglung Municipality, Terrathum
41.	Rudra Pradhan	Brick Lator Mason Graduate	Bhojpur Municipality
42.	Niru Pradhan	Brick Lator Mason Graduate	Bhojpur Municipality
43.	Shyam Babu Adhikari	Mechanic Graduate -Motorcycle workshop	Katari Municipality
44.	Shiva Raj Bista	AC/Freeze Graduate (Founder, 24- Hours Maintenance Service)	Itahari Sub Metropolitan City
45.	Man Kumari Tamang	Aluminium Fabricator Graduate	Itahari Sub Metropolitan City
46.	Susan Yakha	Aluminium Fabricator Graduate	Itahari Sub Metropolitan City
47.	Ms. Manju Kumari Chaudhary	TVET Graduates (Aluminium Furniture)	Triyuga Municipality, Udayapur
48.	Ms. Kabita BK	TVET Graduates (Tailoring)	Triyuga Municipality, Udayapur
49.	Ms. Kalpana Rai	TVET Coordinator /Trainer (Tailoring)	Triyuga Municipality, Udayapur
50.	Mr. Shyam Adhikari	Motorcycle Repair Technician	Katari Municipality, Udayapur
51.	Ms. Nilam Kumari Chaudhary + Prabhsaran (her Husband)	Mechanic Graduate -Motorcycle workshop	Chaudandigadhi Municipality, Udayapur
52.	Ms. Manisha Sadaye	Brick Layer Mason Graduate	Lahan 22, Barchhawa
53.	Ms. Urmila Mahato	Brick Layer Mason Graduate	Lahan 22, Barchhawa
54.	Mr. Tulman Karki	Arc Welder Graduate	Triyuga-7, Udayapur
55.	Anjuli Basyal	Beautician Graduate	Bardibas-14 Mahottari
56.	Kasindra Mahato	Building Electrician Graduate	Lalbandi-7, Sarlahi
57.	Koshila Kumari Ram	Mason Graduate	Lahan-14, Siraha
58.	Manju Mahato, Laxman Mahato	Off-vegetable Farming Graduate	Batteshwor-3, Dhanusha
59.	Ashok Kumar Sharma	Mechanic Graduate -Motorcycle workshop	Kadamchok, Janakpur
60.	Kabiraj Rai	Mobile Repair Graduate	Okhaldhunga
61.	Mahendra Prasad Dahal	Mason Graduate	Siddhicharan-5, Okhaldhunga
62.	Suman Rai	Community Agriculture Assistant (TVET Ag Graduate)	Urlani, Khotang
63.	Yagya Basnet	Building Electrician Graduate	Diktal, Khotang
64.	Pratima Thapa	Community Livestock Assistant (TVET Ag Graduate)	Sunderharaicha-6, Morang
65.	Sudarshan Adhikari	TVET Graduate (Cook)	Sunderharaicha-10, Morang
66.	Manmaya Ghising	Aluminium Fabricator Graduate)	Belbari, Morang

SN	Name	Designation	Address
67.	Bhogendra Sahani	Mobile repair Graduate	Bardibas-1, Mahottari
68.	Manisha Sadaye	Brick Layer Mason Graduate	Lahan-22, Siraha

C. Groups/Cooperatives

S. N	Name of Institutions	Contact Person and Position	No	Place
1.	Jalpadevi Krishi Sahakari Sanstha Ltd.	Mr. Bir Bdr Basnet, Chairperson	7	Dhankuta Municipality - 9, Dhankuta
2.	Suryamukhi Ardhabyawashiyak krishak samuha	Mr. Tilak Raya, Chairperson	3	Dhankuta Municipality - 9, Dhankuta
3.	Kranti Ardhabyawashiyak krishak samuha	Mr. Bed Prasad Roila, Chairperson	3	Dhankuta Municipality - 9, Dhankuta
4.	Jalakanyadevi Ardhabyawashiyak krishak samuha	Mr. Govinda Raj Raya, Chairperson	4	Dhankuta Municipality - 9, Dhankuta
5.	Pragati Krishak Samuha	Mr. Chandra Bdr Shrestha, Chairperson	3	Dhankuta Municipality - 9, Dhankuta
6.	Singdantol Mahila Krishak Samuha	Ms. Pabitra Tamang, Chairperson	3	Dhankuta Municipality - 9, Dhankuta
7.	Shantitol Krishi Krishak Samuha	Mr. Dik Bdr Bhandari, Chairperson	25	Mahalaxmi Municipality, Dhankuta
8.	Miteri saving and Credit cooperative	Mr. Fauda Bdr Subedi, Chairperson	20	Muyanglung municipality, Terathum
9.	Pathivara Savings Cooperative	Mr. Ram Pd Acharya, Chairperson Ms. Chandra Gurung, Secretary		Pyauli, Champe, Arun Rural Municipality, Bhojpiur
10.	Pilsing gadhi Bakra Palan Krishak Samuha	Manoj karki) fresh house operator	1	Arun Rural Municipality
11.	Taja tarkari nursery krishak samuha	(Balananda Dhakal) President	10	Bhojpur Municipality
12.	Aahalechaur krishi utpadan samuha	Ramesh Khilingge (president)	16	Diktel Municipality
13.	Jan Jyoti Mahila Krishak Samuha	Mr. Fauda Bdr Subedi, Chairperson		Diktel Municipality, Khotang
14.	Aahalchaur Krishak Samuha	Ramesh Khilenge, Chairperson	15	Buipa, Diktel Municipality
15.	Janhit Jaleshi S & C cooperative	Sawindra Rai, Chairperson	4	Haleshi-7, Khotang
16.	Shree Janahit Krishi Sahakari Sanstha	Pramila Danuwar, Secretary	17	Triyuga Municipality - 08, Rajabas
17.	Chandi Bhagwati Krishak Samuha	Krishna Bahadur Raut, Chairperson	3	Triyuga Municipality - 08, Bagchauri
18.	Saraswati Krishak Samuha	Faguni Danuwar, Secretary	2	Triyuga Municipality - 07, Chuhade
19.	Mahila Shakti Bachat Tatha Rin Sahakari Sanstha	Man Kumari Bhujel, Chairperson	5	Triyuga Municipality - 08, Rajabas
20.	Sana-Kishan Sahakari Sanstha, Deuri	Yuvaraj Koirala, Manager	3	Sana-Kishan Sahakari Sanstha, Deuri
21.	Sana-Kishan Sahakari Sanstha, Deuri and Pragati Bakhra Palan Samuha	Dev Kumar Rai, Chairperson	1	Triyuga Municipality - 05, Damauti
22.	Hariayali Mahila Krishak Samuha	Laxmi Maya Sarki, Chairperson	21	Chaudandigadhi Municipality - 05, Sibai

S. N	Name of Institutions	Contact Person and Position	No	Place
23.	Durgeswori Pashupalak Krishak Samuha	Indira Karki, Chairperson	25	
24.	Dhibar Krishi Sahakari Sanstha	Aasharam Chaudhary, Chairperson	14	Chaudandigadhi Municipality - 09, Jyamire
25.	Jaya Laxmi Krishak Samuha	Pitambar Prasad Panjiyar, Secretary	4	Chaudandigadhi Municipality - 09, Jyamire
26.	Bipanna Milk PO	Tulsha Khadka Raut, Chairperson	25	Agnisair Krishnasabran Mun-6, Mahuli
27.	Adarsha Multipurpose Cooperatives	Bodhraj Subedhi	5	Agnisair Krishnasabran Mun-6, Mahuli
28.	Amsot Agriculture Cooperatives	Rami Yadav, Manager	7	Agnisair Krishnasabran Mun , Sitapur
29.	Mahila Kandra Multipurpose Coop	Namas Ghimire, Manager	4	Bardibas Mun, Mahottari
30.	Arun Dada Veg PO	Bimal Shrestha, Chairperson	12	Bardiabas, Mahottari
31.	Sana Kishan Krishi Sahakari santhstha	Ram Dayal Mahato, Manager	6	Gaushala Mun-12, Kantibazar
32.	Kantibazar Krishi Sahakari Santha	Basanta Ku Yonjan, Chairperson	28	Gaushala Mun-12, Kantibazar
33.	Aaprabasi Multipurpose Cooperative	Dhukaran Yadav, Chairperson	10	Laxminiya Mun
34.	Manju Mahato	VST and GALS	3	Dhanusha
35.	Ma Bhaibhav Krishi Sahakari Sanstha	Ms. Ragini Pathak, Chairperson	17	Jaleswor Mun, Mahottari
36.	Upakar FPO	Rehana Khatun	7	Jaleswor Mun, Mahottari
37.	Shree Krishna Milk Cooperative	Mr. Satrudhan Yadav, Chairperson	25	Loharpatti Mun
38.	Pragatishil Taja Tarkari Group	Ms. Sangya Sherpa	6	Okhaldhunga
39.	Urbra Krishak Samuha	Mr. Chatraman Rai	27	Khotang
40.	Dhibar Agriculture Cooperatives	Mr. Asharam Chaudhary	17	Udhaypur
41.	Arya Krishi Sahakari Sastha Limited	Mr. Bauwa Narayan Mehta, Chairperson	25	Dewanganj Gaupalika-04, Sunsari
42.	Ananda Krishak Samuha		5	Dewanganj Gaupalika -03, Sunsari
43.	Shiva Krishi tatha Pasupalan Krishak Samuha	Mr. Surendra kumar Yadav, Chairperson	3	Dewanganj -02, Sunsari
44.	Kechana Krishi Sahakari Sanstha Limited	Mr. Dipak Prasain, Secretary	15	Kechana, Sunbarsi Municipality,
45.	Bagaha Krishi Sahkari Sanstha Ltd	Mr. Ramkumar Mahato, Chairperson	25	Karjanaha Mun -11
46.	Ganapati Kushwaha Krishi Samuha	Ms. Kabita Mahato, Secretary	20	Karjanaha Mun -11
47.	Kamala Tarakari Samuha	Mr. Nageswor Mahato, Chairperson	3	KarjanahaMun-3
48.	Mahila Sanakisan Cooperative	Ms. Sannani Budhathoki, Chairperson	20	Ranigunj, Lalabandi Mun -17
49.	Bhagwati Krishajk Samuha	Ms. Sanu Chaudhary, Secretary	15	Gujara-2
50.	Mahalaxmi Krishak Samuha	Ms. Nirmala Chaudhary, Chairperson	9	Gujara-2

S. N	Name of Institutions	Contact Person and Position	No	Place
51.	Om Shakti Krishak Samuha	Ms. Lakhpati Majhi	8	Gujara-2
52.	Durgamai Krishak Samuha	Ms. Rambati Kumari Chaudhari, Group Member/GALS Mentor	8	Gujara-2
53.	Saraswoti Krishak Samuha	Ms. Sarita Kumari Chaudhary, Secretary	15	Gujara-2
54.	Nawabikas SACCOS Chandrapur	Mr. Yagya Prasad Prasain	5	Chandrapur
55.	Jaykalika Mahila Krishak Sahkari Sanstha Ltd	Ms. Deeplaxmi Kharel	25	Kolhavi-2
56.	Baluwa Fish Producer Group	Ms. Pratima Chaudhary	18	Kolhavi-5
57.	Bodhban Fish Producer Group	Ms. Sugi Sah	5	Kolhavi-5
58.	Milijuli Machha Samuha	Ms. Aishworya Chaudhary	7	Kolhavi-5
59.	Rajdevi Fish Producer Group	Ms. Gita Mandal, Group Chair	2	Laxmipur Patari Mun-Ward No. 3
60.	Krishak Samriddha Fish Producer Group	Ashok Kumar Sah, Group Chair	2	Laxmipur Patari Mun-Ward No. 3
61.	Dhanlaxmi Fish Producer Group	Mr. Baldev Mukhiya, Group Chair	3	Laxmipur Patari Mun-Ward No. 4
62.	New Rajdevi Fish Producer Group	Ms. Kumari Sunita Mandal, Group Chair, FEEK-2 Facilitator	2	Laxmipur Patari Mun-Ward No. 4
63.	Bajrang Fish Producer Group	Ms. Prem Kumari Mandal, Group Chair	2	Laxmipur Patari Mun-Ward No. 4

I. Mission schedule

Date	Day	Activities	Location
9 June	Sunday	Mission Kick-off Meeting with MoICS, MoF, AEC and Helvetas-Nepal	Kathmandu
10 June	Monday	Fly to Biratnagar by Buddha Air (16:55 hrs flight) and Travel to Hotel @ Itahari	Itahari, Sunsari
11 June	Tuesday	Presentation and Discussion (Overall and Thematic Project Progress, focusing on outputs, outcomes, and impact)	Itahari, Sunsari
12 June	Wednesday	Theme- wise progress presentation and Discussion continues and completed.	Itahari, Sunsari
13-19 June	Thursday - Wednesday	Field visits and Interaction with various stakeholders: Mission team divided into 3 sub-teams. Most mission members back to Itahari by 19th evening.	Project Districts
20 June	Thursday	Mission Field Debriefing and further information collection and discussions.	Itahari, Sunsari
21 June	Friday	Thematic team Meetings and individualized interactions continues within among the mission members as well as with the project management team	Itahari, Sunsari
22 -25 June	Saturday - Tuesday	Some mission members travel back to Kathmandu by Buddha Air.	Kathmandu

		Meeting with concerned stakeholders in Kathmandu continues. Drafting of presentation slides and PCR begins	
		Part of the mission members and Mission leader continue Field Visit and Interaction	Project Districts
26 June	Wednesday	Rest of the mission member and Mission leader travel back to Kathmandu Drafting of presentation slides and PCR continues	Kathmandu
27 June	Thursday	Pre-wrap up meeting with Project team in the late afternoon	Kathmandu
28 June	Friday	Drafting of presentation slides completed and shared with GoN and other stakeholders by 2 PM.	Kathmandu
30 June	Sunday	Mission Wrap-up cum Stakeholders' Workshop to be organized by the project (Afternoon)	Kathmandu
1 – 7 July	Sunday	Mission members submit their final contributions to the PCR report	Kathmandu
8 – 11 July	Thursday	PCR write-up	Kathmandu
12 July	Friday	Draft PCR report submission for review, comments, and suggestions	Kathmandu
17 July	Wednesday	Comments/ suggestions provided to the Mission Leader	Kathmandu
22 July	Monday	Finalized PCR report submission to IFAD	Kathmandu

II. Field Visit Schedule (13-19 June 2024)

SHYAM KHADKA, BIBIANA, RAM BABU, SANJEEV

TEAM A - DAY 1 (SUNSARI- DHANKUTA) JUNE 13

Time	Programmes	Sub- component
7:30-10:00	Travel from Itahari to Dhankuta; Breakfast @ Bhedetar	
10:00 - 12:30	Jalpadevi Cooperative @ Belara: Vegetable Supply Chain, FEEK-1, Coop Capacity building, VST Agriculture (Supply Chain) Karishma Khadka Ray	Rural Finance, VST Agri SC
12:30 – 13:00	Travel to Dhankuta from Belara	
12:30 – 13:00	Lunch	
13:00 -13:45	Observe Migration Resource Centre and Interaction with Clients at Dhankuta	Migration
14:00 - 15:30	Meeting with Mayor, Dhankuta Municipality on overall Project Implementation	Municipality
15:30- 16:30	Interaction with VST Graduate: Aluminium Fabrication, Yagya Bahadur Dahal @ Dhankuta with Self-Employment (Additional Employment)	Decent Job
16:30 - 17:00	Meeting with Vegetable Trader (Tanka Roila) at Hile Travel to Pakhribas	Veg SC W-2 Beneficiaries
Night stay	Hotel Kanjiroba @ Hile / Murchunga, @ Dhankuta	

TEAM A - DAY 2 (DHANKUTA - TERATHUM) JUNE14

Time	Programmes	Sub-component
07:30-08:30	Travel to Shanti tole, Sidhuwa	
08:30- 10:00	Dairy SC interventions @ Krishi Krishak Samuha (W-1 and Unlocking), Shanti Tole /Himali Dudh Parikar Udhog, Mahalaxmi Municipality	Dairy SC
10:00 – 11:30	Travel to Myaglung	
11:30 -12:30	Lunch @ Blue Heaven, Terrathum	
12:30 -13:30	Observe MRC, DoA and Interaction with Clients @ Myanglung	Migration
13:30 - 15:30	Meeting with Mayor, Myanglung Municipality on overall Project Implementation including Migration Strategy, Profile, TVET cost sharing and TVET Guidelines	Municipality
15:30 - 16:30	Goat SC interventions - FEEK1, Coop Capacity Building, Wholesale Financing @ Miteri Multipurpose Coop, Myanglung	Rural Finance and SC
16:30 – 17:30	Interaction with VST Graduates: (Myanglung Municipality)	Decent Job
	Night stay @ Hotel Blue Heaven Terrathum	

TEAM A - DAY 3 (TERATHUM- BHOJPUR) JUNE 15

Time	Programmes	Sub-component
7:30 -11:30	Travel to Hile to Pyauli (Arun Municipality) Lunch @ Leguwa	
11:30-13:30	Travel to Pyauli Goat SC Interventions (W SP) @ Pyauli/Arun Municipality	Goat SC
13:30 -15:00	Pathibhara SC cooperative- FEEK-1 and Coop capacity building, Remittance based Savings +Palika Representative (COPOMIS) @ Arun Municipality	Rural Finance
15:00 -16:00	Travel to Taksar, Bhojpur	
16:00 -17:00	Travel to Taksar, Bhojpur Veg SC interventions @ Taja Tarkari Group, Taksar, VST Ag CLA (Returnee) @ Bhojpur Municipality, Kiran Pradhan (CLA), Govinda Khadka	Veg SC, VST
17:00-18:00	Interaction with VST Graduates; CAA (Returnee) @ Bhojpur Municipality, Goma Chapagain	Decent Job
	Night Stay @ Hotel Vintuna, Bhojpur	
	BIBIANA & RAM BABU will travel back to Itahari and Continue field	Details will be shared soon

TEAM A - DAY 4 (BHOJPUR- KHOTANG) JUNE16

Time	Programmes	Sub-component
7:30-8:30	Meeting with CCI @ Bhojpur	CCI
8:30-10:00	Meeting with Mayor, Bhojpur Municipality on overall Project Implementation	Municipality
11:00-14:00	Travel from Bhojpur - Khotang	
14:00-15:00	Goat SC interventions -W2 Proponents @ Besitol Bakhra Palak Krishak Samuha, Diktel	Goat SC
15:00-16:00	Meeting with Mayor, Diktel Municipality on overall Project Implementation including Palika Agri-policy	Municipality
	Interaction with VST Graduates @ Diktel Municipality	Decent Job

16:00-16:30	Interaction with Vegetable Trader (Daiba Ram Rai) W2 Proponent, Diktel	Veg SC
16:30 – 18:00	Vegetable SC interventions including Solar lift @ Aahalchaur Krishak Samuha, Buipa	Veg SC
	Travel from Diktel to Haleshi and Night Stay @ Halesi Village Resort	

TEAM A - DAY 5 KHOTANG- UDAYAPUR) JUNE 17

Time	Programmes	Sub-component
08:00 - 09:30	Interaction with Janhit Coop, FEEK 1, Coop capacity Building @ Halishi	Rural Finance
09:30 - 10:30	Interaction with TVET Graduate (Mason, Tailoring)	Decent Job
10:30 - 11:00	Lunch @ Haleshi	
11:00 - 16:00	Travel to Gaighat via Katari	
16:00 - 18:00	Interaction with Shree Janahit Krishi Sahakari Sanstha, Chandi Bhagwati Krishak Samuha and Saraswati Krishak Samuha, Gaighat	Veg SC clusters
	Night Stay @ Kobhar Udaypur	

TEAM A - DAY 6 (UDAYAPUR- ITAHARI) JUNE 18

Time	Programmes	Sub-component
07:30-08:00	Travel from Gaighat to Damauti	
08:00 – 10:00	Sana Kishan Cooperative - FEEK1, Coop Capacity Building, A2F in Goat SC @ Deuri, Triyuga Meeting with Chairperson on Goat SC Interventions including W SP, W UN @ Triyuga	Rural Finance, Goat SC
10:00-12:00	Meeting with Triyuga Municipality Municipality (Overall Project Interventions & Palika Ag strategy)	
12:00 -13:00	Lunch	
13:00 – 13:30	Interaction with VST Graduates Nilam Kumari Chaudhary (Non-traditional) Motorcycle mechanic @ Beltar	Decent Job
13:30 -15:00	Meeting with Chaudandigadhi Municipality (Overall Project Interventions & Palika Ag strategy)	Municipality
15:00 -16:30	Interaction with Hariayali Mahila Krishak Samuha	Vegetable SC
16:30 -17:30	Travel to Itahari	
	Night stay @ Hotel Verandah, Itahari	

TEAM A - DAY 7 (MORANG) JUNE 19

Time	Programmes	Sub-component
08:00- 08:30	Travel to Sundarharicha, Mornag	
08:30 – 10:30	Goat SC interventions, A2F @ Sundarharicha, Morang	Goat SC
10:30 – 12:00	Travel to Duhabi and Lunch @ Duhabi	
12:00 -13:30	Observe and Interaction with Industries running Apprenticeship@ Biratnagar Corridor, Duhabi	Decent Job
13:30-14:30	Meeting with Mayor, Duhabi Municipality (Palika TVET Strategy & Cost Sharing)	Municipality
14:30 -16:00	Meeting with FNCCI, Koshi Province @ Biratnagar	
16:00 – 16:30	Observe and Interaction with VST Graduates	Decent jobs
16:30 -17:00	Night stay @ Hotel Verandah, Itahari	

RERP PROJECT COMPLETION REVIEW MISSION TEAM B
FIELD VISIT PLAN (13-19 JUNE 2024)

NARHARI, MAHESH, SARAH, TRIBHUWAN

TEAM B - DAY 1 (SAPTARI-MAHOTTARI) JUNE 13

Time	Programmes	Sub-component
07.30-09.00	Travel to Agnisair- Mahuli	
09.00-10.30	Dairy SC Interventions + GALS: FEEK2 (Facilitator), FEEK 1 @ Bipana Mahila Group/Adarsha Coop, Agnisayar, Mahuli, Saptari.	Dairy SC, GALS, RF
10.30-12.00	Amsod Community Agriculture Cooperative, FEEK1, Cooperative Capacity, Wholesale Loan facilitation @ Agnisair-4, Sitapur;	Rural Finance
12.00-13.00	Lunch at Mahuli	
13.00-13.30	Travel to Rupani/Kalyanpur and Interaction with VST Graduates in Ruapani/Kalyanpur, Sarita Kumari Yadav, Furniture Maker, Non-traditional Trade	Decent Job
13.30-14.30	Travel to Dhangadhimai	
14.30-16.00	Interaction with Dhangadhimai Municipality (Mayor, Ward Chairs, Agri-Livestock Unit staff) on the overall program results	Municipality
16.00-18.00	Travel to Mirchaiya and Meeting with MAPs Traders (W2 Proponents, Janaknandani Herbs Pvt Ltd) along with few members of MAPs Groups in the same Company @ Mirchaiya	MAPs SC W-2
Night Stay	@ Bardibas Resort, Bardibas, Mahottari;	

TEAM B - DAY 2 (SIRAHA - BARDIBAS - MOHATARI) JUNE 14

Time	Programmes	Sub-component
07.30-10.00	Mahila Kendra Multipurpose Coop - FEEK1, Capacity Building, wholesale loan Remittance based Saving Product +Veg SC @ Bardibas Veg SC interventions @ Arun Danda Veg Group, Khairamara (Bimal Kumar Shrestha-Aspirant migrant)	Rural Finance, Veg SC
11.00-12.30	Travel and Meeting with Mayor, Gaushala Municipality on overall Project Implementation including Palika Ag strategy & COPOMIS	Municipality
12.30-13.30	<i>Lunch at Ramnagar Gaushala (Hotel Mood Fresh)</i>	
13.30-16.00	"Veg & Dairy SC Interventions and Small Farmers Cooperatives - FEEK 1, Loan (Laxmi Bank, ADBL),	Rural Finance, Veg & Dairy SC
16.00-16.30	Travel to Bardibas	
16.30-17.30	Interaction with TVET Graduates @ Bardibas, Anjali Batsyal, Assitant Beautician, Enterprise Owner	Decent Jobs
17.30-18.00	Travel to Hotel	
	@ Bardibas Resort, Bardibas, Mahottari; Contact no :9854042065	

TEAM B - DAY 3 (JANKPUR -DHANUSHA) JUNE 15

Time	Programmes	Sub-component
08.00-08.30	Travel to Bateshwor	
08.30-09.30	Travel to Bateshwor and Interaction with VST Graduates, Manju Mahato, Tek Bahadur Magar (Returnee) @ Bengali tole, Bateshwor, Dhanusha	Decent Job
09.30-10.30	Travel to Laxminiya	
10.30-12.00	Returnee Migrants/ Aaprabasi Cooperative- FEEK1, Coop capacity. Building, Remittances Products @ Laxminiya, Dhanusha	Rural Finance
12:00 -13:00	Lunch @ Janakpur	

13.00-13.30	Travel to Sahidnagar	
13.30-15.00	"FISH SC interventions (Hatchery) @ Sahidnagar	Fish SC
15:00 -17:30	Mahabaibhav Agriculture Cooperative- FEEK1, Coop capacity. Building, Remittances Products @ Jaleswor, Mahottari	
17.30-18.00	Travel back to Janakpur	
	@ Hotel Rama, Janakpur, Dhanusha. Contact no: 807683161; 041520059	

TEAM B - DAY 4 (DHANUSHA- OKHALDHUNGA) JUNE16

Time	Programmes	Sub-component
07.00-07.30	Breakfast and Travel to Loharpatti	
07.30-10.00	Dairy SC Interventions, FEEK 1, Coop Capacity Building @ Shree Krishna Dhugdha Utpadan Cooperative.	Rural Finance, Dairy SC & CCI
	Meeting with VST Service Provider, Creative Skills, Rakesh Shah (ED) Interaction with VST Graduates (Guddu Nadaf, Motorcycle Mechanic, @ Janakpur)	
10:00 – 10:30	SARAH TRAVEL TO AIRPORT AND FLY TO KATHMANDU by 11:15 FLIGHT; NIRAJAN JOIN THE MISSION AT JANAKPUR	
10:30 -11:30	Meeting with Provincial Government, Madhesh Province (Decebt Jobs)	Ministry
	Meeting with CCI, Janakpur	CCI
11.30-12.30	Lunch at Janakpur (Hotel Mithila Thali, Ramanand Chowk)	
12.30- 17.30	Team Move to Okhaldhunga (lately by 12:30 PM) 5-6 hours' drive	
17:30-18:00	Interaction with Vegetable Service Providers (Window SP- Agrovat) @ Nearby Hotel Pyaphulla, Siddicharan (or on Next morning) – Sarada Agro Vet	Veg SC
	@ Hotel Phyaphulla, Okhaldhunga; Contact no: 037520605; 9842993339	

TEAM B - DAY 5 (OKHALDHUNGA-KHOTANG) JUNE 17

Time	Programmes	Sub-component
7:30 -8:00	Travel to Bigutar, Okhaldhunga	
8:00 -10:00	Vegetable SC Interventions -3 POs including collective marketing, Bigutar	Veg SC
	Interaction with VST Graduates, Mahendra Prasad Dahal, Rumjatar, Brick Layer Mason	
10:30 – 12:00	Meeting with Siddhicharan Municipality (Overall Project Intervention including, COPOMIS) or	Municipality Rural Finance
12:00 - 13:00	Lunch	
13:00-14:00	Interaction with @ Cooperatives -FEEK 1, Coop Capacity Building (TBC)	
14:00 – 18:30	Travel to Khotang Diktal via Haleshi Sight-seeing Haleshi Temple	
Night Stay	Night Stay @ Diktal Contact no:	

TEAM B - DAY 6 (KHOTANG-UDAYAPUR) JUNE 18

Time	Programmes	Sub-component
07:30-.9:00	Paropakar S & C Women Cooperative FEEK-1, Coop capacity building @ Diktal	Rural Finance
	Interaction with VST Graduates @ Diktal Khotang	Decent Job
09:00- 09:30	Travel to Buipa	

10:30 – 12:30	Vegetable SC interventions including collective Marketing, Owned vehicle @ Pragati tole Krishak Samuha, Buipa	Veg SC
12:30 – 13:30	Lunch	
13:30 – 17:00	Travel to Udaypur via Moure from Buipa	
	Night Stay @ Kobhar Udaypur; Contact no: 9824370303	

TEAM B - DAY 7 (UDAYAPUR-SUNSARI) JUNE 19

Time	Programmes	Sub-component
08:00-09:00	Travel to Chaudangadhi	
09:00-10:30	Vegetable SC Interventions @ Dibhar Agriculture Coop at Chaudangadhi	Veg SC
10:30 -11:30	VST Graduates (Nontraditional); Women, Mason @ Belaka Municipality, Nirmala Sherpa; Nirmala Sunuwar	Decent jobs
11:30-12:30		Municipality
12:30-13:30	Lunch	
13:30- 16:00	Dairy SC intervention - FEEK 1 @ Hatemalo Cooperative, Belka	
16:00-17:00	Night stay @ Hotel Verandah, Itahari	

DAY 1 (Sunsari-Morang) JUNE 22

Time	Programmes	Sub- component
08:30-12:00	Vegetable SC Interventions @ Group, Dewangunj, Sunsari	Vegetable SC
12:00-13:00	Lunch	
13:00 – 16:00	Dairy SC Interventions @ Kechana Coop (Business Expansion), Coop Capacity Building	Dairy SC

**RERP PROJECT COMPLETION REVIEW MISSION TEAM A
FIELD VISIT PLAN (22-25 JUNE 2024)
SECOND ROUND**

SHYAM, BUYUNG HADI, KAMAL GAIRE, SANJEEV

Time	Programmes	Sub-component
07:00- 09:00	Proceed from Itahari to Rajbiraj and Breakfast at Rajbiraj	
09:00 -10:30	Dairy SC intervention (W2 Proponent: Shivam Dairy) @ Rajbiraj, Saptari	Dairy SC W-2
10:30 – 12:30	Lunch	
12:30 -14:00	Interaction with VST Graduates (Musahar Women in Non-traditional) @ Lahan	Decent Job
14:00-15:00	Travel to Karjanaha from Lahan and Lunch @ Lahan	
15:00-17:00	Vegetable SC Interventions + Bagah Ag Cooperative - A2F, FEEK 1, Coop Capacity Building, VST -Ag, @ Ganapati kashuwa Krishak Samuha, Siraha + Meeting with Mayor, Karjana Municipality	Rural Finance, VST and Municipality
17:30-18:00	Interaction with VST Graduates @ Bardibas/Lalgadh	Decent Job
Night stay	Night Stay @ Bardibas Resort, Bardibas, Mahottari; Contact: 9854042065	

TEAM AC - DAY 2 (SARLAHI and RAUTHAT) JUNE 23		
Time	Programmes	Sub-component
07:00-08:30	Proceed to Lalbandi and have Breakfast at Lalbandi	
08:30-10:30	Mahila SAFCL Cooperatives: FEEK 1, Coop Capacity building + & Dairy SC interventions (Spill over) @ Lalbhandi, Ranigunj. Meet with FEEK 1 Facilitator (Deputy Mayor) and discuss on overall project intervention including COPOMIS at Lalbhandi Municipality	Rural Finance, Dairy SC, Municipality
10:30-12:00	Travel to Chapur and Lunch	
12:00 -13:30	Travel and Meeting with Mayor, Gujara Municipality Overall Project Interventions-GALs, Palika Ag Strategy: Invite Coop representative	GALS
13:30-16:00	Travel and Supervise the MAPS SC interventions+GALS (Mushoor & Tharu community), MAPS processors/Essence Aroma Pvt Ltd (W2) @ Gujara, Rauthat	MAPs W-2
16:00-17:30	Travel and Interaction with VST - Nontraditional trade, BLM, Paltaniya Devi: Female, Mason, Gujara Municipality	Decent Job, Municipality
	Travel to Chapur and Night stay	
	Night Stay @ Hotel Terai Inn, Chapur, Rautahat;	
DAY 3 (BARA) JUNE 24		
Time	Programmes	Sub-component
07:30-08:30	Naba Bikas S & C Cooperatives - FEEK 1, Coop Capacity Building, Remittance Products @ Chapur	Rural Finance
08:30-09:15	Breakfast at Chapur Hotel Terai Inn	
09:15-10:00	Travel to Kolhavi	
10:00-11:30	Dairy SC Interventions - FEEK 1, VITA Loan, VST -AG @ Jaykalika Coop @ Kolvi, Bara	Rural Finance, Dairy SC, VST AG
11:30-13:30	Travel to Kolhavi Municipality Office and Meeting with Mayor and other stakeholders @ Kolhavi Municipality (Overall Project Intervention including Ag strategy, Fish Cluster Development, Migration & Reintegration Policy, Migration Profile, COPOMIS)	Municipality, Fish cluster development, and polices
14:30-15:30	Interaction with Herbs Processing Unit (Technical support, Land Leased facilitation)	MAPs SC
15:30-17:00	Travel and observe FISH SC Interventions including GALS @ Baluwa and Gramin Fish Groups (2 Groups), Baluwa, Kolhavi	Fish SC, GALS
17:00	Travel to Simara Travel to Bardibas	
	Team Split: One stay @ Simara and Other team @ Bardibas	
DAY 4 (BARA) JUNE 25		
Time	Programmes	Sub-component
07:45	Shyam/Sanjeev Fly from SIMARA to Kathmandu	
08:00-12:00	Kamal/Buyung travel from Bardibas to Biratnagar Fly from Biratnagar to Kathmandu in Afternoon	

FIELD VISIT PLAN (22-23 JUNE 2024): **SECOND ROUND**

MAHESH HADA

DAY 1 (Sunsari-Morang) JUNE 22		
Time	Programmes	Sub- component
08:30-10:30	Interaction with TVET SPs	Decent Job
11:30 – 13:00	Meeting with Itahari Municipality (TVET Strategy)	Decent Job
13:00-14:00	Lunch	

14:30-15:30	Observe & Interaction with Industries Running Apprenticeship Programmes	Decent Job
15:30 – 17:00	Interaction with VST graduates @ Sunsari	Decent Job
Night stay	@ Hotel Verandah, Itahari	

FIELD VISIT PLAN (15-16 JUNE 2024): SECOND ROUND

BIBIANA

DAY 1 (TERATHUM-SUNSARI) JUNE 15

Time	Programmes	Component
09:00-12:30	Travel from Terrathum to Itahari	
12:30-14:00	Check in Hotel Verandah and Lunch	
14:00-15:00	Meeting with (Suman Poudel:9842092926) Officer, Cooperatives Section of Itahari Sub Metro Municipality on adoption of FEEK 1 and Budget Allocated including support from RERP	Municipality
15:00 - 16:30	Interaction with TVET Graduate, Itahari	
Night Stay	@ Hotel Verandha, Itahari	

Field Visit Plan – DAY 2 (SUNSARI-MORANG) JUNE16

Time	Programmes	Component
09:30-11:00	Meeting with Ishwor Sana Kishan Krishi Sahakari Sanstha @ Biratnagar ward 1, Morang (Bal Bahadur Ghimere, Manager 985202931) – FEEK1, Coop Capacity building, IT support Wholesale finance, Remittance Based Saving product.	Rural Finance
11:00-12:00	Observe and Interaction with VST Graduates: Non-traditional trade Aluminum Fabricator, Women/Family of Returnee Migrant, Apsara Pokharel	Decent Job
12:15	Travel to Airport & Fly to Kathmandu by 13:25 Buddha Air Flight	

Nepal

Samriddhi - Rural Enterprises and Remittances Project

Project Completion Report

Appendix 9: Final wrap-up/stakeholder workshop findings

Mission Dates: June 2024
Document Date: 10/01/2025
Project No. 1100001724
Report No. 7056-NP
Loan ID 2000000701
DSF Grant ID 2000000702

Asia and the Pacific Division
Programme Management Department

This document will be publicly disclosed unless there is written dissent on its disclosure by the Borrower at the time of this document submission to IFAD or no later than the project closing date.

Rural Enterprises and Remittances - *Samriddhi* - Project

Project Completion Report

Wrap-up meeting

Kathmandu, Nepal

30 June 2024

Project Completion Review: Purpose

- The Project Completion Review (PCR) is joint exercise of GON and IFAD
- Purpose - Report on the results achieved through project interventions for:
 - Accountability, by reflecting on performance
 - Learning, elicit lessons
- Also helps in smooth hand-over of physical and knowledge assets
- This Wrap-up meeting aims at:
 - Presenting Mission's draft findings
 - Obtaining feedback that helps finalizing the PCR Report

Samriddhi: Key milestones

- April 2015: Project approved
- 2016-17: Early implementation- Unsatisfactory progress
- May 2018: Technical redesign of the Project
 - Taken as a basis for assessing project performance
- Nov 2019: Project rated 1/6, Disb- 5.68% vs 54% target. Restructured.
 - Cancellation of USD19 million from Loan.
- June 2022: 12-month extension to 31 Dec 2023 with reallocation of funds.
- Oct 2023: 6-month extension, Revised Completion Date - 30 June 2024

Samriddhi: Goal, Objective, Targeting, Implementation Context

Goal: Reduce poverty and achieve sustainable peace through:

- employment-focused
- Equitable
- inclusive economic development.

Targeting:

- Economic opportunities in supply chains
 - Local RMSEs
 - Decent jobs
- While ensuring social inclusion

Project area:

Essentially 8 districts of Koshi and 7 districts of Madhesh
+ Sindhuli

Dev. Objective: Provide sustainable sources of income to:

- rural poor households
 - migrant families
 - returnees.
- RMSEs in farming and off-farming.

Context of project implementation:

- 2015 April-May : Earthquake
- 2015-16- Economic blockade
- 2017 onwards: Introduction of the federal system, local/national elections
- 2020-21: COVID 19 pandemic

Samriddhi: Components

▪ **Comp 1: RMSE & job promotion** through:

- Supply chain development;
- CCI strengthening for delivering sustainable business development services; and
- Decent jobs through TVET, job placement and apprenticeship

▪ **Comp 2: Productive investment:**

- Rural finance, financial and business education, Coop strengthening, FI partnerships
- Mobilizing migrant skills and resources through migrant resource centres

▪ **Comp 3: Inclusion and mobilization:**

- Economic mobilization and mentoring;
- Social mentoring using HH methodology (GALs) of high-risk households

▪ **Comp 4: Institutional support and project management, including KM and M&E**

Samriddhi: Implementing partners

- **MOICS, with primary responsibility for project delivery**

- Assisted by Project Steering Committee

- **PMO, consisting of:**

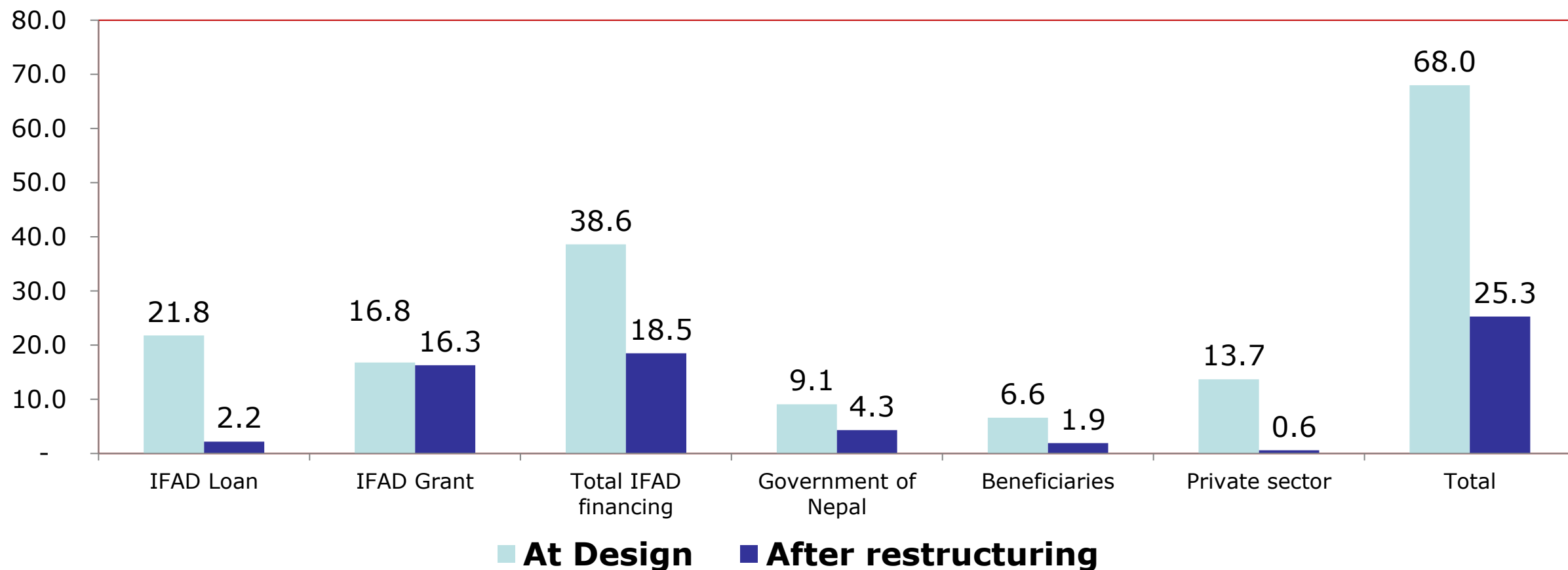
- Senior management team
- Operational teams – corridor-based and local clusters
- 2 Corridor management offices (relocation to provincial capitals)

- **Implementing partners**

- HELVETAS for Decent jobs (C 1.3)
- AEC for CCI capacity Building (C 1.2)
- SKBBL for Cooperative capacity Strengthening (Part of C 2.1)
- Municipalities and host of other institutions

Samriddhi Budget: At design and After Restructuring

RERP Budget At Design and Restructuring (USD million)



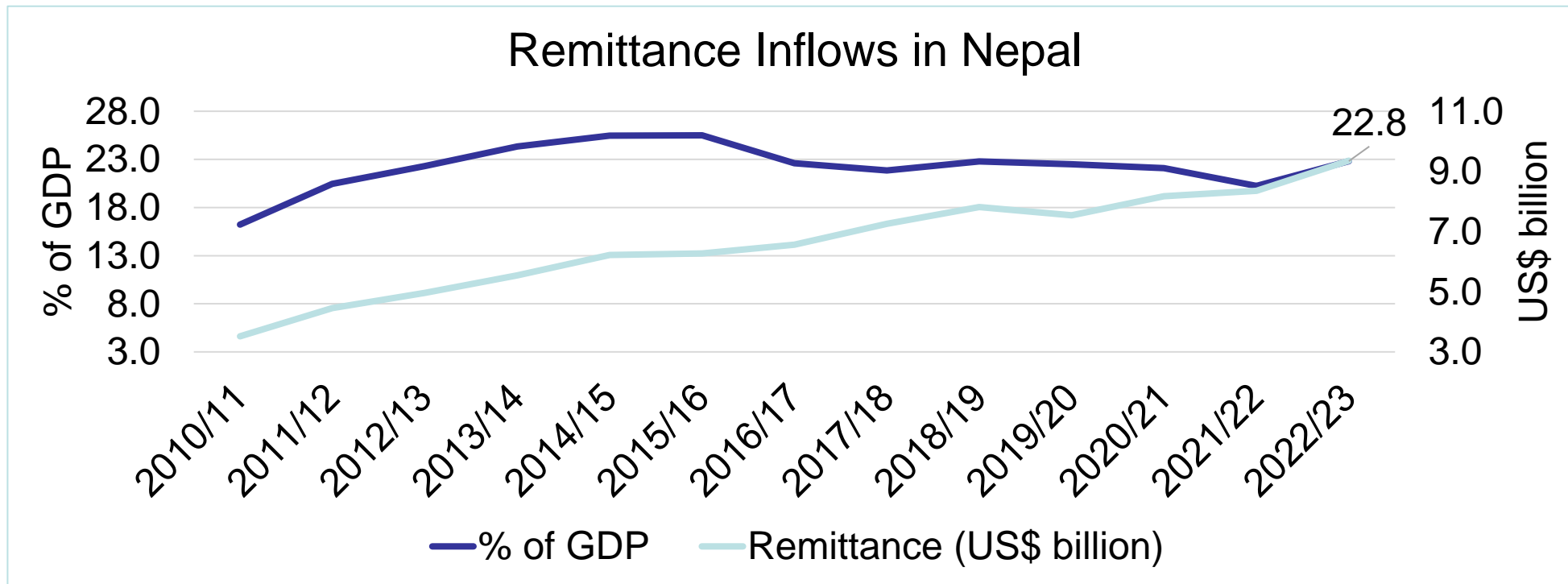
Samriddhi: Project Relevance

- Nepal has achieved significant reduction in poverty headcount over the last 12 years, from 25.16 percent in 2010-11 to 3.57 percent in 2022-23 (LSS 2022-23, [using old poverty line](#) in 2023 prices).
- The prosperity gap and inequality also reduced over the same period
- Using the new poverty line, however, [Nepal's poverty rate is 20.3% - 26.7% in the rural areas](#) which also has higher poverty gap but lower Gini index
- Weak labor market and limited social assistance, pose risks amid economic and climate shocks.
- Remittances contributes to Nepalese economy, not only for external sector stability, but also for poverty reduction.
- Studies show that a much larger proportion of households headed by females (65%) received remittance than those of households headed by male counterparts (30%).
- Remittance receiving households are less likely to get caught in poverty as compared to remittance non-receiving households.
- The probability of households plunging into poverty decreases by about 1.1 percent with every 10 percent increase in remittance inflows to households.

The Relevance of the Project is rated as Highly satisfactory (6/6)

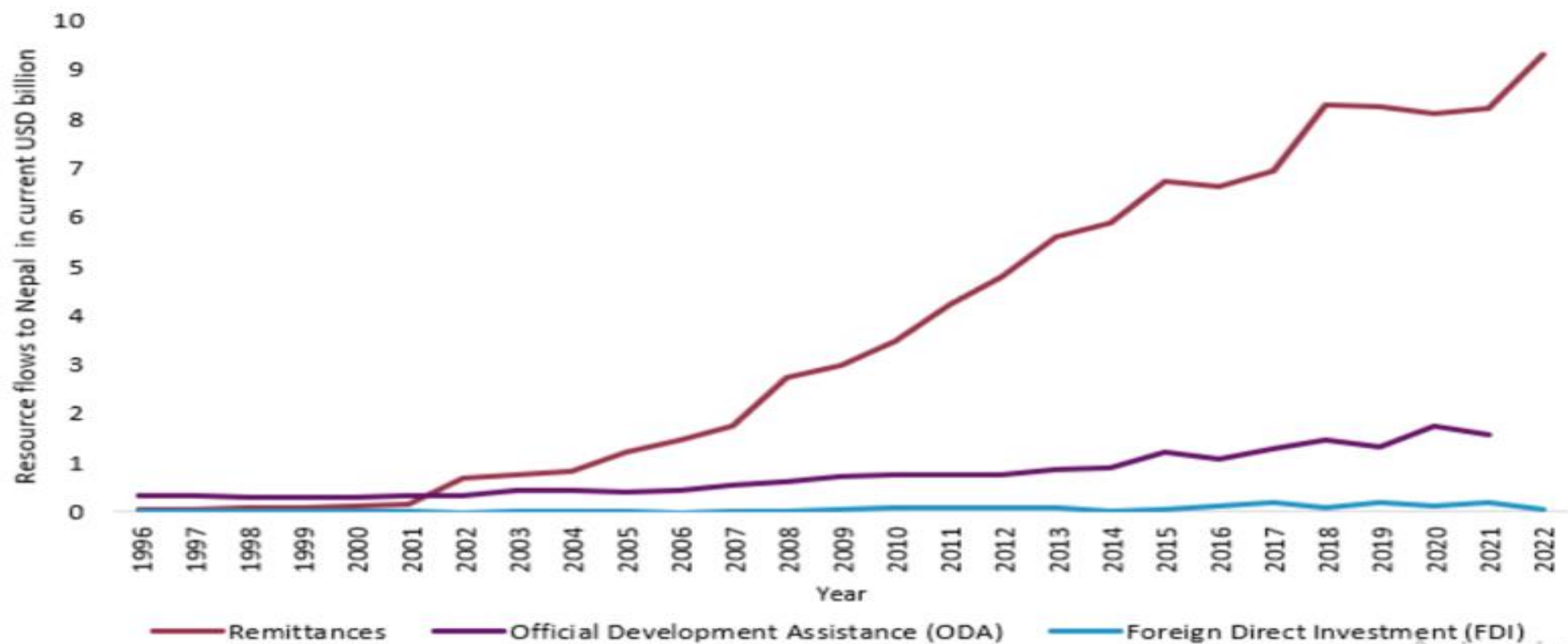
Samriddhi: Migrant contributions to development

- Out of 29 million inhabitants, 7.5% of Nepal's population was reported to be living abroad in 2021 (National Population and Housing Census 2021). In 2023, 808 thousand Nepali migrants sought employment in other countries.
- Remittance inflows in 2024: **US\$11 billion – 22.9% of GDP, highest ever.**



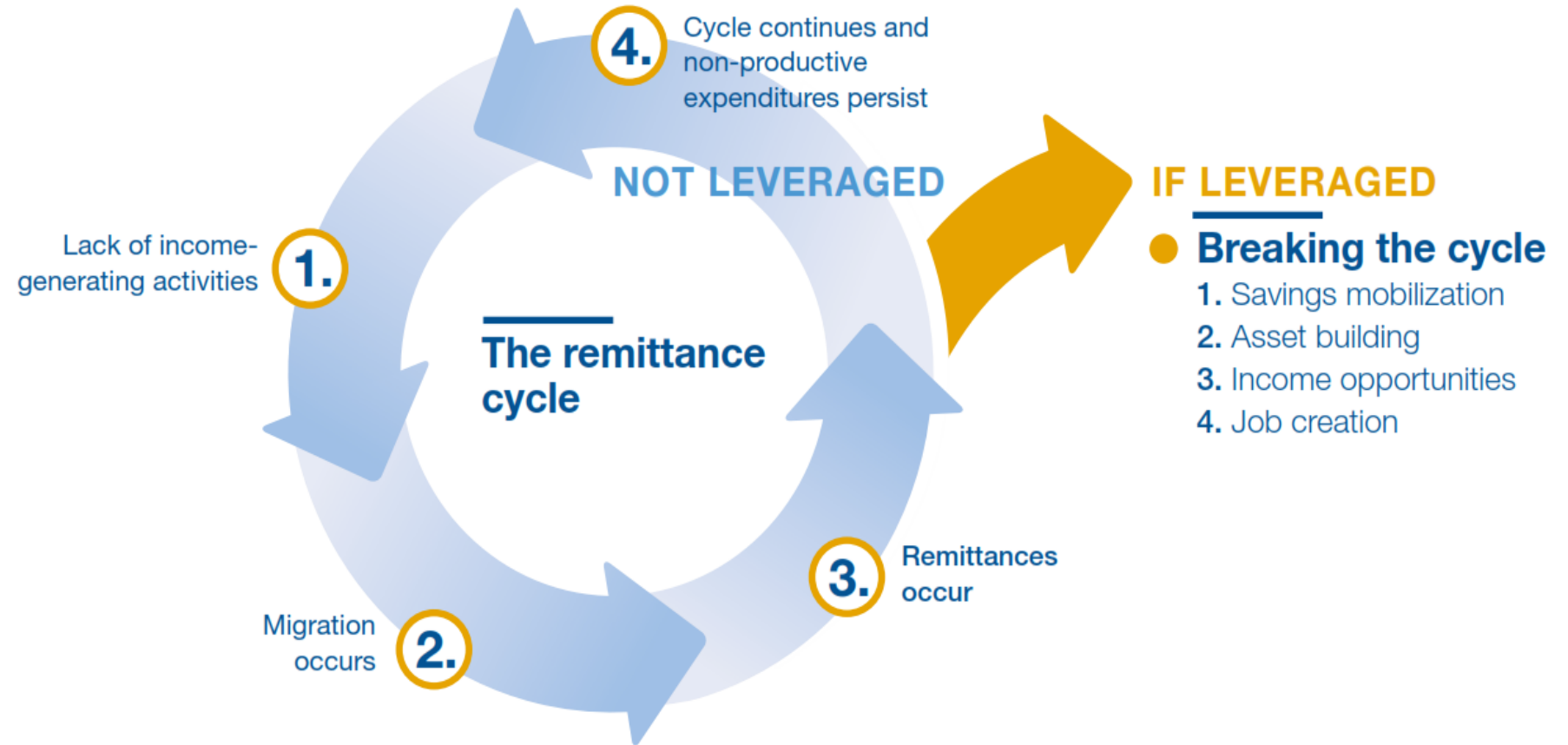
Remittances, ODA and FDI to Nepal 1996-2022

Remittances surpass ODA and FDI to Nepal



Samriddhi: Internal logic

- **Migration → Family remittance**
- **Aim:** people migrate by choice and not by necessity.
- Use remittances → for sustainable income-generating activities
 - by leveraging financial and nonfinancial services



- **Opening opportunities for the returnee migrants** through:
 - income-generating activities, access to finance, value chain incentives, access to markets and skills training remittances

Samriddhi: Adequacy of design changes

Relevant facts:

- With slow start and 2-years disbursement at 1.4%
 - ***Samriddhi design was 'updated' substantially in May 2018***
- Samriddhi objective: Not to promote migration, but to:
 - Promote better local opportunities;
 - Enable those that choose to migrate/ returnees to gain full benefits of migration.
- Project goals, development objectives, area and budget remain unchanged
 - With disbursement at 5.7%, performance of 1/6: **restructuring in Sep 2019 mission →** cancellation of US\$ 19 million.
- 1-year and 6-months extension, respectively in June 2022 and Oct 2023.

Assessment:

- The technical redesign of the project was necessary: Added clarity, made interventions more relevant to the economic opportunities and the target group
- The cancellations of IFAD loan and shift within Nepal portfolio was warranted.
- Both extensions were necessary for higher effectiveness, efficiency and sustainability.
- First extension used effectively
- Use of last 6 months was sub-optimal – due budget availability (?) and financial management related issues.

Overall, design changes were adequate and enhanced implementability of the project and optimized resource allocation within IFAD's Nepal portfolio.

Essentially reduced over-budgeting of the project.

Samriddhi: Project effectiveness

- Directly benefitted 12,854 smallholder farmers – 129% of end target, 410 producer groups in 76 municipalities
- Asset ownership target achieved by 97% of HHs
- 9,742 HHs or 87% achieve a return on labour of at least 125% of official minimum wage – 96% of end target
- Over 60% of the supported rural enterprises (50% supply chain and 69% TEVT) are reporting an increase in profit including family labour: TEVT - USD 1,250 and Supply chain - USD 1,483).
- 91% of households involved in SC interventions reported an increase of 166% in median sales revenue, improved business link as well as an increase in productivity.
- At least 21,360 (79%) individuals from poor households are in gainful jobs or skills-based self-employment through VST
- 1,896 (78% of 2,437 apprentices) are in gainful employment for at least 6 months after training.
- 68% (15,814) are in wage employment, out of total employed 23,256.
- 32% (7,442) are self-employed/ enterprising, generating additional 1,400 new jobs
- Women's Participation: 56% (16,481)
- Women in non-Traditional Trades: 38% (6,296)
- 55% of Terai ethnicity and 45%, Hill ethnicity.

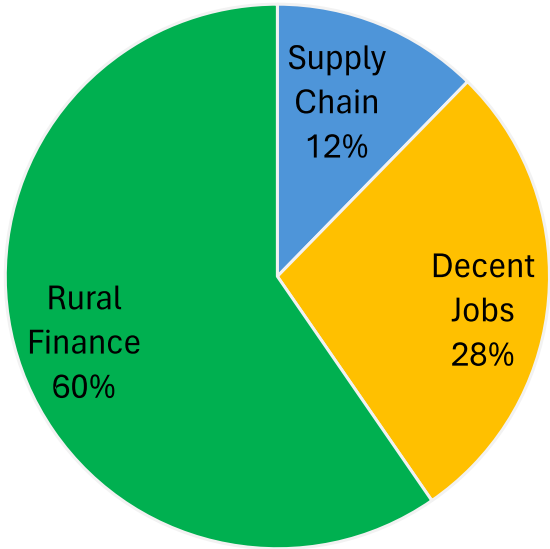
Overall project effectiveness is rated as satisfactory (5/6)

Samriddhi: Physical targets and output delivery

Total Outreach

- Directly benefitted at least 104,376 households – 119% of end target
 - Women-headed 26,863 26%
 - Female 78,591 75% – 175% of end target
 - Youth 72,821 70% – 135% of end target
 - Indigenous 40,912 39%
 - Dalit 14,271 14%
- Estimated 24,500 migrant households (23%) and 8,200 returnees (8%) – 110% of original design target

81% rated project services as satisfactory
(Endline Survey)



	Outreach	%
Hill-Dalit	5039	5
Hill-Janajati	23958	23
Hill-Others	22641	22
Terai-Dalit	9232	9
Terai-Janajati	16954	16
Terai-Others	23679	23
Muslim	2873	3

Samriddhi: Physical targets and output delivery

Sub-component 1.1: Supply Chain Development

- Directly benefitted at least 12,854 smallholders – 129% of end target
- 410 producer groups in 76 municipalities
- 5 profitable commodity supply chains developed – vegetable, medicinal and aromatic plants (MAPs), goat, dairy, and fish
- 500 boring facilities and 91 plastic ponds
- 70 vermicompost pits
- 115 improved goat bucks and extensive AI programmes for dairy
- 700 hectares under feed and fodder plantation for goat and dairy
- 9 Palika Agriculture strategy and 6 Fish cluster Guidelines
- 45 market collection centres (37 for dairy with Chilling VAT of 27500 L capacity and 8 for vegetable)
- 33 agri-enterprises for inputs supply and marketing
- 4 essential oil distillation facilities
- 2 fish hatchery facilities
- 480 business-to-business and service linkage events, including MSPs – 160% of target

Samriddhi: Physical targets and output delivery

Sub-component 1.2: CCI Capacity Development

27 local Chambers of Commerce and Industry (CCI) supported – **100% of end target**

- 67% of partner CCIs achieving capacity assessment score above 135 points (RESPIRATION CHECK) (equivalent to strong or very strong) – **111% of end target**

Sub-component 1.3: Decent Jobs

29,307 individuals supported – **98% of end target.** (Women's - 56%, Terai ethnicity-55%; Hill ethnicity -45%)

- 26,870 vocational skills and 2,437 apprenticeships (LAM 1 & LAM2):
- 139 local government partnerships in 16 districts
- 36 different occupations across multiple sectors such as construction, textiles, tourism, health and others
- Women in Non-traditional trades - 38% (6,296)

Independent tracer study (1st -2019 & 2nd round-2020)

- 69% employment rate with average monthly income of NPR 23,500
- Increase in average monthly family income from NPR. 26,000 to NPR. 39,000

Samriddhi: Physical targets and output delivery

Sub-component 1.4: Inclusion and Mobilization

Gender Action Learning System (GALS)

- 107 GALS mentors trained – 107% of end target
- 1378 women supported through GALs – 138% of end target
- 790 poor and vulnerable HHs supported with Poverty Inclusion & Dream Support Fund (100% support)
- 74% reported improvements in empowerment (Endline Survey) – 146% of end target

Sub-component 2.1: Rural Finance

- 236 cooperatives capacitated in delivering financial products and services to rural areas – 157% of end target
- 124 partner cooperatives accessing wholesale finance through various financial institutions – 92% of end target
- 68,176 HHs are members of cooperatives and making use of financial services – 142% of end target
- 91,616 persons trained in Financial Education and Enterprise Knowledge (FEEK 1/2) via Coop -153% of end target
- Of the 95 Coop affiliated with SKBBL, 50 accessed wholesale loan of NPR 644 million (Average NPR 13 million)
- 95 Coop affiliated with SKBBL access wholesale loan of NPR 4,284 million
- 3,126 supply chain members (53% migrant HH & returnees) linked with coops and BFIs (NPR 773 million)
- IT support to 99 cooperatives, and 73% cooperatives using for automating their operation

Samriddhi: Physical targets and output delivery

Sub-component 2.2: Mobilizing migrant resources and skills

14 Migration Resource Centres / Desks (MRC/MID) established – 100% of end target

- 14 handed over to local governments, 12 in sustainable operation with continued services - 120 % of end target
- More than 75,000 persons provided migration-related services – 169% of end target
- More than 3300 returnee migrants supported in accessing economic opportunities, 2257 under SC1.1 Supply Chain and 1085 under SC1.3 Decent Jobs – 334% of end target
- Supported 9 Migration and Reintegration Policy, 8 MRC guidelines and 14 Migration Profile in municipalities
- 567 case clients handled and facilitated to claim compensation of USD 1.1million to 227 clients

MRC Case Registration	Solved	Dropped / Closed	On Process	Total
Accident	6	3	5	14
Cheating	65	43	74	182
Death	93	24	23	140
Jailed	5	2	8	15
Medical Failed	2	1		3
Missing	7	5	11	23
Others	35	8	22	65
Psychosocial Problem	1	0		1
Sick	10	4	5	19
Undocumented	3	4	6	13
Grand Total	227	94	154	475

Rural poverty impact: Asset, employment, sales revenue, and profitability

Indicator	End Target	Achievement	% Against Target
HHs reporting increase of at least 20% in HH assets ownership within 4 years	28,000	27,948	99.8
Supported rural enterprises reporting an increase in profit	16,000	9,630	60.1
% of women in gainful employment after vocational training, apprenticeship, Target 50%	10,500	11,907	113.4
Number of supported vocational trainees and apprentices	21,000	22,596	108.1
No. of individuals achieving a return on labour of at least 125% of official minimum wage	10,200	9,740	95.5
% Increase in total revenue from farm product and services sold	40	166	415

Rural poverty impact: Human and social capital

- Available evidences shows that the project has greatly enhanced the organizational, technical and managerial capacities of institutions and empowered project beneficiary participants with enhanced capacity.

Key outputs include:

- RERP worked with 104,376 HHs
- 91,616 persons trained in financial literacy and use of financial products
- 12,854 smallholders organized in 410 producer organizations
- More than 2,000 local resource persons (LRP) such as business literacy facilitators, agriculture technicians, migration counsellors and vocational trainers capacitated for peer-to-peer knowledge and skills transfer
- 236 partner cooperatives capacitated and 124 linked with wholesale financiers
- 139 Palikas developed capacity for TVET training
- 12 (out of 14 established) migration resource centre handed over to local governments
- 1,378 women empowered through GALS by 107 GALS trained mentors.
- 29,307 persons trained on technical and vocation skills
- More than 75,000 persons received migration-related services
- More than 4,506 returnee migrants supported in accessing economic opportunities (SC-2,257 and technical and vocational skills -2249)

Performance against Human and Social Capital is assessed as satisfactory (5/6)

Rural poverty impact: Food security

- Interventions did not target Household food security and nutrition specifically
- Indirect and anecdotal information collected by the PCR mission shows significant contribution to household food security owing to:
 - Significantly increased income → HHs spent more on food
 - Increased production of milk, vegetables, fish, mutton, part of which went for self-consumption.
 - More regular source of income, increased access to financial services, personal savings, helped smoothening consumption
 - Stall-feeding, grass plantation, chaff-cutters reduced women's workload → lesser nutritional needs
 - Empowerment of women helped reducing conspicuous consumption (e.g. reduced alcoholism)

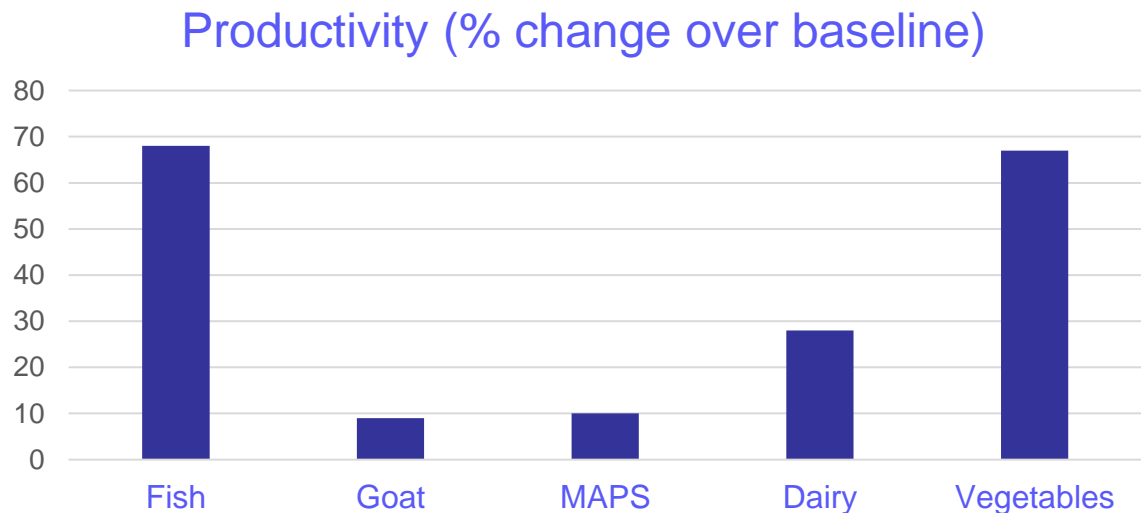
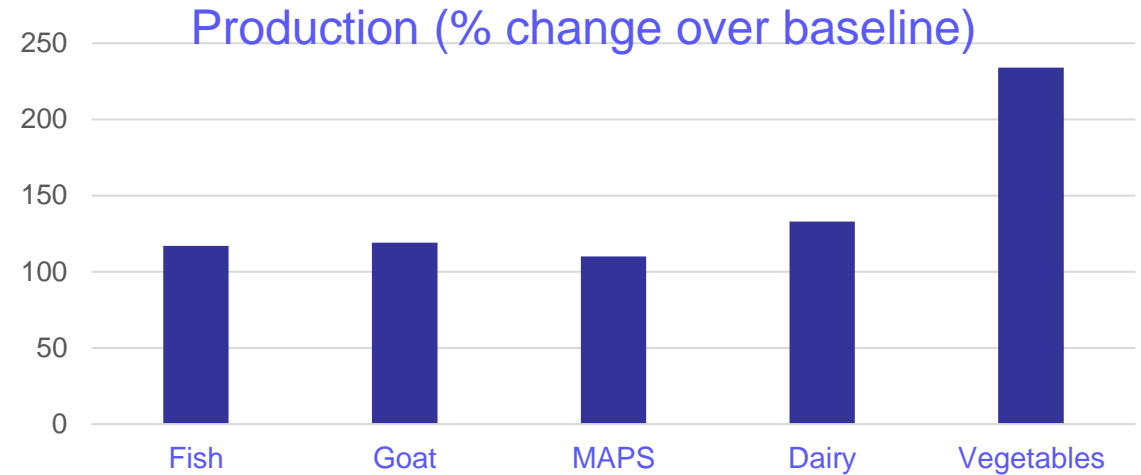
Endline survey: MDD- 72% for the intervened JHHs vs. 68% for control.

Performance against Food Security is assessed as satisfactory (5/6)

Rural poverty impact: Agricultural productivity

- Compared to baseline, **the project increased production to over double the baseline across all SCs.**
- In **goat and MAPS SCs**, production improvement seems to be due to an increase in production asset (e.g. herd size, hectareage) supported by **a modest but significant productivity increase** (~10% in kg/ buck, kg/ha).
 - This may also reflect **the long lead time** needed for improved practices to affect improvement in productivity for goat SC.
- **High and very high productivity increases** were reported from **dairy, vegetables and fish SC** (30-70% in L/head and kg/ha).
- Overall, the project improved productivity on average by 36% across all SCs.

Performance against Agricultural Productivity is assessed as satisfactory (5/6)



Rural poverty impact: Institutions and policies

Policy impact is mainly through mainstreaming and upscaling of Samriddhi-induced approaches and methodology –(75 Nos)

- 9 Palikas developed Agricultural strategy and plans, endorsed by Palika council meeting and budget provision for implementation
- 6 Palikas developed Fish cluster development guideline, endorsed and in operation
- 12 Palikas out of 14 established agreed to sustain MRCs/MIDs using own budget
- 9 Migration and Reintegration Policy (Dhankuta 1st in Country), 8 MRC guidelines, 14 Migration Profile developed by Palikas
- 12 municipalities developed Results-based financing Approach VST training implementation guidelines
- 4 municipalities supported to develop TVET strategic plans including baseline surveys
- Ministry of Labour & Transport of Madhesh province promulgate “Labour & Employment Policy” based on RBF based TVET guidelines with technical assistance from the project.
- FEEK for All in Palikas Policy and Annual Programmes (2)

Performance against Food Security is assessed as satisfactory (5/6)

Rural poverty impact- Access to markets

- 480 MSP and B2B events facilitated → Established all 410 supply chain groups (12,854 HHs) market linkages → generate total revenue of USD 58.3 Million from sales of SC produce
- 91% of households reported an increase of 166% in median sales revenue
- 45 collection centres established → collective marketing initiated with assured market with fair pricing
- 4 MAPs processing facilities established/expanded → contract farming promoted in public barren and private land with assured market.
- MAPs processors capacity enhanced in collaboration with (FFDC), Kannauj, Uttar Pradesh → product diversification and business arrangements with Indian Buyers for export.
- Live fish marketing enhanced in RERP areas → linked with buyers of KTM and Pokhara
- Promoted Improved Marketing Practices → Quality based pricing in Vegetables, Live weighing of Goat and Use of digital weighing balance in Fish including reduced commission rate
- Fish hatchery (2)/Goat Resource Centre (1) established, Agro-vets/ (16) /capacity strengthened → Improved access to quality Inputs and technical services including AI
- 27 CCI capacity enhanced → Facilitating business development services including market access to

Performance against Access to Market is assessed as satisfactory (5/6)



Rural Poverty Impact: Financial Inclusion

- **Multi-pronged approach:** Demand- & supply-side and supervisory capacity at local level.
- **68,176 HH** reporting use of rural financial services (142% target) and **236 service providers supported (157%)**

A. Financial literacy (Demand side) –91,616 people trained in financial literacy

- **FEEK 1 - 18 hours training 62,215 people** - through **208 cooperatives** (87% women, 31% migrant HH). Links with TVET 19,506 people)
- **Appetite from coops to scale up and interest from palikas on funding** (included in 9 Palika ADSs, 2 palika add FEEK into this year's fiscal budget; coops training other coops.
- **9,977 supply chain members with peer-learning** (FEEK II, incl. GALS.

- FEEK II focused attention on productivity & helped maintain financial diaries. Links between supply chain groups and coops – 5,059 HH
- *Coops conducted multiple events with sliding scale in financing (>events; >coop contribution). FEEK I strengthened coop's membership, savings and loans.*

Cooperatives	FEEK 1 Event	Member	Loan	Saving	Share
		Growth rate %	Growth rate %	Growth rate %	Growth rate %
28	0 or Less than 5	25.65	55	48.08	33.06
127	5 to 10	31.22	33	64.76	60.82
49	10 to 20	57.84	63	95.47	84.83
17	Above 20	43.8	89	101.71	58.76

Rural Poverty Impact: Financial Inclusion

B. Access to Finance

- **121 coops accessed wholesale lending** (55 SKBBL; 66 others) through SKBBL and Nefsun, RSDC, FMDBL, NCBL and YSEF.
- Increase in the availability of loan capital and liquidity in rural finance sectors by **NPR 7,317mn (NPR 4,284 Mn from SKBBL)**.
- 3,126 supply chain members from 188 groups linked with credit through cooperatives and BFIs with total loan value of at least NPR 731 million (644mn, SKBBL).
 - **53% migrant HH & returnees**

C. Cooperative strengthening

- SKBBL and RERP selected 221 coops for capacity building in three batches, 46 coops / SFACLs dropped, hence 175 coops received capacity building support
- Classroom-based, 'one-size fits all' approach

- 29 and 17 (total 46) Coops selected in 1st batch and 2nd batch were inappropriate (SFACL and already capacitated),
- 95 Coops affiliated with and 50 received wholesale loans from SKBBL (Affiliation target: 105)
- 26% FSPs with portfolio-at-risk ≥ 30 days below 5%
- The project has provided IT support. 72/99 use it. Too expensive for many.
- RERP in partnership with SKBBL strengthened some of the cooperatives (95 out of 175 - 54% strong cooperatives); promoted financial literacy and business skill linking with supply-chain groups, TVET.

D. Palika support

- COPOMIS- 50 Palika completed monitoring & supervision assessment. 41 Palikas now have dedicated Cooperative Unit / staff (from 25). 2,151 coops enlisted for COPOMIS (26% to 76%).

Samriddhi's impact on financial inclusion is satisfactory (5/6).

Gender Equality and Women's Empowerment

- Women represents 75% of beneficiaries
- Women headed HHs constitute 26% of the beneficiaries.
- 59% of key positions in SC groups held by women
- 1,378 women practiced GALS, 280 'passing the gift'
- 107 (107 % of target) GALS mentors trained, being role model
- 790 most vulnerable and poor women left out/left behind HHs supported
- 6,296 (38%) women participated in non-traditional trades
- Women's income up by 190 % over the baseline vs Men's 181%.
- Access to financial services → better management of savings and remittances
- use of labor-saving technologies → Reduced drudgery of women
- Overall, Improvements in:
 - Increased self-confidence and voices in decision making
 - Better communication within family, service providers, government functionaries and larger community
 - GALS, other tools → mindset & behavioural changes → improved dialogue and relationship within/among families and better planning for family well-being.
 - Improved Women's economic empowerment
- improving workload sharing among women and men
- Around 72% of women of reproductive age reported having minimum dietary diversity (vs 68% in control)

Performance against Gender Equality and Women's Empowerment is satisfactory (5/6)

Samriddhi: Adaptation to Climate Change

- Increased adoption of climate resilient practices among farmers due training packages, technical sessions in FEEK, and investment support
- 6,830 households adopted protected agriculture, mulching, efficient water use, etc., and which could enhance diversified production systems. -85% of end target as per endline survey).
- Polytunnels support (967 farmers) has increased off-season vegetable cultivation practices among farmers, which could enhance their productivity and income → Further expansion
- Trained LRPs and farmers from the project are practicing climate resilient practices (pest management, offseason vegetable farming, soil improvement, etc)
- The implementation of various forms of irrigation support such as solar pumps, plastic ponds, rainwater harvesting, and bore pumps has helped farmers address water scarcity and ensure sufficient water supplies when needed
- Minimized impact of climate change through adaptive management practices such as aeration, boreholes, and biofloc technology has helped (heat stress, water scarcity etc) on fishponds.

Samriddhi's impact on Adaptation to Climate Change is moderately satisfactory (4/6)

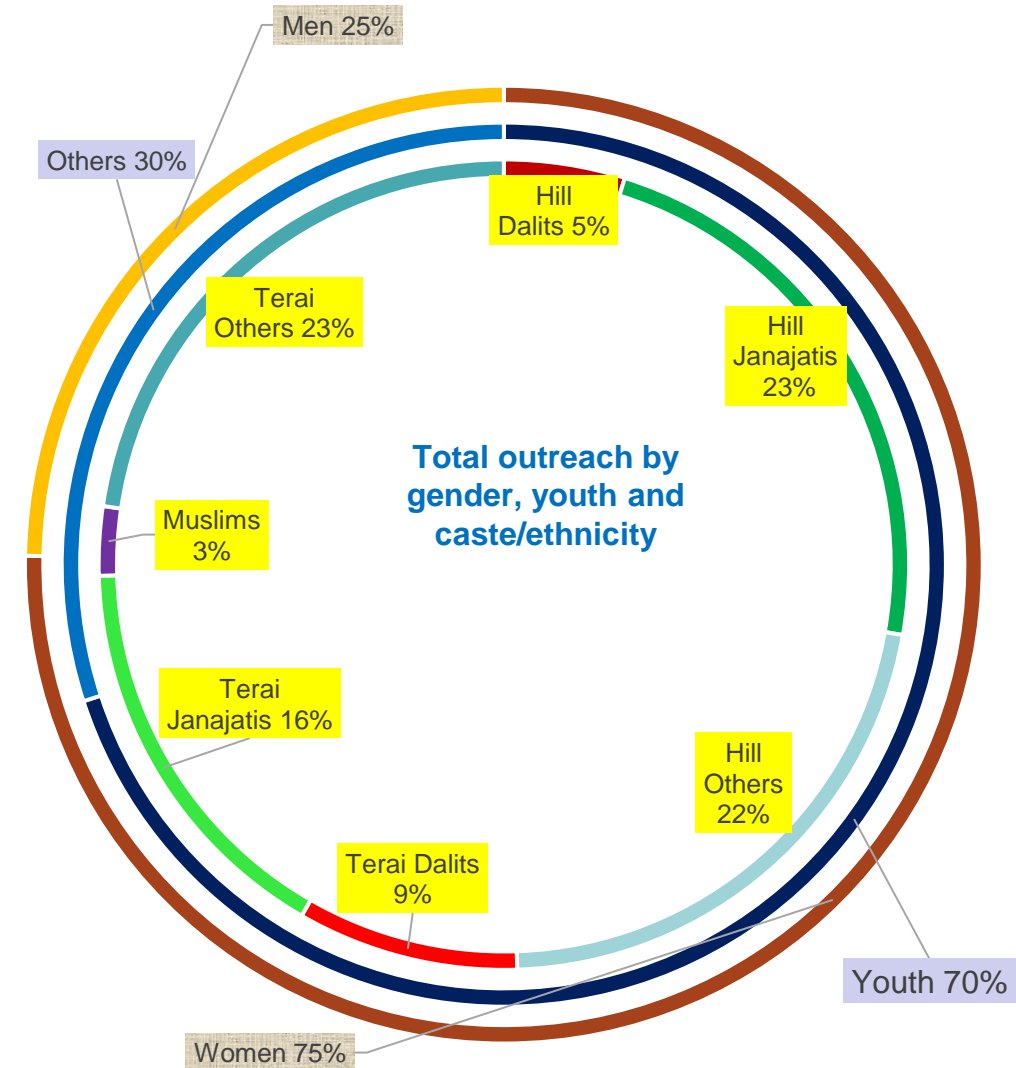
Samriddhi: Environment and NRM

- Samriddhi contributed to environmental sustainability and improved natural resources management by:
 - Support to livestock rearing practices (stall feeding, fodder plantation, improved goat/cattle shed, breed improvement) → reduced the pressure on natural resources
 - MAPs on barren lands improved land quality
 - Training on production and post-harvest loss management → reduced losses.
 - *HHs losses decreased to 2.2% in 2023 to 1.4% now.*
 - Training and learning exchanges → prepare compost and liquid fertilizer (jholmol) using FYM. Plus, 70 vermicompost pits.
 - LRPs were trained in soil health improvement and sustainable fishpond management.
 - On last 2 points: The extent of adoption at the household level remains unclear due to insufficient data.

Samriddhi's impact on Environment and NRM is moderately satisfactory (4/6)

Samriddhi: Targeting and outreach

- **158 Palikas** by all components- SC -76 palikas with 90 production clusters and 410 Producer groups, Decent Jobs –139 palikas, Rural Finance – 94 Palikas and 236 Coops.
- **1,04,376 (116% of target) Total Outreach (SC, Decent Jobs, financial literacy)**
 - 26 % Women headed HHs
- **12,854 HHs in Supply Chain (128% of Target),**
 - 64% Women, 64 % Youth, 12% Dalits (H-4%, T-8%), 32% Janajatis (H-19%, T-13%), 2% Muslims, 48% Migrant (Migrant families-30%, Returnees-18%)
- **29,307 HHs in Decent Jobs (98% of Target)**
 - 56%, Women, 90% Youth (*GoN), 14% Dalits (Hills-5%, Terai-9%),
 - 51% Janajatis (Hills-25%, Terai-26%), 2% Muslims, 8% migrant (migrant families -6%, returnee 2%)
- **62,215 HHs in Rural Finance**
 - 87%, Women, 61% Youth, 14% Dalits (Hills-5%, Terai-9%),
 - 35% Janajatis (Hills-23%, Terai-12%), 3% Muslims
 - 31% Migrants HHs (Family member -24%, Returnee-7%)



Samriddhi: Targeting and outreach

- 1378 HHs in GALS (138 % of target) 100% women,
 - 13% Dalit, 33% Janajati, 43% Madhesi
 - 47% Migrant (34% Migrant HHs and 13% Returnee HH)
- 75,913 individuals - MRCs/ MIDs (Not included in total outreach)
 - 82% men, 18% women, 82% young (check from log-frame)
 - Assume 100% prospective migrants, migrant HH or returnee
 - 45% Janajati, 9% Dalit, 14% Madhesi, 11% Muslim, 20% Other
- Outreach to people of Hill and Terai origin -
 - 51,638 HHs (49%) Hill origin
 - 38,113 (74%) Women
 - 52,738 HHs (51%) Terai origin participants
 - 40,478 (77%) Women
- Of the 40,505 participants outreached by **SC** and **Decent Jobs** (92%) are from poor category (PPI tool),
 - Ultra Poor - 1,328, (3.28%); Poor - 13,041, (32.20%)
- Appropriate poverty measure e.g. Multi-dimensional Poverty Index not applied, therefore poverty outreach estimate has limited validity.

- Migrant family and returnees has increased their income over baseline by 187%.
- Income increased over baseline (median) for Hill Dalits is 396 %, and Terai Dalits is 115 %. Among Hills Dalits changes is more while among Terai Dalits is low as compared to 187 % of overall SC beneficiaries.
- 158 Palika reach made interventions spread thin and 'critical mass' missing in some cases.
- Dalits and Muslims are the most "marginalized" communities. Samriddhi failed to target **Muslims** (3% Vs 8.5% population), and **Dalits** (14% Vs 15.5% population)

NB: Lack of focused targeting along **Hulaki Rajmarga** and **South up to the Border** caused some targeting error.

Samriddhi's impact on Targeting and outreach is moderately satisfactory (4/6).

Samriddhi: Innovations

SUPPLY CHAINS

- Introduction of available but contextually new technologies in Project areas: Poly tunnels, mulching and irrigation facilities (Solar lift). → promoted product diversification and intensification
- Collective marketing for vegetables, creating Farmer's welfare fund with contributions from traders & farmers → used to compensate farmers using [deficit pricing mechanism](#).
- Fish cluster development guideline adopted by 6 municipalities creating a cluster development fund → used for fish SC promotion interventions
- Customized mobile vehicle for transportation and marketing of Live Fish involving private sector → minimized mortality & enhance economic returns.

MIGRATION:

- Formulation of Migration and Re-integration Policy by 9 Municipalities; Dhankuta Municipality being first in Nepal
- Establishment of MRC/MID establishment and operation jointly with Local bodies ensuring sustainability

MIS

- RERP MIS is a live, constantly updated with new data tracking individual HHs data linked to unique HH IDs using tablets.

DECENT JOBS

- 33% women participants in non-traditional trades
- Result based training Institutionalization in Palikas and Province (Guidelines and Strategy)
- **Leading to Apprenticeship (LAM- 2) in collaboration with private led industries** and FNCCI to fulfil quick labour demand of industry sector.

Samriddhi's impact on innovation is satisfactory (5/6)

Samriddhi: Scaling Up

- Project intervened technologies such as poly tunnels, mulching are being multiplied at HHs level by private investments as well as promoted by other programmes/projects and Municipalities.
- Presence of buyers in clusters ensuring market has enhanced additional farmers participation in the supply chain activities with increased production meeting buyer's requirements.
- Customized mobile vehicle for transportation and marketing of Live Fish promoted being co-financed by PMAMP for promotion
- Integration of commodities specific cluster-based approach by Local bodies in ADS, Plans, Budget for implementing activities.
- 12 out of 14 MRC/MID operational with Palikas own resources and delivering career counselling, safer migration and case handling support.
- Institutionalization of outcome- based financing in VST by Palikas (12) and Madhesh Province Ministry of Labor and Transportation, reflected in TVET guidelines and strategy.
- RERP MIS adopted by IFAD funded Maldives Agribusiness Programme, and also customized core MIS system developed by MoICS, through project support.
- Adoption of FEEK 1 - reflected in 11 Municipalities policy and annual programmes.
- Migration Profile developed by 14 Municipalities on cost sharing basis and being replicated by SDC funded - **REMI project** in 9 local bodies of Koshi and Madhesh
- **MRCs/ MIDs** Integrated into the Foreign Employment Board with a Unit, and MRC Guidelines institutionalized into Government & training.
- **Potential for Employment Service Centres (ESCs) at local level** under MOLESS to integrate MRCs / MIDs and referral to TVET and employment bank (IOM) at local level.
- Widespread demand from partners and stakeholders (Local to Federal level) for scaling up.

Samriddhi: Quality of project management

- PMO, PM, SMT, PD MoICS made significant efforts to deliver activities across all major subcomponents.
- The Project Steering Committee (PSC) was supportive in providing necessary guidance and suggestions, timely approval of manuals/ guidelines, AWPB etc.
- Ministry supported the PMO in the AWPB preparation & allocation of GoN counterpart funds. MoICS staff including secretaries, regularly monitored project field activities and provided feedback and suggestions
- Secretary delegated the authority for budget approval ceiling to the Project Manager → Helped expediting
- Regular SMT meetings (36 events by 2024) were held with the participation of IFAD TA, to address challenges and issues faced during implementation and to recommend actions
- The project provided sufficient resources (vehicles, motorbikes, laptops, travel allowances, etc.) for staff field mobility, creating a healthy working environment.
- During COVID-19:
 - PMO supported Helvetas by approving manuals and guidelines for virtual income verification in the second round to facilitate and speed up implementation during COVID.
 - Arranged pickup and drop services for staff affected by COVID
- The Project Manager demonstrated strong commitment by coordinating with local bodies and government entities
- Project Management was proactive to resolve the procurement issues of 3rd VST and also took necessary actions to blacklist firms which submitted fake documents
- High retention rate of project managers – only 2 left
- Overall, Project management could have ensured more coordinated planning and implementing activities across the project area.
- Substantial implementation delays in earlier years led eventually to loan cancellation.

The quality of project management is rated as moderately satisfactory (4/6)

Samriddhi: Procurement

- Project has procured 166 service providers to train 29307 VST & LAM trainee in 3 rounds
- Procurement data entry in ICP-CMT system
- OPEN system since FY 2022/023
- 3 4WD pickups, 24 motorbikes, 11 scooters, 41 laptop computers including other goods have been handed over to Government offices;
- Some issues persisted:
 - Delayed recruitment of Proc Officer, 7 June 2020 onwards
 - Timely updating of quality data to ICP-CMT system
 - Migration Mapping Study, a mis-procurement (2018 MTR)
 - Implementation of Covid Response Program through AEC was done without obtaining NOL from IFAD, 2021 SVN
 - Software for Remittance Related Support for Civil Investment Trust procured on FY 020/2021 (US\$ 72,000) not used.
- Underuse (31/ 65) of Core Banking Software for Co-operatives handed over to the cooperatives) procured in July 2021 (US\$113,000), because of lack of realistic need assessment survey of all stakeholders
- Cancellation of VST Round 3 procurement in 2022
- Non-alignment of 10 activities out of 32 under goods and 11 activities out of 24 under consulting services with approved AWPB in FY2022/23
- Contract award of Consultancy Services for Endline survey faces some quality issues

Procurement performance under Samriddhi is moderately satisfactory (4/6)

Samriddhi: M&E and knowledge management

- **Best M&E and MIS framework in IFAD Nepal portfolio**
- Detailed datasets across multiple thematic areas and components - more than 100,000 direct beneficiaries, 410 producer groups, 236 cooperatives and 14 MRCs
- **True results-oriented management tool**
- Outcome results monitoring = valuable analysis of progress to identify bottlenecks and enhance effectiveness and sustainability
 - Farm Diaries for 10,000+ smallholder household tracking profitability and productivity
 - Employment and income tracking of 29,000+ vocational trainees across 6 months
- RERP MIS framework replicated by IFAD-financed project in Maldives AND MOICS

- **Knowledge generation**

- Regular generation of knowledge and lessons – online library of success stories, news articles, documentary videos, radio programmes, case studies, and thematic papers

- **Peer-to-peer knowledge transfer**

- More than 2000 local resource persons (LRP) capacitated for peer-to-peer knowledge and skills transfer

- **Palika partnerships and policy engagement**

Samriddhi's M&E and knowledge management performance is satisfactory (5/6)

Samriddhi: Expenditures and Financial Management

- Total Expenditures incurred up to 31 May 2024 is USD 17.89 million (SDR 13.16 million) against allocation of USD 28.26 million (SDR 14.18 million) under IFAD Loan and Grant:

Description	IFAD Loan		IFAD Grant		Total	
	SDR	USD	SDR	USD	SDR	USD
Allocation	1,830,000	2,233,440	11,950,000	16,311,720	33	18,545,160
Expenditures	1,626,683	2,291,950	11,528,724	15,596,514	13,194,807	17,888,464
Fund Balance	203,317	(58,510)	421,276	715,206	585,193	656,696

Samriddhi: Expenditures and Financial Management

The project has projected expenditures of NPR 98.71 million (USD 740,141 equivalent to SDR 562,033) for the remaining project period which is less than the fund balances of IFAD Grant and Loan. The details of fund balance after deduction of amounts of WA No. 40 & 41 and expected expenditures are as follows:

Description	Amount SDR	Amount USD	IFAD Amount NPR	Total Exp NPR
Grant	666,508	877,724	117,053,338	143,800,170
Less: WA No. 41	235,458	310,075	41,351,557	50,800,438
Grant Balance	431,050	567,650	75,701,781	92,999,731
Loan Balance	154,143	202,990	27,070,805	33,256,517
Balance Grant & Loan	585,193	770,640	102,772,586	126,256,249
Less: WA No. 42 (June 1-30, 2024)	277,330	365,216	48,705,211	59,834,412
Less: WA No. 43 (Helvetas)	284,703	374,925	50,000,000	50,000,000
Fund Balance	23,160	30,499	4,067,375	16,421,837

Samriddhi: Quality of financial management

- **Delay in project execution** due to late submissions, e.g. Revised AWPB of FY 2018-19 submitted on 7 Oct 2018, budget of FY 2018-19 was allocated to Province No. 1 only
- **Discontinuance of accounting software system (PASS)** developed for the IFAD funded project due to lack of timely support by the service provider since FY 2022-23.
- **Investment of the private sector not recorded**
- **Some internal control weaknesses** such as, no PAID stamp on supporting documents, excess payment, excess claim with IFAD, expenses claimed in wrong categories
- **Payments to exited staff and beneficiary groups have not been made** citing reasons of lack of sufficient government counterpart funds and budget for IFAD loan.
- *Approval for source transfer be obtained to incur expenditures from IFAD Loan and GoN counterpart fund for FY 2023/24.*
- **Delayed submission of unaudited project financial statements** of FY 2015-16 & 2018-19
- **Late submission of IFRs: e.g.** second and third trimester IFRs of FY 2018-19, first and second trimester IFRs of FY 2021-22, first, second and third quarters IFRs of FY 2022-23 and 1st and 2nd quarters of FY 2023-24
- Ineligible expenses reported in the supervision missions are yet to be recovered.
- **Submission of audit reports after due dates issued by the Auditor General to IFAD** except for FY 2016-17 and 2019-20.
- Audit observations of OAG need to be resolved before the project closing dates otherwise the ineligible expenses claimed with IFAD will have to be refunded to IFAD.
- Some of the fixed assets have been handed over to the various Government Offices and local government.

Samriddhi's Quality of Financial Management performance is Moderately Satisfactory (4/6)

Samriddhi: Project Completion and Winding Up

- The expenditures incurred up to the **project completion date (30 June 2024)** are eligible for financing from IFAD source except winding-up expenditures.
- The payment of goods, civil works and services delivered/completed/ rendered on or before project completion date can be made up to financing closing date.
- Only project winding-up expenditures incurred between the project completion date and financing closing date (31 December 2024) are eligible for financing from IFAD source.
- The expenditures incurred for winding-up should be agreed with IFAD. However, there is no GON budget for IFAD source for FY 2024-25.
- Handing over plan of the remaining fixed assets including motorbikes and vehicles should be shared with and No-objection should be obtained from IFAD.

Samriddhi: Project internal rate of return

- EIRR is estimated at 21.8% and NPV (USD 16.6 million)
- EIRR is lower than appraisal and restructuring.
- Adoption / success rate was not considered during appraisal and higher rate was applied at restructuring.
- Longer implementation period provided less time for the beneficiaries for post project realization of benefits.
- A sensitivity analysis was done in six scenario: (i) 10% and 20% decrease in benefits; (ii) 10% and 20% increase in costs, and (iii) 10% and 20% decrease in adoption / success rate, and in all scenarios, EIRR was above 17%.
- The project's projected cash flow is highly sensitive on 20% decrease on benefits and adoption / success rate, compared to other scenarios.

Samriddhi's Efficiency is moderately satisfactory (4/6)

	At appraisal	At restructuring	At completion
Project cost (USD million)	68.0	25.3	25.3
EIRR (%)	26.0	31.4	21.8
NPV (USD million)	37.7	32.0	16.6

The switching value for the total project benefits is about 50% while for the project costs it is approximately 101%.

Parameters	Amount (USD '000)	Switching value
NPV of incremental benefits	33,059	-50.1
NPV of incremental cost	16,488	100.5

Samriddhi: IFAD and Government performance

IFAD [Rated 5/6]

- Supported through a regular supervision/ MTR as well as implementation support, including for design update and restructuring – beyond usual support that IFIs provide
- Optimized the resource allocation within Nepal portfolio and allowed Samriddhi to optimise the use of grant funds.
- Smooth communication was established with the IFAD-ICO Nepal
- Move of Country Director from Delhi to Kathmandu significantly improved support/ coordination/communication
- Regular training on fiduciary issues, technical trainings, participation in regional learning events, quarterly reviews were provided



Government [Rated 5/6]

- Strong ownership from the senior management in the Ministry, especially after MTR, timely counterpart funding
- RERP PMO built excellent relationship with MoICS, NPC and MoF along with local bodies within the Project areas.
- Integration in MoICS Planning and Review systems and Programme budgeting cycle
- Provision of dedicated project manager that support the contracted technical team and their retention.
- Facilitated and support the budget release process during the state-led model implementation arrangement in close coordination with state government.

Samriddhi: Other partners performance

- **Helvetas Nepal:** for decent jobs results and target.
- **SKBBL:** Capacity development of cooperatives
- **AEC:** CCI capacity building results and targets.
- **CCI:** Responsible for delivering business development services including market arrangement
- **Koshi Province FNCCI:** Delivering Apprenticeship LAM2 skills training with industries, piloted in the project.
- **Private sector:** Traders, processors, input suppliers in all supply chains

- **Local Government:** Partnership with 76 municipalities for Policy/strategy formulation, MRC/MID establishment and co-financing, guidance and support in executing supply chain development interventions.
- **Cooperatives:** 213 Nos for capacity building activities, conducting FEEK 1 and providing financial services to RERP beneficiaries
- **IOM** for strengthening the MRC/MID staff capacity, Policy formulation and information dissemination
- **CMIR/People's Forum** for facilitating and support in case handling of victims who come to MRC/MID for services.
- **ADBL/Laxmi Bank** for providing loans to RERP beneficiaries
- **Insurance Companies** for providing Insurance services to RERP beneficiaries

Samriddhi: Assessment of sustainability

- **Government ownership and commitment** – Significant Palika co-investments for the development of local level policies and operational guidelines (US\$ 175,000), and for the operation of FEEK and MRCs (US\$ 235,000).
- 12 MRCs the staff have been absorbed by local governments for continued migration services.
- **Community ownership** – Strong relationships and trust built through multi-stakeholder platforms and business-to-business/service linkages, between various stakeholders
- **Beneficiary capacities** – Holistic support for group management, financial literacy and entrepreneurship (FEEK), access to finance etc.
- **Institutional capacities** – Cooperatives capacitated
- **Technical capacities** – More than 2,000 local resource persons capacitated for peer-to-peer knowledge and skills transfer
- **Economic resilience** – Demand-driven and food systems approach (localized inputs production – vermicompost, feed and fodder) to supply chain development; market-led approach to TVET through prior scoping assessments ensures continued relevance of the vocational skills developed.
- **Environmental sustainability** – Various environmentally sustainable and climate resilient technologies and practices supported by the project such as improved sheds, mulching, compost etc.

Samriddhi's Sustainability performance is rated as satisfactory (5/6)



Samriddhi: Lessons learned and knowledge generated

- Following a **clustered geographic targeting** approach and intervening with critical mass of activities is important for ensuring beneficiary households receive coordinated and comprehensive support across multiple project components
- A more nuanced and **contextually aware targeting approach** is essential for addressing the complex socio-economic realities of the Terai
- **Financial and business education** to smallholders can encourage the use of financial services, increase awareness of agri-business opportunities, and enhance entrepreneurial attitudes of smallholders.
- **Outcome-based payments to service providers** can result in significant performance gains, as observed in the RERP vocational training programmes, supported by a rigorous monitoring and verification processes for fund release at each milestone.
- **Clear outreach and physical targets** should be noted in the project log-frame at all levels for target beneficiary groups, e.g. migrant families and returnees across all project components and activities for consistent strategic targeting and progress monitoring.
- Initial selection process for **institutional capacity building** should be aligned with the objectives of the project. A differentiated product for capacity building is needed as one-size-fits-all does not work well (re: SKBBL and cooperatives).
- Key IFAD missions should include the **Environment and Climate Specialist**, especially during the redesign/design update phases
- Project management and IFAD supervision missions should review the tools used for identifying target beneficiaries and monitoring their performance and **update/ substitute as GON/ international organizations adopt new tools** (re- PPI vs. Multi-dimensional Poverty Index).

THANK YOU