

# Close Out Report

## SO 3 (Women's Empowerment Program)

prepared for the General Development Office  
USAID/Nepal

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### Introduction

The following document is the close out report for Strategic Objective 367-003 (SO 3), usually referred to as the Women's Empowerment Program, or WEP. WEP was successfully completed in September 2001. As described in ADS 203.3.7, a brief close out report must be prepared when an SO is completed; the report is intended to help staff of USAID and partner organizations to learn from the challenges and achievements of completed programs when planning or assessing other development activities. The body of this report includes the following eight chapters:

- I A Brief History and Description of the Women's Empowerment Program
- II Evolution of the Results Framework
- III Summary of the Overall Impact at the Strategic Objective Level and at the Intermediate Level [in Terms of What Was Originally Planned]
- IV Major Activities and Outputs
- V Evaluations of SO 3, Awards and Critical Appraisals
- VI Sustainability – Prospects and Threats
- VII Links between SO 3 and Other SOs
- VIII Promising Practices and Lessons Learned

Additional information can be found in the annexes, which include details on the cost of the project (Annex A), a bibliography containing evaluations prepared during the SO and other sources consulted in the preparation of this report (Annex B), and a list of contact persons with additional information about WEP (Annex C).

## I. A Brief History and Description of the Women's Empowerment Program

In its entirety, the Women's Empowerment Program (WEP) was a six-year effort by USAID/Nepal to increase empowerment, defined by the Mission as "the ability of women to make choices to improve their well-being and that of their families and communities". The decision that such a program was needed was made in recognition of both the plight of rural women in Nepal and their importance in the nation's development. According to Save the Children's *State of the World's Mothers* report for the year 2000, Nepal falls in the bottom ten of 106 nations in the status of its women, based on maternal mortality, use of contraception, births attended by trained personnel, anemia, literacy and role in national government. The traditional patriarchal culture dictates that women should be submissive, with little role in household or community decision making. Yet women are the backbone of the rural economy, responsible for 70 percent of agricultural production in addition to their household chores. Outmigration of males in response to poverty and local insurgency has intensified the feminization of agricultural labor without a corresponding increase in the authority or status of women. A program was needed that addressed all these issues.

WEP occurred in two distinct phases, 1995-1997 ("first generation") and 1998-2001 ("second generation"). Most of this report is concerned with the second generation of activities, which included the distinctive features of the WEP program now being examined for their sustainability and replicability. However, a thorough consideration of the program must begin with the first generation activities, in which the themes of the program are already evident. (For another slant on the project's history, see Chapter II, Changes in the Results Framework.)

The "first generation" of WEP represents action by the Mission to take existing programs which targeted women and incorporate them into a coherent program with a theme of empowering women at the local level. These ongoing interventions were implemented by nine partner organizations in the areas of literacy (six-month basic literacy classes), legal rights (three-month legal literacy classes) and economic participation (formation of savings and credit groups and training in income-generating skills). Over 400,000 women were helped to become literate through these interventions; 87,000 women received basic legal literacy training; and 23,800 women were active members of savings and credit and development banks. Although none of these activities had been designed specifically to foster women's empowerment, a 1997 study found that women who had participated in all three interventions initiated eight times more actions for social change than women who had participated in none, and participated 30% more in independent household decision making.

These results informed the design of the “second generation” of WEP. In particular, the interaction among all three interventions in the achievement of empowerment convinced the team that it was necessary to focus the project geographically (in 21 districts, primarily in the terai) to make it feasible to provide all interventions to all participants. It is easier to reach large numbers in a short time with literacy projects, but the decision was made to link all three interventions and commit to the longer time required to work with savings and credit and microenterprise projects.

Thus the “second generation” of WEP, which began with the signing of a Strategic Objective Grant Agreement (SOAG) with the Government of Nepal on September 16, 1997, was designed as a fully integrated program. It was to be administered by two principal partners, Pact and The Asia Foundation, with the Ministry of Women, Children and Social Welfare as the line ministry. The decision was made to enroll women in existing economic groups with a minimum of twelve members. The goal was to reach 120,000 women in three years. Most of the direct contact with WEP groups was to be carried out by 245 indigenous organizations, primarily local partner NGOs at the district level but including cooperatives, the Grameen Bank, Nirdhan (a Grameen bank replicator) and the UNDP-funded Parks and People. These local partners in turn hired over 800 Empowerment Workers to provide training and technical support to the groups, visiting each group at least twice a month.

The new integrated program had the explicit objective of Increased Women’s Empowerment, which was to be measured by increases in influence over household decision-making, spending on family well-being and collective actions for social change on the part of targeted women. The areas of intervention remained the same as in the “first generation”, but their integration was now deliberate, and the mode of implementation was designed to foster empowerment. Special literacy and post-literacy materials were created to foster group formation, legal literacy and economic participation.

Each member of an economic group was required to purchase (for approximately one third of its actual value) the basic literacy module in the *Women in Business* series; the monies thus collected became part of the group fund. In addition, group members were required to pay for additional instructional costs (such as lanterns and kerosene for classes meeting at night) and to identify a “literacy volunteer” from among the more literate members of the group or the community to act as an unpaid facilitator for the classes. These investments gave the group “ownership” of this portion of the project and may account in part for the extremely low drop-out rate from the classes and the high pass rate on the literacy exam given after the course was completed. The basic literacy text also contained information about group formation and messages about empowerment and group solidarity. The module was designed to be studied over six months, with the women meeting three times a week, but could be completed in as little as three months if classes met more often.

Some time after completing the basic literacy module groups were introduced to the rights, responsibilities and advocacy (RR&A) curriculum. This was a 24-week series, led

by a trained facilitator; again, the group members purchased their own books at a subsidized rate. The first 14 weeks concerned women's legal rights, while the last 10 focused on advocacy techniques. The RR&A component thus provided relevant post-literacy materials as well as giving the women the information necessary to conduct successful advocacy campaigns. These included social collective actions relating to issues affecting social and economic relations within the family or community (such as alcohol abuse, child marriage, polygamy or property rights) and physical collective actions relating to the installation, construction, repair or maintenance of physical structures (such as a water system, bridge or school).

All participants belonged to existing economic groups. Throughout the program they made mandatory weekly savings contributions at a rate determined by the group. They also began to study the post-literacy texts in the *Women in Business* series, reinforcing their literacy and numeracy skills while learning about saving, borrowing and microenterprise. Those groups associated with existing cooperatives and Grameen banks went on to read about entrepreneurship and to save and borrow according to the rules of those organizations. The remaining groups also studied materials on village banking, a savings-based system developed under WEP in which the group extends loans to its members without recourse to outside sources of credit. The groups used their literacy skills to keep their own records of group financial activity.

Start-up time for the "second generation" was about a year. This is not excessive, given the size and complexity of the project and the decision to put into place a large Management Information System capable of monitoring WEP interventions in all 21 districts. However, it meant that actual work in the field did not begin until 1999; the original duration of the project was only until 2000. Termination at that time would have meant inadequate support for fledgling groups and, due to the way the activities were sequenced, many groups would not have received the three interventions deemed necessary to achieve the project's objectives. Determined lobbying secured an additional year for WEP. While three years is still a short time to effect fundamental changes in attitudes and associated behavior, WEP was able to meet its targets in terms of the numbers of women functionally literate, legally literate and actively participating in saving, borrowing and microenterprise. It was also able to document small but positive changes in household decision-making and spending on household well-being by targeted women, as well as an impressive increase in the number of collective actions for social change.

SO 3 included separate but related activities to strengthen the microfinance sector in the country. A grant was awarded to Save the Children/US to extend women's access to microfinance services and to promote women owned microenterprises by strengthening the delivery capability of Nirdhan (a Grameen bank replicator) and establishing 30 Community Based Financial organizations (CBFOs) which could provide access to external sources of credit. Under a separate grant, the Canadian Centre for International Studies and Cooperation (CECI) worked to identify best practices and create training materials related to community based savings and credit organizations (SCOs). This

work was later extended, under CECI's newly formed Centre for Micro-Finance (CMF), to include work with all forms of micro-finance institutions, including creation of a supportive legal and regulatory framework.

## II. Evolution of the Results Framework

### Definition of the Strategic Objective and its Indicators

A glance at the changes in the results framework over time demonstrates the evolution of thinking within the program about women's empowerment and how it can be assessed. When it was formally created as an SO in June 1995, SO3 was defined as Empowerment of Women. A single indicator, Representation of Women in Leadership Positions, was proposed, with the suggestion that this might include leadership in user groups, VDCs and the private sector. However, in the March 1996 Results Review and Resource Request for USAID (R4), it was already noted that this might not be the best indicator. When the second generation of the project began with the September 1997 Strategic Objective Grant Agreement, the name had been changed slightly, to Increased Women's Empowerment, and use of the following two indicators was anticipated:

1. an increase in the number of collective actions for social change initiated by women in target areas; and
2. an increase in the degree of women's influence over household decision making in target areas (measured by the degree of women's control over their own and household income and/or income producing assets, and the degree of women's control over sending their daughters to school.)

When the FY 2000 R4 was written in February 1998, a third indicator had been added and the indicators were reordered. The final list of SO3 indicators was as follows:

- 3.1 Influence over household decision making
- 3.2 Households spending more on family well-being
- 3.3 Collective actions for social change initiated by targeted women

A case study of the Women's Empowerment Program (Thomas and Shrestha, 1998), includes a discussion of how the group arrived at the three new indicators for SO3. The indicators were reordered to better reflect the fact that they were to measure impacts at three levels: for participating **women** as individuals, for their **households** and for their **communities**. In terms of the women, it was decided to document three levels of participation in decision-making: none, limited and joint. (In later analyses this was changed to four levels, with a final level of independent decision-making.) Two broad areas of decision-making were identified: spending of household cash (on items ranging in cost from Rs. 100 to Rs. 500, a moderate level of expenditure) and selected major non-cash decisions. As mentioned above, it was originally proposed to look at women's control over the decision to send their daughters to school. This marker was dropped for two reasons. Many households were already sending their daughters to school following extensive GON social marketing campaigns, making it difficult to attribute this activity to WEP. Furthermore, surveys of the first generation of SO3 women showed that the decision to send daughters to school was most often a joint household decision, reducing

the possibility of discerning an SO3 program impact. In addition, enrolling daughters in school and then withdrawing them when their help was needed at home was an extremely common pattern, and researchers found it too difficult to distinguish between this stop-and-start pattern and meaningful attendance.

In terms of the household level, it was decided to look at spending on direct family well-being, since studies have shown that if women have control over money, they are more likely than men to spend it on their families. Ultimately the program looked for an increase in both direct well-being expenditures (e.g. food, clothing, education, health) and indirect well-being expenditures (e.g. ornaments, saving, investment). An increase in spending on family well being also gave some sense that the beneficiaries of the program went beyond the 120,000 women participants, without making inflated benefit claims by simply multiplying the number of women participants by the average family size.

In terms of the community, the SO team decided to look at the increase in the number of collective actions initiated by the women for social and socioeconomic change. Data from the first generation of WEP (1995-1997) showed that women were already initiating collective actions across a wide variety of issues. The team acknowledged that simply counting the number of social actions, without reference to the nature of the action or the issue addressed, did not fully address impact issues. Nevertheless, they felt that it was a good indicator of behavioral change. They proposed to collect information in such a way that collective actions could be categorized according to the types of change they aim to produce. Campaigns/collective actions were eventually reported under two broad categories: social and physical, infrastructure and environment.

### **Definition of the Intermediate Results**

The anticipated Intermediate Results have remained remarkably constant over the life of the project. In the FY 1995-1997 Country Program Strategic Plan & Action Plan, USAID vowed to “support the empowerment of women through increased literacy, improved legal rights, and extended business services and credit” (p. 2). Pursuant to this vision, the three Program Outcomes (as Intermediate Results were called at that time) were identified as PO3.1 Increased Women’s Literacy; PO3.2 Improved Legal Environment for Women; and PO3.3 Strengthened Women’s Economic Participation.

The Strategic Objective Agreement with the Government (September 1997) specified the same outcomes, now called Intermediate Results. Changes in the program’s focus in the area of legal rights led to a restating of the relevant indicator, and the final Intermediate Indicators were as follows:

- IR3.1 Increased Women’s Literacy
- IR3.2 Increased Women’s Legal Rights Awareness and Advocacy
- IR3.3 Increased Women’s Economic Participation

What have changed over time are the indicators for these IRs. The changes in these indicators reflect the evolution of the Women’s Empowerment Program from a collection of discrete programs with the common theme of women’s empowerment to a unified

intervention with three basic components. IR3.1, Increased Women's Literacy, has seen the least change. During the first generation of the program, this was to be a combination of women who are literate at a basic level; women completing a basic business literacy program; and women participating in legal literacy fora. In the SO3 SOAG, it was proposed to simply measure the number of adult women passing a literacy test following completion of a six-month basic literacy course. This remained the criterion, expressed as Indicator 3.1.1 Women who are literate at a basic level.

The evolution of IR 3.2, Increased Women's Legal Rights Awareness and Advocacy, was more complicated. Originally conceived of as Improved Legal Environment for Women, the IR focused on policy reform with the following indicators: rescission of the law which prohibits women from inheriting property; number of women seeking legal redress from legal aid offices; and number of women-advocacy NGOs. At this point USAID envisaged working with NGOs attempting to change discriminatory laws, funding rural legal services, and (through the Local Government Strengthening LOGOS project) offering legal literacy training. Although the name of the indicator remains the same in the SO3 SOAG, a significant shift in focus is already apparent, with the indicators now identified as the number of adult women who are legally literate at a basic level; and the number of adult women who are formed into advocacy groups. The results framework as of March 1997 also included "Women who run for elective office at the local level" as an indicator. In the FY 2000 R4 (February 1998), it was proposed to drop two of these indicators. IR3.2.2, Advocacy groups formed by women, was to be dropped because the new WEP strategy focused on training women in economic groups in advocacy techniques rather than independently establishing advocacy groups. IR 3.2.3, Women who run for elective office at the local level, had been designed for the 1997 local elections. As the next elections were not scheduled until 2002, this indicator was dropped after completion of follow-up training for the newly elected women. IR 3.2 was then recast as Increased Women's Legal Literacy and Advocacy with a single indicator, Women who are legally literate at a basic level. In the 2001 Performance Monitoring Plan this was restated as Indicator 3.2.1 Women Who Know their Basic Legal Rights.

Strengthened (later changed to "Increased") Women's Economic Participation has remained the third IR from the inception of the project. However, exactly how stronger participation is to be measured has undergone considerable change. Two indicators were proposed during the first phase of the project: loans to women from Grameen bank groups and people employed by women-owned business in the project area. At this time the project team was also looking at a pilot project modeled after the World Bank supported WEMTOP in India, which would strengthen the capacity of intermediary NGOs to deliver management training to grassroots women entrepreneurs. In the SO3 SOAG these indicators had been substantially revised; now the project proposed to measure 1) the number of women in economic groups, six months after receiving credit, who report contributions of at least Rs. 100 per month to the household income; and 2) the percentage of total microfinance organizations/groups being supported under this Agreement whose level of financial self-sufficiency will reach 75% within three years or less.

The continuing importance of Grameens at this stage can be seen in the indicators in the March 1997 Results Framework for IR 3.3:

- 3.3.1 Active loans to women
- 3.3.2 Women savings and credit group members who begin and/or expand micro-enterprise activities
- 3.3.3 Active members of women's savings and credit groups
- 3.3.4 Operational self-sufficiency for NGO Grameens
- 3.3.5 Action plan for phased reduction of interest subsidies and divestiture of GON-owned Grameen Bikas Banks

Indicator 3.3.5 was dropped by the next year, and the remaining indicators were reduced to three:

- 3.3.1 Women becoming active members of savings and credit groups
- 3.3.2 Women savings and credit group members who begin/expand microenterprises
- 3.3.3 Operational self-sufficiency of microfinance intermediaries

In the 2001 Performance Monitoring Plan the second of these indicators had been changed slightly and the last had been dropped. In this final version the indicators were as follows:

- 3.3.1 Women Becoming Active Members of Savings and Credit Groups
- 3.3.2 Women Who Have a Micro-enterprise

The last of these was variously reported in subsequent R4s and in Pact's Progress Reports. Pact's Second Progress Report includes as the third IR Indicator, Development of sustainable micro-finance institutions serving participants. Pact indicates in the executive summary that they had found a national shortage of financial intermediaries with which women's economic groups might affiliate, and called for investigation of the feasibility of developing village banking among women participants. They envisaged a demand-driven, bottom-up program of women's village banking to replace the development and strengthening of financial intermediaries as originally planned. (This was in part a response to the discovery that the existing cooperative groups with which they had expected to work were almost all male-dominated.) Thus in subsequent Progress Reports Pact reported on these indicators: number of village banks managing an internal account (July-December 1999); and number of village banks using the village bank accounting system, having an elected, trained management committee, and using safe money handling practices (January-March 2001).

Pact reported on "Women becoming active members of savings and credit groups" in successive R4s, although in their records this was broken down into "Number of women saving at least once a month" and "Number of women currently holding a loan". However, it was pointed out that, as monthly saving was a condition of group membership, the number of savers was essentially the number of participants in the program, so there was no reason to continue to report the number of women saving. Pact also continued to report in the R4s on "Women savings and credit group members who begin or expand microenterprises". In Pact's own indicators (as approved September 29, 2000), this is reported as "Number of targeted women who have a micro-

enterprise”. There is an additional related indicator “Number of women who report gross sales from their micro-enterprises of at least Rs. 300 in any MIS period”.

It should be noted that, while a concern with strengthening the micro-finance sector as a whole is not obvious in later indicators, it remained a part of SO 3. PRIME grants funded research and dissemination of information on micro-finance best practices (CECI) and training of personnel and strengthening the micro-finance capability of the Grameen-clone Nirdhan (SC/US).

### III. Summary of Overall Impact at the Strategic Objective Level and at the Intermediate Result Level [in Terms of What Was Originally Planned]

The overall impact of WEP can be examined by looking at the strategic framework for the second generation of the project (1997 – 2000). At this stage there were a clear set of indicators for the strategic objective and the intermediate results, numerical targets for these indicators and, beginning in 1998, a Management Information System (MIS) which was capable of tracking complex information throughout the project. The information in the MIS was supplemented by data collected for the baseline, midterm and final evaluation studies.

The first two indicators of increased women’s empowerment were “influence over household-decision making by targeted women” and “targeted households spending more on family well-being”. Data on these indicators were collected through surveys at the beginning, middle and end of the project. Women and men were asked to rate a woman’s decision making power on a scale of one to four, ranging from no power (Level 1) to the ability to make decisions jointly (Level 3) or on her own (Level 4). The results are complex, due to the number of variables, but between the baseline survey and the final survey 7% of women increased their influence in household decision making by at least one level.

For the second indicator, the surveys looked at the percentage of household income going toward direct well-being expenditures (food, clothing, education, health etc.), indirect well-being expenditures (savings, investments) and expenditures not related to well-being (festivals, alcohol, cigarettes etc.). The assumption behind the indicator, based on repeated observations world-wide, is that if women have a say in how household income is spent, they will increase the amount that goes toward family well-being. Comparison of data from the final evaluation survey and the baseline survey show a small but positive shift in the direction of spending on family well-being.

The third indicator for increased women’s empowerment was “collective actions for social change initiated by targeted women”. In the data gathering these were divided into two types. Collective actions were defined as separate steps taken by two or more

members of a group in order to achieve the goal of an advocacy campaign. An advocacy campaign, in turn was defined as a group working together to bring about a change or improvement in their lives and the lives of other community members. In both categories the numbers were significantly higher than projected. The overall target for collective actions from 1999 to 2000 was 244,200, and the actual total was 380,883. The target for advocacy campaigns during the same period was 20,000; the actual figure was more than twice that (44,972). Such quantitative indicators cannot fully address the impacts of the project, but they do represent important behavioral changes which are highly visible at the community level.

Intermediate result 3.1, “Increased women’s literacy”, had a single indicator, “Women who are literate at a basic level”. This impact was measured by the number of women who passed a basic literacy test by the end of the project (including those found to be literate at the beginning of the project, approximately 39,000). The project target was 120,000, while the actual total was 122,852.

Intermediate result 3.2, “Increased women’s legal rights awareness and advocacy”, had a single indicator, “Women who know their basic legal rights”. All women who completed the Rights, Responsibilities & Advocacy portion of the program were tested on their understanding and retention of the RR&A curriculum. The cumulative target for legal literacy test passers was 108,000; in fact 109,306 women passed the test. This achievement is tied directly to the impressive number of collective actions for social change initiated by the women. The 1999 SO 3 Review found that groups studying the RR&A curriculum took more and different types of social actions than either groups studying business literacy or control groups.

Intermediate result 3.3, “Strengthened women’s economic participation”, had a variety of different indicators over the life of the project (see Chapter II, Evolution of the Results Framework). In 2001, Pact was tracking five indicators for IR 3.3, although some of these were combined in the mission’s R4 reporting to Washington. The first was the number of women saving at least once a month (which was cumulative, including women who were savers at the beginning of the project). The target for savers was 120,000, while the actual total was 121,404. Not reported under these indicators was the fact that from 1998-2001 women in WEP more than doubled their savings from \$720,000 to \$1,800,000. The second indicator was the number of women borrowers, i.e. women who had taken a loan within the six months before the survey. The Year 4 target was 70,500, while the actual total was 68, 613. This represents the only indicator for which the target was not met.

The third indicator for IR 3.3 was “number of women who report gross sales from their micro-enterprises of at least Rs. 300 in any MIS period”. The target was 81,000 women, while the actual figure was 102,116. The fourth indicator was “number of targeted women who have a micro-enterprise”. Again the target (81,000) was exceeded by the actual figure (86,883). The last indicator for this IR was “number of village banks using the village bank accounting system, having an elected trained management committee and using safe money handling practices”. It was projected that 1500 of the strongest

savings and credit groups would meet these criteria; in fact 1536 had done so by the end of the project.

The micro-finance strengthening initiatives implemented by Save the Children/US and the Canadian Centre for International Studies and Cooperation (CECI) were also highly successful. As of September 2000, SC/US's project had reached 28,429 poor women with microfinance services. The original goal was that Nirdhan would have 12 fully operational branches with 22,636 clients, 16,800 of them added during the project period. The goal of 12 branches was achieved, and they were serving 23,459 clients, 17,623 of them new. SC/US formed 33 Community Based Financial Organizations (against a target of 30), and these CBFOs were extending credit to 4,970 women (vs. the target of 4,800). Nirdhan had achieved 86% self-sufficiency (the project goal was 100%), and the CBFOs had access to external capital through linkages with Nepal Rastra Bank and the Rural Self-Reliance Fund. CECI reached all its goals in terms of providing training and technical assistance to microfinance practitioners; it also produced and disseminated a video entitled "Tomatoes Can Turn into Meat" which brought the microfinance message to 50,000 rural women.

The indicators for SO 3 document many of the impressive accomplishments of the project. Of necessity, they are best at capturing the most quantifiable results. In dealing with the issue of empowerment, some notion of qualitative results is equally important, if more difficult to document. In its final report to USAID, TAF summarized the qualitative assessments of the project impacts made by TAF, Pact and evaluation consultants, based on interaction with WEP participants, NGO staff and government representatives in project areas. The following is a summary of the broad impacts which they identified:

1. Patriarchal norms challenged (with both individual acts and collective actions challenging norms within families and communities)
2. Attitudinal changes (especially among village men as a result of advocacy efforts supported by the local community. Initial blocking of women's activities changed to support. Villagers came to respect the women's groups for their role in solving social problems.)
3. Enhanced sense of social responsibility (with women actively articulating and advocating concerns in the public sphere)
4. Women's space in public affairs (carved out by the women at the community level when they organized against legal discrimination against women)
5. Increased women's confidence (shown when women take action that emphasizes their confidence, such as registering marriages and obtaining citizenship certificates; also reported by women as enhanced bargaining power within the family)
6. Local development role (translating their new knowledge, and sometimes their groups savings, into practical actions for community benefit)
7. Engagement with local authorities (claiming resources from the VDC for public development works and becoming high-profile "watch dogs" for their communities)

8. Linkages established (between WEP women and line agencies, elected officials and other concerned authorities)
9. Networks formed (of advocacy groups at the VDC and district level, beginning to expand their linkages to the national level).

This discussion of indicators and impacts addresses the situation in 2001, at the end of WEP interventions. Chapter VI, Sustainability – Prospects and Threats, looks at whether the positive changes noted above can be expected to persist.

## IV. Major Activities and Outputs

The major activities under WEP were focused on the facilitation of literacy, legal literacy and savings and credit activities among the women in 6,265 groups who were ultimately involved in the project.

- **Literacy** The literacy curriculum was designed with the idea that women would complete the introductory literacy module in six months of group study facilitated by “literacy volunteers”. The six months of basic literacy and numeracy was reinforced by post-literacy materials on both savings and credit and legal literacy. 122,852 women passed a literacy test following completion of the course.
- **Legal Literacy** Groups which had completed the basic literacy module were introduced to the legal literacy curriculum. This involved 24 weeks of study. Groups met with a trained facilitator 1-2 hours a day, six days a week for 14 weeks on legal rights and civic responsibilities and three days a week for ten weeks on advocacy skills. Groups later engaged in advocacy campaigns both to address social issues and to improve local infrastructure. 109,306 women completed the course and passed a test of their knowledge of basic legal rights. These women went onto engage in 380,883 collective actions.
- **Savings and Credit Activities** Group members deposited compulsory weekly savings, with the minimum amount determined by the group. The groups kept records of mandatory and voluntary savings and loaned money to group members for microenterprise projects. All participants in the program were regular savers, and in total the groups had \$1,800,000 in savings by the end of the project. 68,613 had taken a loan in the six months before the final MIS survey, and 86,883 women had active microenterprises. The annual income from these enterprises was estimated at \$10 million.

The most important output of the Women’s Empowerment Program is the thousands of women who finished the program with the self-confidence and the skills to change their lives and their communities. Some of these women have already begun to seek political office; WEP groups have begun to band together to form coalitions which can advocate more effectively for social and political change. With the \$10 million dollars generated annually by their microenterprises, and their \$1.8 million in savings, they are an economic force in their communities. Other significant outputs of the project include

capacity building for local implementing partners, models for literacy and savings and credit programs, and the effective materials developed to teach literacy and legal literacy, combat trafficking and explain WEP to a larger audience.

- **NGO Capacity Building** Trainings were organized for local implementing partners on issues related to empowerment and microfinance/microenterprise, and NGO staff gained the skills necessary to continue to act as facilitators for women's savings and credit groups. A small number of interested NGOs also received training on microfinance theory and practice and business planning and management which would enable them to become licensed microfinance institutions. In addition, regional workshops on maintaining women's advocacy initiatives after WEP were conducted for NGO staff.
- **Self-study Literacy Model** While the basic literacy materials adopted the "key word" approach which has been standard in Nepal for many years, they differ from their predecessors in that they are designed to be used without a trained facilitator. They could in fact be used as self-study materials, although the expectation in WEP was that they would be used for group study with a "literacy volunteer" recruited from the group or the larger community rather than a paid facilitator. Groups were able to find women who successfully assumed this role without financial compensation. They often met at night after the women's daily work was finished, studying by the light of lanterns which they purchased themselves. The women also purchased their own literacy materials (paying about one third of their actual value). Their literacy skills were reinforced during the life of the project by the post-literacy materials in the *Women in Business* series and the Rights, Responsibilities and Advocacy curriculum. WEP also produced four issues of a newsletter, *Mahila Shakti* (Women Power), which featured stories and photos of WEP activities contributed by the women themselves; reading the newsletter together was a highly popular activity and some women were even inspired to contribute original verse about empowerment. In addition, women could read four issues of a Pact's comic book *Tara*, which followed the adventures of an empowered woman as she and her fellow village women tackled such issues as illiteracy, unemployment, health and gender-based violence. The WEP literacy model is a low-cost approach because it does not utilize paid facilitators and an empowering approach which gives the women "ownership" of the process.
- **Village Banking Model** WEP incorporated a variety of micro-finance models; 2,000 of the 6,000 economic groups were linked to existing cooperatives or Grameen bank replicators. However, the remaining 4,000 groups represented another model: savings groups meeting their credit needs through internally generated savings. These savings and credit groups can operate without external support after the program is over; the strongest will evolve into village banks with standardized bookkeeping which lend out 50% of their funds, collect loans successfully and make a profit and pay dividends to members. This innovative literacy model of village banking, in which groups keep their own financial records, has potential for further development and replication.

Another major output of the project was the series of instructional materials which are potentially applicable to a variety of programs. In addition to *Mahila Shakti* and *Tara*, these include:

- *Women in Business*. This series, developed by Pact, can be used to teach or review basic literacy and numeracy as well as to introduce lessons about group formation, saving and lending and leadership. Self-esteem and empowerment messages are also woven through the text. The basic literacy module is followed by three post-literacy books.
- *Rights, Responsibilities and Advocacy*. This workbook, and the accompanying facilitator's handbook, were developed by TAF to teach women about their legal rights and the basic techniques of advocacy. These are post-literacy materials designed to be studied by a group with a trained facilitator.
- *Our Decision, Our Protection*. A "comic book" on a serious topic, this was developed by TAF to illustrate the problem of girls trafficking. The comic was introduced as part of the RR&A curriculum, but it was designed to stand alone and to be attractive and accessible to vulnerable girls who might encounter it formally or informally. It has been distributed in all 75 districts of Nepal by the Ministry of Women, Children and Social Welfare and is incorporated into the anti-trafficking work under SO 5.
- *Our Commitment* was a 30-minute video produced through the collaboration of the Social Welfare Council (Ministry of Women, Children and Social Welfare), Nepal Television, The Asia Foundation and Pact. It focused on a description of WEP from the viewpoint of participants and others in the program districts.
- CECI produced and disseminated the video *Tomatoes Can Turn into Meat*, which carries the message of women's empowerment through community-based savings and credit organizations. The video was shown to 50,000 rural women, 30,000 of whom were members of WEP groups, in sessions with trained facilitators who led discussions of the video's theme.

## V. Evaluations, Awards and Critical Assessments

### Evaluations

The evaluations to date of SO3 can be divided into two types. The first analyzes whether the program was successful in achieving its overall objective of increased women's empowerment and the intermediate results of increased basic literacy, legal literacy and economic participation. The second looks at the organization and management of the project and its success as a cross-cutting strategic objective focusing on women.

In the first category, USAID/Nepal's R4s for the period 1995-2000 represent self-evaluation, providing a regular summary of the program's results compared with target

figures. The accompanying narrative discusses these key results and puts them in a Mission-wide and national context. The 2000-2005 Country Strategic Plan reviews the program in anticipation of its close-out in 2001 and so concentrates on lessons learned and implications for on-going projects.

In addition to these in-house reviews, there are several major studies of all or parts of the project. The first of these, *Breaking Barriers Building Bridges* (Dhakal and Sheikh 1997), looked at the first generation of SO3. It compared women who had received one or more interventions (basic literacy, legal literacy and economic participation) with a control population who had received no interventions, and concluded that women who received all three interventions were significantly more empowered in terms of participation in actions for social change and household decision-making. The 1999 SO3 Review was conducted 10 months into the second generation of the project; it measured changes in collective actions, influence over household decision-making and spending on family well-being, and asked whether the project was successful, replicable and sustainable. The results were positive and helped inform the decision to extend the project for a year beyond its initial close-out date of 2000. Three large surveys of the Women's Empowerment Program were conducted for Pact by Shrestha and Khatri-Chhetri in 1999 (baseline), 2000 (midterm) and 2001 (final). These surveys collected data on collective actions and found positive changes in women's influence over household decision-making and a shift toward direct and indirect expenditure on household well-being. A separate outside evaluation of WEP's micro-finance strategy (*Pact's Women's Empowerment Program in Nepal: A Savings and Literacy Led Alternative to Financial Institution Building*) was conducted in 2001 by Jeffrey Ashe of Brandeis University and Lisa Parrott of Freedom from Hunger, and its findings were highly positive.

The organization and management of the project are discussed at some length in *Breaking New Ground: A Case Study of Women's Empowerment in Nepal* (Thomas and Shrestha 1998). It provides a useful history of the first generation of the project but concentrates on its evolution post-1997 into a cross-cutting strategic objective focusing on women and the wider implications of such an approach. The details of project management since 1997 are also chronicled in the semi-annual progress reports which Pact and TAF submitted through 2001.

The concurrent projects conducted by CECI and SC/US to strengthen the micro-finance sector in Nepal are part of SO3 but are not discussed in the above evaluations. The best sources of information on these are the final reports submitted by the agencies: *CECI/WEE Final Quarter Progress Report and Overall Achievements of the Project* (2000) and *SU/US End of the Project Report* (2000).

All evaluations conclude that WEP exceeded all of its targets for literacy, legal literacy and economic participation. It also achieved measurable positive changes in women's control over household decision-making and spending on family well being. The major limitation of all these evaluations is that they were done while the project was ongoing; they predict sustainability but cannot document it.

## **Awards**

SO 3's innovative features attracted a great deal of attention from microfinance and gender practitioners, as well as several international awards. The World Bank's Development Market place recognized WEP twice for its innovation and potential contribution to development. UN Habitat, in partnership with the Municipality of Dubai, acknowledged the program for its outstanding contribution to "best practice" in improving the living environment of women. And the World Bank and the Government of Japan, through the Global Development Network, cited the program as one of the ten most innovative development projects in the world in 2000.

## **Critical Assessments**

To say that the Women's Empowerment Program was successful is not to imply that it proceeded without problems or controversy. These difficulties are less apparent in written accounts than in conversations with present and former staff at USAID and partner organizations. From the beginning, questions were raised about the wisdom of a program exclusively for women at a time when the agency was moving from a "women in development" model to a mainstreaming "gender and development" approach. Differences over this fundamental issue meant that there were individuals both at the Mission and at USAID/Washington who strongly opposed the program. In an era of scarce resources, this opposition added to the year to year uncertainty about funding for SO 3. A great deal of effort was required to maintain funding and to secure the extra year necessary to complete the planned interventions with the entire target group.

Supporters of the WEP concept had other concerns about it. Size was always an issue; some of those involved felt that the ambitious target of 100,000 women (subsequently raised to 120,00) was the result of pressure arising from the "managing for results" approach adopted as part of agency-wide reengineering in the mid-90s. The setting of such large targets was the principal factor behind the withdrawal of three of the originally planned implementing partners (World Education, Save the Children/US and CECI), who believed that the targets were unrealistic given the limited time frame of the project. In the end the targets were reached, but size remained a problem; working with 245 NGOs was an ongoing administrative nightmare, and plans to include all 6,500+ groups in the periodic statistical surveys were scaled back after the initial survey proved too expensive and time consuming.

Given the size of the program, the short time frame was also a serious problem. Size, organizational complexity, and disagreements among the original partners slowed down the start-up, so that while on paper the program began in 1997 and ended (after a one-year extension) in 2001, interventions in the field only began in 1999. This left no time for piloting the program and little time for the phasing out of support, although the partners worked to implement an exit strategy during the final year. Jeffrey Ashe, in an otherwise extremely positive assessment of the program (Ashe and Parrott 2001) noted that in the final months of the program some of the smaller, weaker savings groups were

not visited at all by program facilitators whose efforts were geared toward the groups with the potential to become village banks. (Again, this may reflect the pressures exerted by an ambitious target of 1,500 village banks.) TAF acknowledges that, while it emphasized coalition building and linkages with line agencies for the advocacy groups in the final year, these were still relatively weak at the end of the project.

Another frequently raised criticism of the project is that it did not reach the neediest women. Proponents point out that the goal of the project was women's empowerment, not poverty alleviation, and that better off and higher caste women are equally or even more subjugated in their homes and communities. Although the program did not target poor women, 45% of the participants were poor. However, critics say that the program excluded the poorest of the poor, both by the requirement that literacy learners purchase their own materials and supplies and by the setting of a mandatory minimum savings rate. (This was among the issues which led to the withdrawal of WE, SC/US and CECI from the program.) The better off were twice as likely as the poor to serve as group officers; this can be interpreted negatively to mean that the program offered greater opportunities to the better off, or positively to mean that the better off were enlisted to help the poor within the same group.

## VI. Sustainability –Prospects and Threats

WEP can be considered sustainable if the women involved have developed the skills and the enthusiasm to continue reading, calculating, saving, borrowing, doing business and advocating for social change. A further sign of sustainability would be the replication of WEP groups, demonstrating the spread of desirable innovations beyond the target groups and the funded life of the project. Ideally, one would want to conduct a large scale survey in a few years' time to be certain that women were maintaining or increasing their role in household decision making, their spending on household well-being and their participation in advocacy campaigns. Waiting to determine project outcomes until 3 –5 years after donor involvement is complete would give a better picture of the sustainability of any project (CIDA 1997: 6), but this may not always be practical, and no such survey is planned for SO 3. However, it is possible to make informed predictions about the sustainability of the women's gains in literacy, legal literacy and economic participation and to identify the principal threats to these achievements.

**Literacy** WEP anticipated sustainability issues in the design of the literacy component; the basic literacy module was followed up by post-literacy materials on legal literacy and economic participation. Literacy was thus a continuous part of the project for women who followed the entire curriculum.

Principal threats: The loss of newly-acquired literacy skills which are not reinforced is well-known and poses two problems for development work: women lose their hard-won skills through lack of use, and programs which seek to build on a literacy program by targeting the same groups may find that the women cannot read more advanced materials. With respect to WEP groups, Ashe noted that “in the first 18 months

while members were learning to read, the groups met several days a week and the empowerment workers motivated the groups to meet regularly. Roughly half of the groups say they are studying the latest book . . . however, only 13% are continuing to meet as a group to do so. Some say that there is little need to study together since they can already read and write, while others find meeting several times a week too time consuming” (2001: 38).

During the program women requested additional reading materials dealing with health and nutrition. Although discussed during the early planning stages, delivery of such materials was not part of the ultimate project design. With funding from the World Bank, Pact is developing a post-literacy module on HIV/AIDS awareness and advocacy which will be piloted with 2,500 women, and it hopes ultimately to bring this information to all women who were part of the WEP program (2002: 22). Any such delivery of information to WEP groups would have the added effect of reinforcing literacy.

Critics of WEP have sometimes questioned the sustainability for most neo-literates of skills acquired through an unfacilitated self-study course. It was hoped at one time that this question would be answered through the Girls’ and Women’s Education Activity (GWE III), a major study of women’s integrated literacy development programs in Nepal sponsored by USAID which was to compare WEP with the USAID-funded Health Education and Adult Literacy (HEAL) program and the government’s Basic and Primary Education Project (BPEP). However, WEP was unable to begin its literacy classes during the initial 1997/98 research cycle and thus could not be included in the data collection for the study (Rowe and Burchfield 2000: 20), a most regrettable missed opportunity.

**Rights, Responsibilities and Advocacy** The outcome can be considered sustainable if women continue to mount significant numbers of advocacy campaigns. Women were participating in such campaigns even before WEP began and the number of campaigns increased dramatically after groups received the RR&A intervention, which suggests that these activities will continue. Some WEP group members will be included in interventions under SO5 which seek to improve advocacy, especially around issues of democracy and governance.

Principal threats: The greatest immediate problem is the continued State of Emergency in Nepal, under which all kinds of public demonstrations are banned. Women in the WEP groups visited for this report stated that they had not engaged in any advocacy campaigns since the imposition of the State of Emergency, since they understood such campaigns to be illegal. A protracted State of Emergency may do serious damage to the advocacy tradition; at the very least women are prevented from gaining the experience and confidence in planning and carrying out such campaigns that would ultimately lead to more sophisticated and more successful campaigns. If sufficient time elapses, it may be difficult to revive the momentum that carried so many women into the streets in pursuit of their rights.

Another potential problem is the lack of success in solving the social problems targeted by the women in their campaigns. In their Final Evaluation Survey, Shrestha and Khatri-Chhetri found that respondents felt that they were partially successful in that they had instilled awareness on issues such as domestic violence, alcoholism, gambling and polygamy; very few felt that they were successful or that they had managed to

eradicate the problem. Women were using group pressure most commonly against everyday problems like these, for which they did not require other support, rather than undertaking actions that required technical skills and resources (2001: 21-22). There is little evidence that this lack of results discouraged the WEP women from campaigning, as public advocacy was empowering in and of itself. The advocacy training proposed under SO 5 will assist some women in choosing their issues and mounting more successful actions.

**Economic participation** The best indicator of the sustainability of this component of the project would be if the number of savings and credit groups remains the same or increases. Since a certain number of groups are bound to disband over time, maintaining the same number of groups implies that in fact new groups are being formed. The final MIS survey for the project found that at that time the overall number of groups was growing as newly replicated groups outnumbered groups which were disbanding. The micro-enterprises engaged in by women in WEP groups are localized and therefore minimally subject to fluctuations in the larger economy. The women interviewed for this report stated that while the last year had been a terrible one for Nepal, events had not affected their businesses.

Principal Threats: External factors can threaten an internally sound system. A major threat to the sustainability of the savings and credit groups would be a rapid rise in the rate of inflation which would make saving fruitless. As members of savings groups become more active borrowers, many will need access to more money than the group can provide. At this point the health of the larger micro-finance sector becomes an issue; the Centre for Micro-Finance concluded in its final report to USAID/Nepal (2000) that “the stability and soundness of the micro-finance sector remains very much at risk in Nepal”.

Some information on the sustainability of WEP groups can be found in research conducted this summer for a thesis at Swarthmore College; Ani Rudra Silwal found WEP village banks meeting regularly, increasing their rate of saving and suffering almost no defaults on loans. He did identify a few potential problems. Since village bank rules require that all loans be repaid at the end of the loan cycle, members who are caught short have taken to repaying from another source and then borrowing the same amount immediately from the village bank, an unhealthy practice in the long run. Groups tend to become less strict over time in enforcing penalties for delayed savings or repayment, which could raise the default rate. And the village banks' very success is a challenge: Silwal estimates that within the next five years savings could reach Rs 1,000,000 for many groups, in which case record keeping would become dauntingly complex for banks with few educated members, and members would need to look for new places and ideas to invest in. That WEP groups may soon have a problem with excess funds is in itself a significant achievement of the project. On the whole, Silwal found the village banks sound, especially in comparison with large government owned banks (2002: 4 – 5).

This discussion does not address the viability of any particular savings and credit group. During the final year of the project WEP staff predicted that 15% of the groups would falter after support was withdrawn, another 30% would remain functional at the same level and the rest would continue to grow. Unfortunately, the groups most likely to fail

were those in remote areas with the highest proportion of poor and illiterate members (Ashe, 2001: 59). Ashe suggested that such groups should have had more interventions during the last year of the project, when resources were focused on the stronger groups which were in the process of becoming village banks.

## **VII. Links Between SO 3 and Other SOs**

Between the first and second generations of SO 3, the decision was made to concentrate activities in the terai, in large part to create geographical overlap with the mission's other strategic objectives and thus promote synergy. Chapter VIII, Promising Practices and Lessons Learned, discusses the implications of geographical overlap. The following discussion looks at other links, past and potential, between SO 3 and other strategic objectives.

### **Links with SO 5**

The most obvious linkage is between SO3 and SO5, Strengthened governance of natural resources and selected institutions. In particular IR 5.3, Increased women's participation, takes women's empowerment one step further by preparing women to take a more active role in the nation's political life. SO 5 answers one of the criticisms of SO 3: that because it was entirely grass-roots oriented, it was not tied to any policy-centered advocacy. Basanta Pokharel of TAF has stated that if he were to revise the RR&A curriculum today, he would add units on understanding power relationships and the concept of citizenship, including demanding good governance and making government institutions responsible (personal communication). As an implementing partner in SO 5, TAF has begun to convey this message to coalitions of women's groups composed primarily of the original WEP groups.

The work of preparing candidates for the 2002 elections seemed to bring SO 3 full circle, as the original indicator for the first generation of the program was "Representation of women in leadership positions". At that time SO 3 concentrated on encouraging women to run for office at the VDC level in the 1997 election and training the successful women on how to do their jobs. The 2002 elections seemed to present a similar opportunity at the beginning of activities under SO 5. The social and political turmoil which resulted in the indefinite postponement of these elections has meant that, at the time of writing, efforts to prepare women candidates for election to local office have been suspended. However, under SO 5 work has continued with the major political parties to provide training to potential women candidates.

The anti-trafficking portions of SO 5 also builds on work begun under SO 3. The RR&A component of WEP featured a unit on trafficking in its discussion of violence against

women; this topic was later expanded with the addition of an anti-trafficking comic book produced with WEP funding. (This comic book has now been distributed in all 75 districts in Nepal and will be used in awareness-raising activities under SO 5.) It is worth noting that the first joint advocacy movement arose among WEP groups after the introduction of anti-trafficking materials, when linkages and coalitions formed spontaneously around the issue. TAF has provided the NGOs which are implementing the anti-trafficking portion of SO 5 with the names of local NGOs and women's groups which participated in WEP; those groups which have remained strong will probably be involved in the new program.

### **Links with SO 2**

Aspects of SO 2 represent an approach to women's empowerment that is parallel to that of SO 3. One of its implicit aims is the empowerment of women, with a particular emphasis on equipping women to make decisions about their reproductive health. USAID/Nepal sponsors two programs under SO 2 (HEAL and GATE) in which girls' and women's health issues are presented through literacy and post-literacy materials. SO 2 also provides training to improve the position of Nepal's 40,000 Female Community Health Volunteers (FCHVs). FCHVs represent a body of empowered women throughout the country; 10% of them hold elected office in local government, and they chair health care committees and are leaders of economic groups and forestry groups. The Gender Assessment conducted for USAID/Nepal identified the FCHV program as an alternative model for women's empowerment and urged that it be systematically compared with WEP. An evaluation of the FCHV program which could form the basis of such a comparison has been completed and will be available early in 2003.

It could be argued that a health component would have strengthened women's empowerment under SO 3. Old memos show that in 1998 USAID/Nepal and the partner organizations endorsed the notion of including health in the literacy materials. And Pact reports that at the end of the program women were requesting additional reading materials specifically on maternal and child health (Usha Jha: personal communication). The HEAL and GATE programs use a more facilitated approach to literacy training, with FCHVs often acting as facilitators. Still it seems a missed opportunity for the two SOs to have worked together to meet the grassroots demand for health information by women in the WEP groups. It should also be said that economic participation would be a useful addition to health-based interventions. The 2001 Nepal Demographic and Health Survey found that "[w]omen who are employed and earn cash have more say in household decision making than women who do not work and women who work but do not earn cash income" (p. 47); this included decisions about their own health care.

### **Links with SpO 8**

SpO 8, "Promoting Peace Through Improved Governance and Incomes in Targeted Areas" is still in the formative stage, so it is too soon to say exactly what parts of SO 3 might prove useful in any of its activities. Initial activities under SpO 8 focus on job generation through infrastructure projects in targeted areas; it is anticipated that these

could be followed by microfinance and microenterprise activities based on the WEP model. SpO 8 staff have been considering the *Women in Business* series for adaptation to this program. Another proposed activity under SpO 8 deals with the re-integration of returned combatants, and this would also involve microfinance and microenterprise. SO 3 materials and experience might prove particularly relevant since a significant percentage of Maoist recruits are young women.

### **Links with SO 1**

In the planning stages of SO 3, there was an expectation of synergy between SO3 and SO1; some of the SO 1 interventions were in the terai, and some of the forestry user groups were all-women. At a minimum, it was anticipated that the SO 3 literacy and post-literacy materials could be used in the non-formal education classes for women which were a part of the SO 1 program. However, the linkages were not made, which must be seen as a missed opportunity.

## **Promising Practices and Lessons Learned**

A successful program with innovative features is a rich source of ideas which might be profitably applied to other USAID/Nepal Strategic Objectives and to programs elsewhere with a theme of empowerment. The following are some of the things which WEP did well, together with suggestions on how they might have been done better. They arise from conversations with representatives of Pact and TAF as well as a reading of descriptions and analyses of the project.

**Consider expanding the package while retaining project integration.** Analyses of WEP agree that its three-pronged, integrated approach was necessary to achieve project goals. However, there are other interventions which might be considered as part of an empowerment package, a few of which are suggested below:

- **Skills training:** As part of its empowerment strategy, WEP encouraged women to recognize and build on their existing knowledge and skills when creating microenterprises. In this, it was deliberately different from many microenterprise programs which offer women training in new skills. The literacy materials offered many examples of microenterprises which rural women might be prepared to undertake. However, the majority of WEP women chose activities such as small livestock and vegetable farming; while using the women's existing skills, these did not provide the quick returns which would make weekly loan repayment possible. The women themselves have asked for training in innovative microenterprise development and marketing. This will become especially important if the WEP model is applied to Nepal's hill districts, where the scattered settlements preclude some of the small businesses that are possible in the more densely populated terai.

- Infrastructure development: WEP women devoted impressive amounts of time to meeting, studying course materials, campaigning on social issues and running their microenterprises. A concern frequently raised in the literature of development is that programs for women require them to make time for new activities when they are already overworked. Some projects (such as the USAID funded Women's Economic Empowerment Program) have included local infrastructure improvements to free up women's time: piped water, for example, to cut down on the amount of time women spend carrying water. In particular a program which targets very poor women in isolated areas should consider incorporating such features.
- Health education: WEP women expressed a desire for materials about health and nutrition. WEP groups constituted a forum in which women could comfortably express ideas and share information; such groups seem an ideal place for materials dealing with health issues. Such materials have already been developed in Nepal (as, for example the materials used in the USAID-funded HEAL program) and could be adapted at low cost, satisfying the women's need for knowledge and reinforcing their literacy skills.

**Build on existing groups, but be aware of their make-up** WEP targeted existing women's savings groups. This was a factor in the rapid scale-up of the project, since women who have joined a group have already demonstrated a degree of empowerment and worked out problematical group dynamics. Cohesive groups are more likely to benefit early from interventions and thus to stimulate increased membership and replication. However, caution should be exercised in relying on existing groups if a project is targeting poor women or women from disadvantaged groups. We do not know enough about the women who tend not to join groups. "Success Stories" from WEP often feature lower-caste women who have achieved respect and leadership positions in WEP groups. We do not know how usual this was, and to what extent women from the upper castes dominated membership and/or leadership of some groups. A program with the specific goal of poverty alleviation (as opposed to empowerment) might need to recruit poor women actively rather than rely on existing group membership.

**Keep track of groups to capture synergy.** The geographic concentration in the terai was one feature which distinguished the second generation of WEP activities from its predecessor. This was done deliberately in order to maximize local level synergy with the activities of Strategic Objectives 1 and 2, which were already concentrated in the terai and mid-Western regions. From data collected for WEP's Management Information System we know that there was overlap in group membership; in July 2001 11.5% of WEP women were participating in community forest user groups, 4% in health groups, 3% in irrigation/water user groups, 11% in mothers' groups, and 5% in agriculture/farmers' groups. However, USAID/Nepal does not have a data base which would allow it to know exactly which groups have received which interventions under various SOs. Thus, while there is a great deal of discussion of synergy among SOs in the same districts, there has been to date no documentation of this process. New interventions may in fact be built on the foundations laid by SO 3, but this cannot

currently be documented. Consultants who made recommendations on achieving program synergy in 1997 (Bloom and Paolisso) suggested maximizing synergy in districts where SO activities overlap by mapping overlapping areas and using them strategically to coordinate; this recommendation was repeated in the Gender Action Plan (Clarke 2002). The Economic Growth and Democracy and Governance Teams which visited USAID/Nepal in September 2002 also noted that “[WEP] has left a residue resource of more capable and motivated women (individually and in groups) in rural areas across the Terai. Other programs which the mission is launching or considering should attempt to stay in contact with these groups and to build on their literacy, internal organization and advocacy skills”. (2002: 53) The current report echoes these recommendations.

**Keep track of individuals.** Anecdotal evidence suggests that WEP women go on to take positions of increasing responsibility in their communities. This needs to be documented by systematically interviewing, for example, women candidates in WEP districts who are targeted for interventions under SO 5 to see if they were participants and perhaps leaders in the program. There is currently no mechanism to capture this important "halo effect".

**Involve men.** Family Days, during which men were educated about WEP, were important in countering potential opposition from male family members and enlisting their support. These efforts could have been more focused and organized, involving village men, VDC chairpersons and local government officials in gender sensitization activities. These activities are important enough that they should be mainstreamed into any such project. In addition, the possibility of modifying the WEP materials for use with men should be explored. Women were empowered by a knowledge of their rights, but male family members and government representatives must also understand women’s legal rights, as well as their own civic and human rights.

**Anticipate demand for innovative materials.** Both Pact and TAF have reported a continuing interest in WEP materials from a variety of organizations. This demand was anticipated at the time of the SO 3 Review, which offered some guidelines as to the status of the *Women in Business* and legal literacy materials. However, some confusion apparently remains about control of the materials and whether, for example, books that were sold to WEP participants (albeit at subsidized rates) can be made available to another agency which plans to distribute them free of charge. The Mission should anticipate that successful, innovative materials will be sought after and should ensure that the rules governing their ownership, reproduction and distribution are understood by all parties.

**Expect that women will buy into a good program.** WEP women were prepared to pay a modest fee for course materials and to provide their own pens, paper and lanterns. Groups were able to find more literate women to act as facilitators for the literacy classes, and group representatives attended trainings without recompense. There is anecdotal evidence that some women initially opposed these costs, especially when they had received similar goods or services for free under past programs, but came to endorse the

notion that “dependency is not empowering”. The lesson is that women are willing to invest scarce resources beyond time in activities which they perceive as beneficial. The “ownership” which they then feel is expressed in various ways. WEP group members have sold or rented materials to other women who wanted to start savings and credit groups. Since WEP ended, a number of former program participants have been trained by Pact to provide technical support to new village banks. Although it goes against cultural and social norms, these women have begun to charge for their services as trainers, acknowledging that their skills and knowledge are valuable and are theirs to sell. This approach must be flexible, especially when targeting very poor women. Under WEP, some women who were unable to contribute even a modest amount received the RR&A materials free of charge. And at least one group, composed entirely of illiterate women and unable to find a “literacy volunteer”, pooled its resources to pay a facilitator to help them through the basic course.

**Establish linkages.** Even the strongest group has a better chance of survival in a supportive environment. Local line agencies, VDCs and other stakeholders should ideally be consulted about the design of the project and must at least be informed about it. These linkages are important in the stage of project design, throughout the life of the project and as an exit strategy to enhance sustainability. It is also important to establish linkages among the women’s groups involved in the project. This was done under WEP through workshops which brought together group representatives to share concerns and promising practices around both advocacy and the savings and credit activities. These workshops occurred throughout the project but were particularly important in the final year as the participants themselves planned for sustainability.

**Facilitate literacy throughout the life of the project.** The basic literacy component of the WEP program lasted from three to six months; classes were led by volunteers rather than trained facilitators. However, the basic course was reinforced by post-literacy materials for both the economic participation and the legal literacy components of the project. The high pass rates for the literacy exam suggest that this approach works to foster basic literacy as well as being a mechanism for disseminating information. Anecdotal information points to consistent requests from the women for additional materials, particularly related to health. Future literacy campaigns must take into account the demand and the need for post-literacy materials, a variety of which already exist in Nepal and could therefore be provided at low cost.

**Encourage social advocacy campaigns, but as a first step.** The advocacy campaigns in which WEP women engaged may have been more important in terms of consciousness raising and sense of empowerment than in terms of results. They tended to target deep-seated social ills such as gambling and alcoholism and were often able to drive them underground temporarily. However, the women themselves reported that their campaigns did not eradicate social ills and thus were only partially successful. The RR&A materials were a first step in raising awareness but they did not offer an understanding of how power works in Nepali society, how to demand good governance, how to choose your battles and how to neutralize opposition. A real understanding of the political process and how to use it requires another level of awareness. In part this is addressed in the

advocacy interventions under SO 5, and many of the WEP women will be involved in these exercises.

**Recognize that three years is a short time to effect fundamental changes.** To say that it is “too short” a time would be to negate the very real achievements of the program. However, the poorer and more isolated groups in particular would have benefited from a longer period of support, and a period of monitoring and evaluation after project completion would have given more confidence in the sustainability of project elements. The extra expense of post-completion monitoring is justified if it enables the mission to identify promising practices with some confidence and to transfer only those practices to subsequent SOs.

## Annex A Cost of the SO

The following figures, expressed in U.S. dollars, are for the “second generation” of SO 3 (1997-2001).

<u>Organization</u>	<u>Duration of Contract</u>	<u>Total Estimated Cost</u>	<u>Counterpart Contribution</u>
Pact	12/19/97-9/30/01	5,178,700	662,874 (12.8%)
TAF	12/19/97-9/30/01	2,630,044	722,736 (27.48%)
CECI	12/31/96-6/30/00	878,758	246,052 (28%)
SC/US	11/23/97-9/30/00	890,456	156,720 (17.6%)

USAID’s total estimated cost was \$9,577,958; Implementation Support was \$581,665, for a total of \$10,159,623.

## Annex B Sources Consulted

**The following surveys and evaluations were conducted during the life of the program.**

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