



DELIVERING IN PARTNERSHIP

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Printed in Nepal.

Publication Stock No. ARM178671-2

Cataloging-In-Publication Data

Asian Development Bank.
Delivering in Partnership.
Mandaluyong City, Philippines: Asian Development Bank, 2017.

1. Inclusive Development 2. Nepal 3. Asian Development Bank.

I. Asian Development Bank

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Photos: Samir Jung Thapa, Kiran Pandey, Madhup Shrestha, Gerhard Joren, Bimal Babu Khatri, Ajaya B. Khanal and Shikha Prasai.

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Foreword

I would like to congratulate ADB on the occasion of its 50th anniversary, a milestone that is equally meaningful for Nepal, which has been a founding member of ADB since 1966.

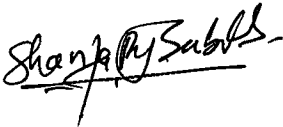
For the last five decades, ADB has been an invaluable partner of the Government of Nepal, providing much-valued support to improving the livelihoods of Nepali people, whether it is through support to agriculture, industries, and infrastructure like roads, airports or hydropower plants, or services like education and water and sanitation. Cross-cutting development themes like environment and climate change, gender equality and social inclusion, governance and public management have also been its areas of support.

Over the years, ADB has shown a great deal of flexibility and responsiveness in understanding Nepal's needs and helped Nepal make notable progress in socio-economic development, aligning its support to Nepal's development plans. For example, after the devastating 2015 earthquake, ADB demonstrated great flexibility and responded quickly to support Government of Nepal in carrying out relief efforts and building back the country.

As Nepal now strives to achieve the sustainable development goals and upgrade to a middle income country by 2030, the continued partnership between ADB and Government of Nepal takes on even more significance. Nepal also expects from ADB to lead the process of building capacities to accelerate development project implementation, as we have time and again faced project delays, thus resulting in cost overruns. ADB's support to the establishment of capacity development resource center at the staff college is the beginning towards this end.

I am happy to note that ADB is bringing out a book to highlight ADB's assistance to Nepal in various sectors. I am confident the case studies will generate a deeper understanding of ADB's role in Nepal and the impact of ADB's projects on the everyday life of Nepali people.

We look forward to continued partnership between the Government of Nepal and ADB.



Shanta Raj Subedi, Ph.D.

Secretary
Ministry of Finance
Government of Nepal



Preface

The year 2016 marked the 50th anniversary of the Asian Development Bank (ADB). To commemorate this event, ADB Nepal Resident Mission is publishing a collection of project stories in seven key areas of operation. These case studies provide a snapshot of ADB's work in partnership with Nepal over the past 50 years in helping the country meet her development objectives for its people.

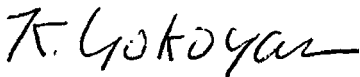
Despite a number of challenges like the civil conflict, prolonged political transition, and the 2015 earthquakes, Nepal has made steady progress in combating poverty and social disparities. ADB appreciates the partnership with Nepal over the period to support positively changing the lives of millions of people through hundreds of projects that have provided important building blocks in this endeavor.

You will meet in these project stories individuals like Januka Rai of Letang Bhogetani in eastern Nepal who is relieved from diarrhea and dysentery thanks to better water and sanitation services, Tika Ram Bhandari of Latamandu in the far west who is able to grow vegetables by water conservation under a climate change project, and Jeetendra Lal Shrestha, the principal of a school in Kathmandu, who felt that deciding to retrofit his school was the best decision he made in his career.

Since 1969, ADB has provided \$ 5 billion worth of assistance to Nepal in agriculture, education, energy, transport, and urban infrastructure sectors. ADB's current partnership strategy (2013–2017) focuses

on helping the country achieve its objective of accelerated, sustainable, inclusive economic growth.

ADB looks forward to enhancing and deepening the partnership in Nepal, to further advance the journey towards the country's prosperity. This involves substantially enhancing infrastructure, building strong human capital, promoting rural transformation, and building strong capacities and systems to drive the process. We are committed to contributing to the further progress in this direction.



Kenichi Yokoyama

Country Director
ADB Nepal Resident Mission





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A Single Project Changed the Lives of Many in Nepal

The Kaligandaki-A power plant was instrumental in helping Nepal deal with a crippling power shortage. The plant is still going strong today.

“Today, Kaligandaki-A provides almost one third of Nepal’s hydroelectricity production.”

In the 1980s and 1990s, Nepal was often thrust into darkness. Long power outages and a generally unreliable supply of electricity left people and businesses struggling. Some people had to use firewood and biomass at the expense of their health and the environment.

A single project in 1996 had a major impact on changing the power supply situation in Nepal. Near the confluence of the Andhi Khola and Kaligandaki rivers, a dam, reservoir and power plant was built to harness some of Nepal's hydropower potential. The Kaligandaki-A Hydroelectric Project was completed in 2002 and changed the lives of thousands of people.

The ADB-supported project came to the rescue during the height of Nepal's energy crisis and continues to be a mainstay of Nepal's energy supply.

"Today, Kaligandaki-A provides almost one third of Nepal's hydroelectricity production," says Hara Raj Neupane, Deputy Managing Director of Nepal Electricity Authority's Generation Directorate. "Throughout the years it has been providing more than its designed capacity."

Without the project, periodic power outages would have damaged Nepal's economy. It not only helped stabilize the country's energy supply, it allowed Nepal to export electricity. Many of the inefficient and polluting diesel generators used by industrial and commercial consumers were phased out as a result of the project. And many rural consumers were able to switch from unhealthy kerosene to electric lighting.



The dam, reservoir and power plant of the Kaligandaki-A Hydroelectric Project near the confluence of the Andhi Khola and Kaligandaki River.

Project at a Glance

Project: Kali Gandaki-A Hydroelectric Project

Description: With its installed capacity of 144 MW, the project generates 842 gigawatts of renewable energy annually using the flow of the Kaligandaki River.

Amount: US \$ 160 million

Type: Loan

Time period: June 1996 – July 2003



Learning to be Resilient

Bhagawati Secondary School in Sankhu, Kathmandu is one of the 160 schools retrofitted to withstand earthquake as part of Nepal's school safety program.

Around Nepal, more than 100 retrofitted school buildings withstood the devastation of the April 2015 earthquake. That is just one benefit of the partnership between ADB and Nepal in the area of education.

“There was not even a crack in the school building.”

In April 2015, Pooja Tamang, a 15-year-old student near Nepal's capital city, was giving a presentation to her classmates when her school began to shake violently.

“We rushed out to open ground nearby,” she recalls.

Within minutes after the devastating 7.8 magnitude earthquake that struck on April 25, almost a thousand people had gathered on the grounds of her school, named Tri-Padma Vidyashram, in the town of Pulchowk. Her family and many others took shelter there for weeks after the disaster.

The earthquake was one of the strongest in the recent history of Nepal, killing more than 8,000 people, injuring over 16,000 and devastating thousands of buildings. About 30,000 schools were damaged or destroyed, affecting the education of about 1.5 million children. Public schools accounted for 92 percent of total damages and losses in the school sector.

While schools collapsed all around Kathmandu Valley, Pooja Tamang's school showed only hairline cracks in the walls.

Her school was one of the 160 school buildings that had been retrofitted to withstand earthquakes as part of Nepal's school safety program, supported by ADB and the Australian government.

"The 2015 earthquake showed the relevance of the program," says Smita Gyawali, a senior project officer with ADB. "Many retrofitted school buildings withstood the earthquake and provided shelter to the community and a sense of security to the students."

"The people felt confident enough to sleep inside the buildings that had been retrofitted," Gyawali says. "The fact that we need to retrofit old buildings became self-evident after the quake. Before that people were not too keen about preparing for earthquakes."

After the earthquake, ADB improved the program further, says Gyawali. About 100 other schools will be retrofitted to be even stronger.

Project at a Glance

Project: School Sector Program

Description: The SSP aimed to increase access to and improve quality of school education particularly basic education (grades 1–8), through five program outputs: (i) more equitable access to quality education; (ii) enhancing student learning; (iii) safer schools; (iv) enhanced teacher management and development; and (v) better management of governance risks in education sector.

Amount: US\$ 68.46 million

Type: Grant

Time period:
Nov 2011- Jan 2015

Project: Earthquake Emergency Assistance Project

Description: ADB is helping Nepal to build back better schools, roads and government buildings following the major earthquakes in April and May 2015 that killed more than eight thousand people, and caused damages worth billions of dollars.

Amount: US\$ 200 millions

Type: Loan

Time period: June 2015 – March 2019

Project: Disaster Risk Reduction and Livelihood Restoration for Earthquake-Affected Communities

Description: ADB is helping Nepal restore livelihoods of earthquake-affected communities through a Japan Fund for Poverty Reduction offering micro-credits to families. One of the components of the project is to rebuild 14 schools damaged in the earthquake as model schools with disaster-resilient standards.

Amount: US \$15 million

Type: Grant

Time period:
July 2015- September 2018



“There was not even a crack in the school building, Retrofitting against earthquakes was the best decision that I took as the headmaster.”

**Jeetendra Lal Shrestha,
Principal
Bhagwati Secondary School**

“The schools to be rebuilt or repaired under the project will now have stronger construction and engineering specifications to help the structures withstand future disasters.”

The school safety program is the first program in Nepal that takes into account school safety as an essential component of student learning.

“It is critical that mothers and fathers can send their children to school knowing that they will be safe and that children can continue their education even after disasters strike,” says Gyawali.

At the Bhagwati secondary school in the town of Sankhu, the results of such improvements have already been felt. About 300 people took refuge in the school after the 2015 earthquake.

“There was not even a crack in the school building,” says the principal Jeetendra Lal Shrestha. “Retrofitting against earthquakes was the best decision that I took as the headmaster.”

ADB has partnered with Nepal on a wide range of issues in the education sector, including improving opportunities for girls. This has helped the government attain gender parity in education and achieve a net enrollment rate of 96 percent for girls.





Based on the experience of school retrofitting prior to the earthquakes, ADB took up school reconstruction as a major component of the Earthquake Emergency Assistance Project. This project is now rebuilding or repairing at least 200 schools damaged by the earthquake enabling thousands of children to return to school. The schools will include stronger construction and engineering specifications that are designed to help the structures withstand future disasters. They will also include improved bathrooms with separate facilities for boys and girls.

Another important project that is affecting schools and education is the Disaster Risk Reduction and Livelihood Restoration for Earthquake- Affected Communities. The project is re-building or retrofitting more than 14 schools in poorer and severely affected districts. The buildings will follow disaster resilience standards and have computer equipment, science laboratories and more learning space.

Construction is underway for Kalidevi Primary School in Kavre district under the ADB-funded Earthquake Emergency Assistance Project. All 215 schools to be built under EEAP follow build back better principles.



Happily Paying for Water

A beneficiary of the Second Small Towns Water Supply and Sanitation Sector Project in Birtamode in eastern Nepal. Access to regular supply of safe drinking water has reduced the risks of waterborne diseases and other health hazards in the project towns.

In small towns across Nepal, communities are designing their own water and sanitation systems and learning that it is better to pay affordable prices for clean, safe water than get unsanitary water for free.

“There is not a single home in this town that is without a water tap.”

For years, people living along Chisang River suffered with a daily chore.

“There was a time when we spent two, three hours a day fetching water,” recalls Manoj Shakya, a resident of the small town of Letang-Bhogateni in

southeastern Nepal. “During the monsoon, the water would be turbid, but we had no other option.”

Another resident, Januka Rai, had a similar experience.

“Every summer, families would be tormented by dysentery and diarrhea. It was a part of life.”

The problem was clear in the communities relying on the river for water but the solution was more complicated. Though people needed clean water, they were not used to paying for it. Water from the river, though sometimes unsafe, was at least free for the taking.

Due to budget constraints, a modern water system could not be installed for the community and many other areas in Nepal with similar water problems. To address the problem, an Asian Development Bank project helped the community set up its own water and sanitation system, financed by the people in the town who used the water.



Project at a Glance

Project: Second Small Towns Water Supply and Sanitation Sector Project

Description: ADB is helping Nepal improve access to water and sanitation services in small towns throughout the country. The project is strengthening water supply and sanitation systems, assisting in establishing policies and service standards, and upgrading infrastructure and services in about 20 towns. It is also improving governance and capacity for project management and operation.

Amount: US \$ 45.10 million

Type: Grant

Time period:
January 2010 – June 2017

A water tower built with support from the project in Letang – Bhogateni in Morang district in eastern Nepal.

“So we started laying pipes to individual households although we had not yet started supplying water. Then slowly people started trusting us and gave us the money.”

**Lok Bahadur Subedi
Vice-chairperson of the
Letang-Bhogateni water
user’s committee**

At first, people in the community were skeptical about paying for water.

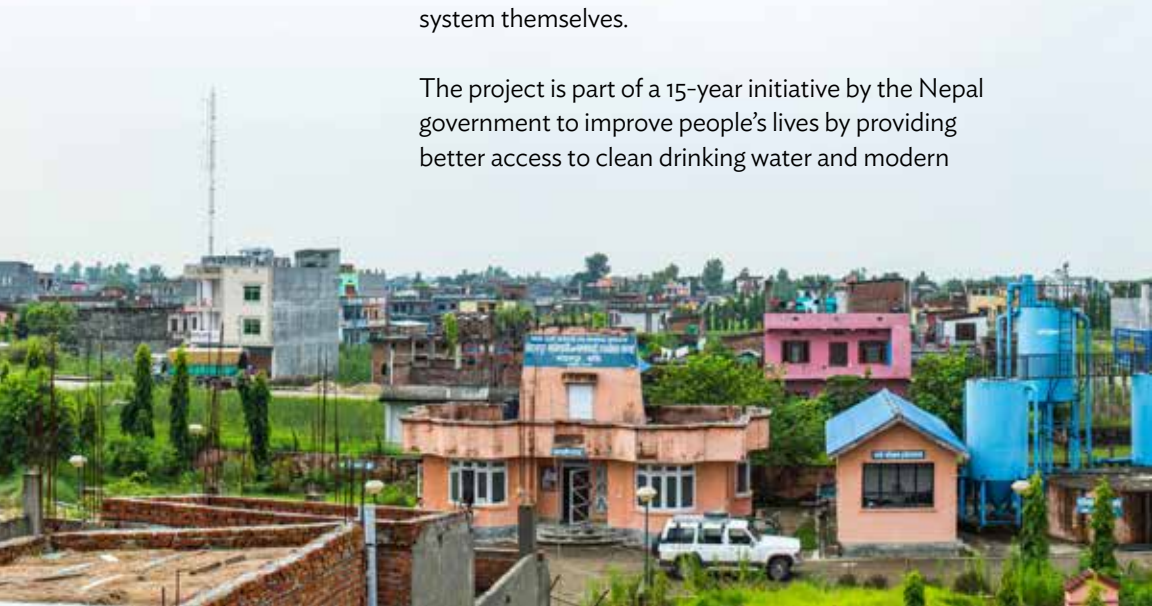
“Initially people didn’t trust us,” says Lok Bahadur Subedi, vice-chairperson of the Letang-Bhogateni water user’s committee. “So we started laying pipes to individual households although we had not yet started supplying water. Then slowly people started trusting us and gave us the money.”

Soon, people were eager to pay for pipes and access to clean water.

“We are very happy,” says Surya Bahadur Ginel. “As long as water flows from the tap we are ready to pay. Nobody is unwilling to pay.”

The Second Small Towns Water Supply and Sanitation Sector Project, supported by a \$45.10 million grant from the Asian Development Bank, is in the process of helping 20 small towns in Nepal – nearly a quarter of a million people – develop homegrown water and sanitation solutions. Strong public – private/ community partnership is an outstanding feature of this project. Residents of the towns design their own project, provide financial contribution to the investments, and then operate and maintain the system themselves.

The project is part of a 15-year initiative by the Nepal government to improve people’s lives by providing better access to clean drinking water and modern



sanitation. The initiative was also supported by a previous ADB project. The \$35 million Small Towns Water Supply and Sanitation Sector Project, which was implemented in September 2000, improved the water supply of nearly 600,000 people in 29 project towns. Buoyed by the good results brought about by the project, the Nepal Government launched yet another \$60 million Third Small Towns Water Supply and Sanitation Sector project in 2015 to improve the water supply systems in 26 new towns.

As for the town of Letang-Bhogateni, the debate about paying for clean water is over.

“There is not a single home in this town that is without a water tap,” Ginel says.



Water tower and other associated infrastructure built by the First Small Towns Water Supply and Sanitation Sector Project in Kohalpur in Banke district in western Nepal.



Cashing in on Connectivity

A bridge built under the ADB supported Road Connectivity Sector 1 Project in Khurkot over the Sunkoshi River has established connectivity of Ramechhap, Dolakha, and Sindhupalchowk districts to the Terai districts in the south.

Improved roads in Nepal are transforming farms into profitable businesses, and making life a lot easier for people in rural areas.

“Everybody is growing cash crops.”

Karna Bahadur Yonghang, of Nagi village in eastern Nepal, is all dressed up. He has put on his best suit to attend a wedding.

What might be considered a routine occasion for many is a luxury for him and nearby residents. Not long ago, it would have taken him a full day of walking to get to the wedding. Today, it is a half hour bus ride away.

Historically, the quality of roads in Nepal has been a major constraint on the country's social and economic development. Due to inadequate feeder roads, remote rural areas in the country's northern hill regions were isolated and deprived of many jobs, markets and services.

The ADB-supported Road Connectivity Sector I Project is working to improve the situation in 12 hilly districts in eastern Nepal. As a result, remote rural communities are becoming less isolated. People have greater access to jobs, markets, schools, health services and nearby towns.

As part of the project, more than 250 kilometers of feeder roads have been upgraded and the Sunkoshi Bridge in Khurkot was built, which directly connected Ramechhap and Dholaka districts to the southern districts and India. Another 318 kilometers of strategic roads have been upgraded with most of the construction work going to local contractors in

Project at a Glance

Project Name: Road Connectivity Sector I Project

Description: The project is reducing the isolation of remote rural communities enhancing access of the poor to basic services, employment opportunities, and service centers of health and education in major towns and district headquarters.

Type: Grant

Amount: \$55.2 million

Location: 12 districts, mostly hill, in different parts of Nepal

Period:
December 2006-October 2015



The improved road has reduced travel time and cost for local people of Taplejung and Panchathar.



order to benefit the nearby communities. About 20 road safety features were installed and a heavy vehicle management policy was implemented.

“Pilgrims and tourists used to come here even before, despite the hardship, but after the all-weather road, tourism has completely transformed”

Jung Sunuwar
Transport Entrepreneurs
Association, Taplejung

The project, which started in 2006, is also connecting three district headquarters – Dhunche, Manthali and Taplejung – by all-weather roads for the first time. Taplejung is an important destination for tourists coming to see the Pathivara temple and Mt. Kanchenjunga.

“Pilgrims and tourists used to come here even before, despite the hardship, but after the all-weather road, tourism has completely transformed,” says Jung Sunuwar, with the Transport Entrepreneurs Association of Taplejung.

Construction and upgrading of the roads has also led to a nearly 80 percent growth in traffic and has reduced vehicle operating costs by 20 percent. The number of deaths due to accidents has been cut by 50 percent in the project areas. In addition, the Department of Roads, as well as local construction and



consulting companies, are operating more efficiently as a result of training provided by the project.

The road has triggered commercialization of agriculture and diversification of cash crops, leading to substantial improvement in the quality of life of ordinary farmers.

“Even a few decades ago, many people in Panchthar and Taplejung districts could not survive on their agricultural produce alone,” says local resident Karna Bahadur Yonghang. “What we grew then would not last for more than three months, so we had to travel to Dhankuta, Ilam and even India to earn a living. The people would carry salt, butter and chicken to the urban centers and then buy rice from the money earned.”

Now he is growing ginger, chiraito herb, cardamom, tomatoes, kiwi and chilli. “Everybody is growing cash crops. Every farmer in our village is producing about 200 to 250 kg of cash crops every year. After the road came here, there has been a lot of development.”

The road has triggered commercialization of agriculture and diversification of cash crops and has helped farmers to transport their cash crops to the southern market easily.



“Even a few decades ago, many people in Panchthar and Taplejung districts could not survive on their agricultural produce alone”

Karna Bahadur Yonghang
Local resident



Harvesting Profits

A farmer in his banana farm in Babiya Birta, Sunsari in eastern Nepal. The project promoted high value crops among farmers to add value to agriculture product.

In eastern Nepal, farmers are increasing their profits through the production and sales of high value crops such as spices, vegetables and tea.

“Agriculture is becoming profitable.”

In the mid-2000s, Nepal was emerging from a decade of conflict that was rooted in rural poverty. To address the issue, agricultural development was needed.

But the government faced serious challenges. Agriculture, which is the principal source of income for a majority of the rural population in Nepal, was

based on subsistence farming which kept people poor rather than a market-based system that could provide more income.

Small farmers had few incentives to grow cash crops because they had no access to markets and limited information about what was required to produce marketable agricultural products.

In Jhapa, a southeastern Nepal district with rich agriculture possibilities, people with large landholdings did not have the incentive to commercialize production. If someone in the household was employed, a crop of rice or wheat produced enough to pay the bills.

“Most of them were content with cereal production,” says Rajendra Prasad Kharel, Crop Protection Officer at the district’s Agriculture Development Office.



Project at a Glance

Project: Commercial Agriculture Development Project

Description: The project is reducing poverty in the rural communities of 11 districts in eastern Nepal through the equitable and sustainable commercialization of agriculture. The project has improved the efficiency of production, marketing, and processing of high value crops such as vegetables, fruits, tea, and spices.

Amount: US \$18 million

Type: Grant

Time Period:
August 2007 – June 2013

Women farmers in Karsiya in Morang district in eastern Nepal grow vegetable leasing land which has increased their income. Prior to this, most of them relied on daily wage.

Helping farmers, large and small, make the complex transition to cash crops would require resources that the government lacked.

To address this challenge, ADB and Nepal partnered on the Commercial Agriculture Development Project, which worked with producers, processors and traders to help farmers grow and sell cash crops. The project was aligned with the government's long-range plans, which identified the importance of developing agriculture to drive economic growth and reduce poverty.

The project, which began in 2007, worked to improve the efficiency of production and streamline the marketing of high value crops in an agriculturally abundant area in the eastern part of the country. The project also sought to ensure fairer benefits for farmers who are poor, women or from disadvantaged communities.

A woman farmer sells tomatoes to a vegetable collection center in Dhankuta district. The project supported promoting commercial farming among farmers and established link between the farms and the market.



High value crops such as tea, cardamom, ginger, turmeric, honey, and vegetables were introduced as part of the project, which covered 11 districts, including Dhankuta, Ilam, Jhapa, Morang, Panchthar, Saptari, Siraha, Sunsari, Taplejung, Teherathum, and Udayapur. The project also helped form the Commercial Agriculture Alliance, which consists of farmer groups, cooperatives, traders and processors. The group brought together the key players needed to link production with processing and marketing.

The project has benefitted more than 1.6 million persons, including more than 23,000 subsistence farmers. It financed 76 community infrastructure projects, including markets and collection centers. In the region where the project was implemented, high value crop production increased by 58% from 2006 to 2013. During the same period, exports of cardamom, fresh vegetables, ginger, and tea to Bangladesh, Bhutan, and India increased by 26%. The project helped decrease poverty by nearly 10% in the area.

For Giriraj Upreti, a farmer in the town of Katakhardanda, the project has helped keep him closer to his friends and family. Before he learned to commercialize his crops, the only way he could support his family was by working overseas.

“I was like a bonded laborer and had no freedom,” he recalls. “Life during those years was tough.”

Today, Upreti spends about 3-4 hours per day farming tomatoes and beans, for which there is a strong market, and he also maintains a job as an insurance salesman. This allows him to earn more than he did working overseas.

“Agriculture is becoming profitable,” he says.



“I was like a bonded laborer and had no freedom, life during those years was tough, now agriculture is becoming profitable”

Giriraj Upreti
Local farmer of Katakhardanda







Leveling the Playing Field for Women in Nepal

Women discuss their future plan in a meeting of their cooperative in central Nepal. ADB and Government's targeted programs and affirmative action have enabled women and disadvantaged groups to gain access to socioeconomic assets and to participate in decision making.

Women in small villages in Nepal have long been left out of the decisions that affect their communities, and they have often struggled to obtain basic services. For thousands of women in some of the country's poorest areas, things are changing.

"This has helped my family a lot. It has changed our lives."

In small villages like Dhobi Bazaar and Ranichuri, in Nepal, discrimination against women was an entrenched problem. Women had limited access to public services and not much of a voice in the community.

“Women would not normally go out of their house and did not know how to take part in community affairs that affected their lives,” says Binda Giri, chairperson of the Saraswati Women’s Savings and Credit Cooperative in Ranichuri. “Earlier we had to accept the decisions of a single male or a group of men. We didn’t even know where community meetings took place.”

The Gender Equality and Empowerment of Women Project, launched by the Government of Nepal with the support of ADB, has been working to address these issues in 15 districts – eight in the west of the country and seven in the central region.

“These districts represented the poorest and the most disadvantaged areas of Nepal,” says Mamata Bista, Senior Women Development Officer at the Department of Women’s Development.

As part of the project, women were employed to build small community infrastructure projects,

Project at a Glance

Project Name: Gender Equality and Empowerment of Women Project

Description: The project helped reduce poverty by directly empowering rural poor women and members of other disadvantaged groups, through an integrated process of economic, social, legal and political empowerment.

Type: Loan

Amount: \$10 million

Time Period: December 2004–December 2013

Investments by women in livelihood projects such as weaving have benefited the community.



assisted in starting small businesses, and benefitted from an alternative dispute resolution system that helped them develop leadership skills by handling local disputes. These activities enhanced their status in their families and communities.

The project has benefitted about 100,000 households. This includes 51,445 women whose incomes were increased.

An important part of the project has been the establishment of 9,392 women's savings and credit groups. Among these, 62% were from disadvantaged caste and ethnic groups. Beyond providing access to finance, the cooperatives have become important institutions for women in the villages and platforms for networking and collective actions.

Gopini Karki in Ramechhap district in central Nepal started raising goats through support from a cooperative formed under the project.

Under the leadership of 82 such cooperatives, a total of 3,548 small community infrastructure projects were completed between 2009 and 2013 with the direct involvement of women.



“Before the cooperative, women in the village had no way to borrow money and they had no financial power,” says Nirmala Tamang, a field officer working on the project in Dhobi village in Ramechhap district of central Nepal.

“The men in the community have recognized that the investments by the women in livelihood projects, such as weaving and cattle raising, are benefiting the community overall and they have been supportive of the effort,” she says. “The cooperative has given women power in the community.”

For Bishnu Maya Rawat, of Ranichuri village, the cooperative meant a chance to access the financial help she needed for her farm. Thanks to advice and a loan from her cooperative, Bishnu Maya Rawat was able to buy two parcels of land and a buffalo. She now spends much of her time working in her wooden cattle-shed, which overlooks a forest.

“I have benefitted a lot,” she says while tending to her buffalo.

For Phulmaya Magar, of Ramechhap, the project has meant a complete transformation of her life, which has been spent primarily as a subsistence farmer. As part of the project, the 50-year-old worked as a laborer on a community road construction project.

Her work generated enough income for her to build a new house for her husband and two daughters. Though most road construction laborers are men who are considerably younger than 50, she says she enjoyed and appreciated the work.

“I am strong and I will continue to do this work as long as I am active,” she says. “This has helped my family a lot. It has changed our lives.”



“I am strong and I will continue to do this work as long as I am active, this has helped my family a lot. It has changed our lives.”

Phulmaya Magar
Ramechhap



A Climate of Community Participation

Water collection tanks built in Latamandu of Baitadi district in the far west of Nepal by the project to address the impact of climate change as water sources have started drying up.

In Nepal, one of the most vulnerable countries in the world when it comes to climate change, communities are leading the effort to prepare for the impacts of a changing global climate.

“The investment is being managed directly by the people.”

As part of a development project in Latamandu village, in western Nepal, work is being done to address the impact of climate change. Water collection tanks are being built and irrigation pipes laid. Trees are being planted and gullies protected in order stabilize farm land.

Similar development projects are underway in communities all over Nepal but in this village there is a key difference. The government or a development organization is not driving change in the community. It is the residents themselves.

“This project is unusual because the communities are directly selecting the projects and implementing them,” says Damodar Ayer, a soil conservation officer in the district. “The investment is being managed directly by the people.”

Nepal is one of the most vulnerable countries in the world when it comes to climate change. If climate change continues at the present rate, Nepal could lose nearly 10 percent of its gross domestic product by the end of the century, according to the report *Assessing the Costs of Climate Change and Adaptation in South Asia*.

The main observable features of climate change in Nepal are higher temperatures, less rainfall during summer season and higher intensity rainfall during monsoons. As a result, watershed areas are not able to retain water as well, wells are drying up and streams are flooding or have low levels more often.

All of this means that communities have less water, which leads to deteriorated eco-systems, reduced food security, fewer livelihood opportunities, and worse public health.

In Latamandu village, and many other villages, the effects of a changing climate are clear.

“Many of our water sources have dried up in recent years and there is an increasing amount of drought,” says Tika Ram Bhandari, a farmer in the village. “Last year, the drought was particularly bad and two of our water sources dried up completely.”

Project at a Glance

Project Name: Building Climate Resilience of Watersheds in Mountain Eco-Regions

Description: The Asian Development Bank is working with Nepal to ensure a reliable water supply for use in the home and for agriculture for about 45,000 households. The project is improving water management and storage practices in about 100 communities, and working to protect the areas around water sources to increase the volume of clean water. This includes building water collection ponds and drinking water tanks to store water during dry months, and educating communities on water conservation practices.

Type: Grant

Amount: US \$ 28.17 million

Time period:
February 2014 – July 2020

A study commissioned by ADB and carried out by the International Water Management Institute indicated that the Karnali River Basin watershed, where the village is located, is one of the most vulnerable to climate change in Nepal.

To help address the problem, the ADB-supported project, Building Climate Resilience of Watersheds in Mountain Eco-Regions, is assisting 108 villages in the Karnali River Basin watershed area to ensure a reliable water supply for use in the home and for agriculture for about 45,000 households. The project, which has a special focus on helping women and disadvantaged groups, is part of a national climate change adaptation plan being undertaken by the Nepal government.

The villagers will have access to drinking water year-round through this water reservoir in one of the hilly districts in the far west of Nepal.

The experiences of communities like Latamandu village will be useful in generating knowledge and using them for future programs.





“At the moment, Nepal is vastly understudied,” says Vidhisha Samarasekara, an ADB senior climate change specialist. “The project will generate a lot of knowledge about climate change and ways to build resilient communities.”

Local women look happy after they have access to reliable water supply for home use and irrigation in one of the villages in the far west of Nepal.

In Latamandu, the impact of the project is already being felt. The recent drought was not as damaging as in years past and people’s lives have improved as clean water sources are now nearer to their homes and irrigation is available for family farms.

“I save money because I don’t have to buy vegetables,” says Bhandari, who has started a garden near his home. “It was impossible before because there was no water.”

Delivering in Partnership

The book highlights one successful project from the major sectors that the Government of Nepal implemented with support from the Asian Development Bank. These projects changed the lives of many people, particularly the poor, in their areas of implementation.

About the Asian Development Bank

ADB's vision is an Asia and Asia Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve the quality of life of their people. Despite the region's many successes, it remains home to the majority of the world's poor. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

ADB, based in Manila, is dedicated to reducing poverty in Asia and the Pacific through inclusive economic growth, environmentally sustainable growth, and regional integration. Established in 1966, ADB is celebrating 50 years of development partnership in the region. It is owned by 67 members—48 from the region.



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