

**Strengthened Actions for Governance in Utilization
of Natural Resources Program
(SAGUN)**

ANNUAL PERFORMANCE REPORT



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SUBMITTED By:

**CARE NEPAL
In partnership with WWF, RIMS-Nepal and RITI**

**Kathmandu, Nepal
P.O. Box 1661; Phone # 5-522800; Fax # 5-521202
Email: care@carenepal.org**

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Annexes

List of Abbreviations

| | |
|---------|---|
| AGIDO | Assistant Governance and Institution Development Officer |
| ALCC | Area Level Coordination Committee |
| ATL | Assistant Team Leader |
| BC | Branch Canal |
| BCC | Branch Canal Committee |
| BZ | Buffer Zone |
| BZDC | Buffer Zone Development Council |
| BZUC | Buffer Zone Users Committee |
| CAMC | Conservation Area Management Committee |
| CBO | Community Based Organization |
| CF | Community Forestry |
| Cft. | Cubic feet |
| CFUG | Community Forestry User Group |
| CIRDS | Chandra Jyoti Integrated Rural Development Society |
| CM | Community Mobilizer |
| CSO | Civil Society Organization |
| DADO | District Agriculture Development Office |
| DAG | Disadvantaged Group |
| DAO | District Administration Office |
| DC | District Coordinator |
| DDC | District Development Committee |
| DEO | District Education Office |
| DEPP | Dhading Environment Protection Program |
| DFIWUA | District Federation of Irrigation Water Users' Association |
| DFO | District Forest Officer |
| DG | Director General |
| DIO | District Irrigation Office |
| DLA | District Line Agency |
| DLCC | District Level Coordination Committee |
| DNF | <i>Dalit</i> NGO Federation |
| DNPWC | Department of National Park and Wildlife Conservation |
| DoED | Department of Electricity Development |
| DoF | Department of Forest |
| DoI | Department of Irrigation |
| EC | Executive Committee |
| EIA | Environmental Impact Assessment |
| EMAP | Environmental Management Action Plan |
| FBZ | Forestry and Buffer Zone |
| FECOFUN | Federation of Community Forest Users Nepal |
| FEPS | Forest and Environment Protection Society |
| FO | Field Officer |
| FOP | Forest Operational Plan |
| GA | General Assembly |
| GDP | Gross Domestic Product |
| GIDS | Governance and Institutional Development specialist |
| GIS | Geographic Information System |
| GITEC | China Guangxi Corporation for International Techno-economic Cooperation |
| GNP | Gross National Product |

| | |
|------------|--|
| GPS | Global Positioning System |
| GSM | Gender and Social Mobilizer |
| HIMAWANTI | Himalayan Grassroots Women's Natural Resource Management Association |
| HIV/AIDS | Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome |
| HMG/N | His Majesty's Government of Nepal |
| IAAS | Institute of Agriculture and Animal Sciences |
| ICBO | Institution and Capacity Building Officer |
| ICD | Integrated Conservation and Development |
| IMTP | Irrigation Management Transfer Project |
| IOE | Institute of Engineering |
| IOF | Institute of Forestry |
| ISF | Irrigation Service Fee |
| IT | Information Technology |
| KU | Kathmandu University |
| LDO | Local Development Officer |
| LRP | Local Resource Person |
| M&E | Monitoring and Evaluation |
| MC | Main Canal |
| MCC | Main Canal Committee |
| MFSC | Ministry of Forests and Soil Conservation |
| MG | Mother Group |
| MMHEP | Middle Marsyangdi Hydro-electric Project |
| MoPE | Ministry of Population and Environment |
| MOU | Memorandum of Understanding |
| MoWR | Ministry of Water Resources |
| MPFS | Master Plan for Forestry Sector |
| NA | Not Applicable |
| NBA | Need Based Approach |
| NCO | Nepalgunj Cluster Office |
| NEFUG | National Federation of Forest Resources User Groups |
| NFE | Non-formal education |
| NFIWUAN | National Federation of Irrigation Water Users Association of Nepal |
| NGO | Non-Government Organization |
| NP | National Park |
| NPO | National Park Office |
| NRM | Natural Resource Management |
| NTFP | Non-Timber Forest Product |
| O&M | Operation and Maintenance |
| OP | Operational Plan |
| PH&PA | Public Hearing and Public Auditing |
| PM&E | Participatory Monitoring and Evaluation |
| PRA | Participatory Rural Appraisal |
| PSU | Program Support Unit |
| PWBR | Participatory Well-being Ranking |
| RAN | Rangers Association Nepal |
| RBA | Rights Based Approach |
| RBNP | Royal Bardiya National Park |
| RIMS-Nepal | Resources Identification and Mobilization Society-Nepal |
| RITI | RITI APTECH |
| RMDS | Research Monitoring and Documentation Specialist |

| | |
|----------|---|
| RP | Range Post |
| RRA | Rapid Rural Appraisal |
| SAGUN | Strengthened Actions for Governance in Utilization of Natural Resources |
| SAMARPAN | Strengthening the Role of Civil Society and Women in Democracy and Governance |
| SchEMS | School of Environmental Management and Sustainable Development |
| SLC | School Leaving Certificate |
| SO5 | Strategic Objective 5 |
| SPNP | She-Phoksundo National Park |
| STD | Sexually Transmitted Disease |
| TA | Technical Assistance |
| TC | Tertiary Canal |
| TCC | Tertiary Canal Committee |
| TL | Team Leader |
| TOT | Training of Trainers |
| TRPAP | Tourism for Rural Poverty Alleviation Project |
| TU | Tribhuvan University |
| UG | User Group |
| UMHEP | Upper Modi Hydro-electric Project |
| USA | United States of America |
| USAID | United States Agency for International Development |
| VDC | Village Development Committee |
| VLCC | VDC Level Co-ordination Committee |
| WDO | Women Development Office |
| WG | Women's Group |
| WM | Women Motivator |
| WUA | Water Users Association |
| WWF | World Wildlife Fund |

Executive Summary

Strengthened Actions for Governance in Utilization of Natural Resources (SAGUN) Program has been in operation since November 2002. The program consists of three components: the Forestry and Buffer Zone; Irrigation; and Partnership for Hydropower. The forestry activities are implemented in four districts (i.e. Dhading, Kailali, Banke and Bardia), while the buffer zone development activities cover Dolpa and part of the Mugu districts. The irrigation component activities are implemented in nine districts viz. Kapilvastu, Nawalparasi, Chitwan, Sarlahi, Dhanusha, Siraha, Saptari, Kailali and Kanchanpur. The partnership for hydropower component activities are currently implemented in Kaski and Lamjung districts with potential future expansion into Dolakha and Ramechhap districts.

The program is implemented by CARE Nepal as the prime recipient in conjunction with three sub-grantees/partners: RITI (supporting implementation of the irrigation component); RIMS-Nepal (supporting implementation of forestry activities in Dhading district); and WWF (supporting implementation of buffer zone development activities in Dolpa and part of the Mugu districts). CARE Nepal directly implements the Partnership for hydropower component activities, including forestry activities in three Terai districts (i.e. Banke, Bardia and Kailali).

The overall objective of the program is “to ensure that Nepal’s natural resources are managed in a democratic way; that the performance of selected institutions is improved to meet the principles of good governance and participation; and, in particular, that the benefits derived from natural resources are dispersed in accountable and transparent ways to the local communities and that they and other earned revenues are equitably distributed.”

The primary target groups are the local natural resource management user groups viz. the community forestry user groups, the buffer zone user committees, the water users groups, associations and their federations, and communities affected by hydropower projects.

This annual performance report highlights the major activities undertaken during year 1 and presents progress made against year 1 work plan, including progress against USAID SO5 performance indicators, particularly IR 5.1.1 and 5.1.2. The report also highlights the major issues, challenges and opportunities and documents key lessons learned during the period, including prospects for the next year.

The first year of the program encountered several changes in the original design in terms of concepts, targets and working approaches, particularly in the irrigation and partnership for hydropower components. These two components were rigorously reviewed and redesigned. As a result, the original concept of pilot approach in irrigation component was modified to include system approach to increase overall program impact. The redesign of the partnership for hydropower component resulted in consolidation of the original objectives focusing more on the directly affected communities.

The redesign of irrigation and partnership for hydropower components and the ever-changing operating environment, particularly the security situation had some implications, both in

terms of working modality and progress achievements. However, the coordinated efforts between implementing partners, government counterparts and USAID contributed greatly in accomplishing the major planned activities in year 1.

The major accomplishment of year 1 is summarized below:

START-UP ACTIVITIES

Staff Hiring and Office Set-up

The program staff and office set-up were established as planned originally. The newly hired staff, including partner staff received orientation and training, as required. The redesign of irrigation component has created a number of new positions, and the recruitment of these positions is currently in progress.

Orientation Workshops

Several start-up workshops were conducted at different levels to develop common understanding among key stakeholders about the goals, objectives, strategies and approaches of the program, including roles and responsibilities of different stakeholders. These activities included orientation workshops at central, regional, district, project and field levels. The representatives of local natural resource management user groups and their federations, civil society/local NGOs, staff of partner organizations, government district line agencies, including District Development Committees and HMG line Departments and Ministries attended these workshops. The workshop proved extremely useful in terms of generating greater buy-in from the key stakeholders, which in turn helped to expedite activity implementation at the field level.

Preparation of Guidelines and Manuals

Several new guidelines and manuals were prepared and implemented during this reporting period. These included: guidelines for capacity assessment of user groups; well being ranking; and guidelines for the selection of local partners. Similarly, several training manuals such as Training of Trainers, community forestry management, participatory rural appraisal, rights and advocacy and good governance were prepared and brought under use. The situational analysis guidelines was prepared and in-depth situational analysis was conducted in the Upper Modi and Middle Marsyangdi Hydroelectric Project area as part of the exploratory activity for Partnership for Hydropower Component.

Field Visit of Senior Officers from USAID

During this reporting period, a joint field monitoring visit was organized comprising senior staff members of USAID and CARE Nepal. The team visited irrigation, forestry and hydropower component activities and rigorously monitored the field situation, activity implementation and progress achievement. This visit proved to be extremely useful in terms

of understanding ground reality, which resulted into major redesign of irrigation component for greater program coverage and to increase overall program impact.

Program Support Unit Meeting

The first meeting of the Program Support Unit was organized in Kathmandu. The representatives from government counterparts, USAID, CARE Nepal and partner organization attended the meeting. Several strategic and policy issues pertaining to smooth implementation of SAGUN program, including progress made during the first two quarter were discussed and reviewed by the meeting. The meeting proved to be useful in terms of developing greater clarity on critical issues and providing strategic guidance to SAGUN program team.

PROGRAM PROGRESS

- 1) A total of 7,982 ha. of community forests have been brought under active management by the CFUGs against the target of 6,193 ha. This is the cumulative figure of the area harvested in FY 2003 (4, 954 ha), and the area reported in the base year (3,028 ha). This achievement of the target contributes to the **USAID SO5 IR: 5.1.1.1**.
- 2) CFUGs harvest substantial quantities of forest products each year as per their Forest Operational Plans. The quantity of biomass harvested annually on a sustainable basis reflects the status of forest management being carried out by the CFUGs. During this reporting period, 14,113 metric tons of biomass was harvested against the target of 11,496 metric ton. Of the total biomass harvested, timber accounted for 908 metric ton (6.5 %), poles 208 metric ton (1.5 %), fuelwood 6,448 metric ton (45.6 %) and other non-timber forest products such as fodder, thatch grass and wild fruits, etc. 6,549 metric ton (46.5 %). This contributes to the **USAID SO5-IR 5.1.1**.
- 3) At the aggregate level, the representation of women in the Executive Committee of WUA was recorded at 7.7% against the target of 5%. A significant increase in women's representation in WUA was recorded in some of the systems. For example, in West Gandak, West Kamala, Manusmara I&II and Pathraiya their representation increased from 10% to 30 %, 5% to 29 %, 6% to 20 % and 0% to 22 % respectively. In West Gandak, women members have occupied 28 % of the key positions (for example, Chairperson, Vice Chairpersons and Secretary) in the Executive Committee.
- 4) In the forestry component, several training was conducted to enhance participation and representation of women, poor and *Dalits* in community forestry activities. Following the training, several CFUGs reshuffled their Executive Committee bringing in more women, poor and *Dalits* in their Executive Committees. Currently, at the aggregate level, there are 42% women and 13% *Dalit* members in the Executive Committees of CFUGs in the project districts.
- 5) There has been increased adoption of participatory approaches in the preparation of operational plans by the natural resource management user group. A total of 8 WUAs

prepared canal operational plan (with active participation of Branch Canal Committees) against the target of two. Similarly 184 CFUGs followed a participatory approach in the preparation and revision of forest operational plan against the target of 191CFUGs. This also contributes to the **SO5 IR: 5.1.2.2.**

- 6) During this reporting period, the yield of paddy, wheat and maize increased to 3.3 ton/ha, 1.5 ton/ha, and 0.5 ton/ha respectively. This increase in yield was largely attributed to the increased availability of irrigation water due to better maintenance of the irrigation canals.
- 7) A total of 11 Main Canal Committees conducted their annual audit against the target of six. Similarly a total of 260 CFUGs have audited their accounts in this reporting period against the target of 250 CFUGs. Among them, 103 CFUGs audited their accounts through registered auditors, 3 CFUGs from project Accountants in witness of CFUG members and 154 CFUGs endorsed their financial transactions through internal auditing system. This also contributes to the **SO5 IR: 5.1.2.1.**
- 8) Increase in the area brought under irrigation in the command area is an indicator of increased technical management skills of the WUAs. During this reporting period, a total of 31,830 ha. of land was irrigated in the monsoon season against the target of 30,000 ha. Similarly, in the winter season 16,870 ha was irrigated against the target of 16,000 ha. This contributes to the **USAID SO5-IR 5.1.1.2.**
- 9) Collection of Irrigation Service Fee (ISF) is vital for strengthening management capacities of the WUAs pertaining to financial sustainability. Review of individual WUA's ISF records from all systems at the Main Canal Committees showed that a total of Rs. 965,229 was collected against the target of Rs.960,000 as ISF. This amount is 26% of the total levied ISF for the reporting period against the target of 25%. The role of the locally hired Gender and Social Mobilizers has been crucial in achieving this target. This achievement of the target also contributes to the **USAID SO5 IR: 5.1.2.**
- 10) As part of strengthening capacities of HMG counterparts, 95 staff from the District Forest Offices (DFO) and National Park, including 24 officers from the Department of Irrigation received training on good governance and advocacy.
- 11) The exploratory activities in Partnership for Hydropower Component are over. Upper Modi in Kaski, Middle Marshyangdi in Lamjung and Khimti I in Ramechhap and Dolakha districts have been identified as the program sites representing different stages of project development. In-depth situation analysis of Upper Modi and Middle Marshyangdi project sites revealed that there are ample opportunities in both the sites studied to establish a win-win situation as envisaged by the SAGUN Program.
- 12) The Hydropower Component has been redesigned incorporating the findings from in-depth situation analysis resulting in more sharpened activities to the directly affected area. Detailed implementation plan has been developed. A total of 57 target groups from the affected area of Upper Modi and Middle Marshyangdi project areas have been brought on board as the primary beneficiaries of the program.

- 13) Shared understanding on program and its relevance in hydropower development have been developed among the counterparts (both at the central and district levels), power developers, and the affected communities by organizing start up workshops at different levels. Representatives from government ministries and departments, USAID and CARE senior officers have visited the project sites (Upper Modi and Middle Marshyangdi).
- 14) A total of 4 Local Resource Persons (2 female) from Upper Modi project area received training on group capacity assessment using Spider Web Tool. These resource persons carried out the capacity assessment of six target groups. The capacity assessment exercise revealed that the target groups are lacking in good governance practices. Such lacking contributed to building negative perceptions between the affected communities and the power developers.

LESSONS LEARNED

- 1) Greater transparency of program, including budgets and approaches and clear understanding of the roles and responsibilities of different key stakeholders was crucial in building trust and confidence as well as ensuring broader participation of key stakeholders in program implementation.
- 2) The role of the locally hired Gender and Social Mobilizers, including Women Sensitization Group was crucial in achieving higher targets in Irrigation Service Fee collection. They were also instrumental in promoting greater participation and representation of women in key positions of Executive Committees.
- 3) Interventions such as training on good governance and rights and advocacy was found to be useful tool to promote greater equity, particularly in enhancing participation and representation of women, poor and *Dalits* in natural resource management and benefit sharing. For example, *Dalits* in one of the CFUGs in Banke district have successfully influenced the general assembly to reduce the selling price of charcoal, which is critical for their livelihood.
- 4) Sincere and continuous efforts following a true participatory approach helps winning support of the stakeholders and drives forward the program implementation smoothly is the main lesson learned in Partnership for Hydropower Component. There was different understanding among the key stakeholders (the affected communities, the power developer and the government line agencies) regarding the program. However, the implementation of various preliminary activities viz: start up workshops at various levels, joint field visits, interaction and involvement during in-depth situation analysis, many formal and informal discussions, etc. helped developing common understanding on the program. It will expedite the implementation of program in the next year.

MAJOR ISSUES AND CHALLENGES

The country's deteriorating security situation was the major concerns during this reporting period. The worsening security situation across SAGUN program districts has caused some setback in activity implementation. To cope with this situation, the SAGUN team is actively monitoring the field situation and continuously adapting to the situation by developing appropriate working modalities in different districts.

Some additional issues and challenge encountered during this reporting period included:

- There was some setback in achieving progress in irrigation and partnership for hydropower components due to redesign of these two components.
- Effective communication and coordination still continues to be a major problem in remote parts of Dolpa district due to poor communication networks in the district.

PROSPECT FOR THE NEXT YEAR

A number of key activities were accomplished in the first year of SAGUN program implementation. The redesign of irrigation and partnership for hydropower components has helped to develop more focus activities and appropriate working modality to achieve greater program impact. The preparation of the much-needed training manuals and guidelines are now in place and brought under use. The work carried out in year 1 has helped in laying down solid foundation for smooth implementation of activities in the second year. It is expected that there will be more aggressive implementation of activity and greater progress achievement in year 2.

| Progress Against USAID SO5 Indicators for SAGUN Program Year 1 FY 2059/60 (2002/03) | | | | | |
|--|--|---|---|---|---|
| IR | Results Statement | Indicator | Baseline value for 2002 | Target for 2003 | Actual Achievement in 2003 |
| 5.1.1 | Increased management capacities of natural resource management user groups | Amount of biomass harvested annually on a sustainable basis due to active forest management. | 11,438 metric ton | 11,496 metric ton | 14,113 metric ton of biomass was harvested: - Timber - 908.5 metric ton - Poles - 208.3 metric ton - Fuelwood - 6447.6 metric ton - NTFP- 6548.8 metric ton |
| 5.1.2 | Increased management capacities of NRM user groups | Percent of levied irrigation service fees actually collected | Rs. 830,000 (21.6%) | Rs. 960,000 (25%) | Rs. 965,229 (26%) |
| 5.1.1.1 | Increased technical management skills | Percentage of community forests actively managed | 3,028 ha (19%) | 6,193 ha (39%) | 7,982 ha (50%) |
| 5.1.1.2 | Increased technical management skills | Percentage of land in command area under irrigation | Winter-14,000 ha (33%) Monsoon-25,000 ha (60%) | Winter-16,000 ha (38%) Monsoon-30,000 ha (72%) | Winter- 16,870 ha (40%) Monsoon- 31,830 ha (76%) |
| 5.1.2.1 | Strengthened organizational skills | Percentage of user groups having their account annually audited | 223 UG (219 CFUG & 4 WUA) (56%) | 266 UG (260 CFUG & 6 MCC) (67%) | 271 UG (260 CFUG & 11 MCC) (68%) |
| 5.1.2.2 | Strengthened organizational skills | Percentage of user groups following a participatory approaches in operational plan preparation and revision | 112 UG (111 CFUG & 1 WUA) (27%) | 193 UG (191 CFUG & 2 WUA) (47%) | 192 UG (184 CFUG & 8 WUA) (46%) |

1. INTRODUCTION

Local Natural Resource Management (NRM) groups are increasingly playing significant role in overall management of natural resources in Nepal, particularly the forests and water resources. Although many NRM groups have been formed, the technical and organizational skills and capacities of user groups to manage their forest and water resources on an equitable and sustainable basis, still need to be developed.

The NRM groups tend not to have proportionate representation of poorer and disadvantaged households and women, there is low awareness of policies and regulations, or blatant disregard for them, resulting in little accountability, transparency in transactions, and a lack of predictability. Therefore, good governance in natural resource management has become central for further strengthening the organizational and technical capacities of these groups with due consideration to equity issues and participation of women, poor and disadvantaged communities.

Strengthened Actions for Governance in Utilization of Natural Resources (SAGUN) Program has been in operation in Nepal since November 2002. The Program consists of three components: The Forestry and Buffer Zone Component which implements its community forestry activities in Dhading, Kailali, Banke and Bardia districts and, buffer zone development activities in Dolpa and part of the Mugu districts. The Irrigation Component implements its activities in nine districts viz. Kapilvastu, Nawalparasi, Chitwan, Sarlahi, Dhanusha, Siraha, Saptari, Kailali and Kanchanpur. The Partnership for Hydropower Component is implemented in Kaski, Lamjung, Dolakha and Ramechhap districts.

The SAGUN Program execution team comprises of CARE Nepal as the Prime Recipient and three sub-grantee partners: RITI working on the Irrigation Component, RIMS-Nepal working on Community Forestry in Dhading district, and WWF working on the buffer zone development in Dolpa and part of the Mugu districts. CARE Nepal directly implements the Partnership for Hydropower Component.

1.1 Vision

The SAGUN Program vision is that *“at the end of the four year period, good governance practices are internalized by natural resource management groups at all levels, supporting a code of conduct of equity in access to and benefits from local forest and water resources, specifically benefiting women and other disadvantaged people. There will be increasing productivity of natural resources under local management that is transparent and accountable, directly supporting poverty alleviation, rural community development and national economic growth. Partnerships in natural resource management will resolve conflicts locally and nationally, and thus contribute to re-establishing peace in Nepal.”*

1.2 Overall Objective

“The overall objective of the proposed SAGUN program is to ensure that Nepal’s natural resources are managed in a democratic way; that the performance of selected institutions is

improved to meet the principles of good governance and participation; and, in particular, that the benefits derived from natural resources are dispersed in accountable and transparent ways to the local communities and that they and other earned revenues are equitably distributed. SAGUN focuses on forests and water resource management, and in particular water used for irrigation and hydropower development.

1.3 Specific Objectives

The Program consists of the following six specific objectives.

Specific Objective 1: Strengthen organizational structures, governance and accountability, and technical capacities of natural resource management user groups, to ensure (a) resource sustainability and biodiversity conservation, (b) group sustainability and (c) participation of women and other disadvantaged groups.

Specific Objective 2: Strengthen the financial management capacities of NRM groups, and their capacity to monitor benefit- and revenue-sharing within their own groups, communities, locally elected bodies: Village Development Committees (VDCs) and District Development Committees (DDCs) and at higher levels.

Specific Objective 3: Strengthen the capacities of relevant NGOs and user federations/ coalitions in the civil society, and of selected private service providers, to work with and assist line agencies, local NRM groups and local elected bodies to achieve Specific Objectives Nos. 1 and 2, above, and to promote their own strong advocacy role.

Specific Objective 4: Assure more timely communication between all stakeholders of NRM development in Nepal, to (a) share lessons learned and best practices, (b) promote parallel planning, coordination and implementation, and (c) participate in policy discourse.

Specific Objective 5: Document and disseminate best practices and lessons learned regarding local NRM group development and support, to (a) enhance concurrent Program implementation, (b) inform future strategic planning, (c) enhance governance skills, (d) plan and monitor benefit-sharing, and (e) inform policy review and development.

Specific Objective 6: Raise the level of understanding among Nepal's NRM civil service at large (all levels) and ensure their ownership of current environmental governance and social development concepts, philosophies, field methods and implementation strategies.”

The revisions of the Irrigation and Partnership for Hydropower components have modified the implementation approaches of the Program based on the needs assessment and situational analysis respectively. The Irrigation Component will adopt a systems approach where by all WUAs and committees within an irrigation system will be targeted and institutionally strengthened. The Partnership for Hydropower Component is pioneering a new concept of facilitating “win-win” partnerships for hydropower development between the local communities, private sector hydropower investors/ developers and HMG. The in-depth situational analysis conducted in the two selected sites has identified specific approaches and

activities for the sites in different categories and initiated preliminary field implementation of activities.

The target audience of the program are the local Natural Resource Management Groups (NRM) viz. the Community Forest User Groups, the Buffer Zone Users Committees, the Water Users groups, their Associations and federations, and hydropower affected communities in selected districts and Village Development Committees (VDCs).

This Annual Performance Report (APR) has been prepared for the period between November 18, 2003 to September 30, 2003 and it presents the Progress of the SAGUN Program component wise. The progress pertaining to USAID SO5 indicators has been presented separately. The APR has been prepared in view of the SAGUN Annual Work Plan for the last year, the Cooperative Agreement with USAID and M&E Plan.

2. PROGRAM PROGRESS

2.1 Forestry and Buffer Zone Component

The Forestry and Buffer Zone (FBZ) component is being implemented in 6 districts of Nepal. CARE Nepal works directly in three Terai districts: Banke, Bardia and Kailali while it implements its activities through sub-grantee partners: RIMS-Nepal and WWF in Dhading and Dolpa, and some part of Mugu districts respectively.

The **goal** of the FBZ component is *to empower organizations (CFUGs, BZUCs) through their capacity building in good governance for sustainable management of forest resources.*

The **purpose** is *to ensure that performance of UGs (CFUGs and BZUCs) and other selected institutions is improved to meet the principles of good governance and in particular, that the benefits and revenues generated from sustainable community forestry and buffer zone development are distributed to local communities on equity basis.*

2.1.1 Start-up Activities

A number of start-up/orientation workshops were conducted at various levels to familiarize the key stakeholders about SAGUN program's goal, objectives, strategies and working approaches. It has helped to develop a common understanding among them. Besides, the office setup, placement of staffs and other several preparatory activities were carried out.

Start-up Workshop

The start-up workshop was organized at central, cluster/regional and district levels. The central level start-up workshop was organized in Kathmandu to introduce SAGUN Program to the key stakeholders so as to develop a common understanding on goal, objectives, strategies and working approaches among all the central level stakeholders for better coordination. A total of 22 participants from Ministry of Forests and Soil Conservation (MOFSC), Department of Forest (DOF), Department of National Parks and Wildlife Conservation (DNPWC), USAID, Federation of Community Forestry User Groups of Nepal (FECOFUN) and staffs from CARE Nepal and its partners (WWF, RIMS-Nepal) participated in the workshop.

A regional level start-up/orientation workshop and district level start-up workshops were organized at Nepalgunj and each district of SAGUN Program respectively. In the regional workshop, a total of 34 participants from regional level stakeholders such as Regional Directors, representatives of USAID, MOFSC, DOF, DNPWC, District Development Committees (DDC), District Forest Offices (DFOs), NGOs and district federations of CFUGs and staffs from CARE Nepal and its partners participated. At the district level start-up workshop, a total of 226 representatives from different organizations participated such as District Administration Office (DAO), District Forest Office (DFO), National Park Office (NPO), DDC, Women Development Office (WDO), District Education Office (DEO), FECOFUN, NEFUG, NGO Federation, Non-governmental Organizations (NGOs),

Community Based Organizations (CBO), and journalists and staff of SAGUN program actively participated.

Altogether, 282 representatives participated in the start-up workshops and contributed in the discussion with better understanding of the SAGUN Program and their roles and responsibilities to facilitate the implementation of good governance process in NRM at all levels.

Further to that, the workshop at district level remained important forum to form District Level Coordination Committee (DLCC). The major functions of the committee are to coordinate planning, implementation and monitoring of the SAGUN-FBZ component activities in the district and provide regular guidance and support in the effective management of the program. DLCC includes Local Development Officer (LDO) as chairperson with District Forest Officer as member Secretary. The other members include District Coordinators (DCs) and representatives from FECOFUN, NEFUG, NGO federation, etc. DLCC members meet quarterly to discuss on important matters and to direct the right course of action in meeting SAGUN (FBZ) Component's set objectives.

The Nepalgunj Cluster Office (NCO) and RIMS-Nepal organized two events of orientation workshop for Field Officers (FO) and Rangers with the objective of familiarizing the SAGUN staff about the program, its activities, implementation strategies and expected results. Altogether, 43 participants including staffs from SAGUN program and counterpart (government bodies) actively participated in the events and developed their understanding. About 28% participants were female and 7% *Dalit*.

Three events of orientation workshops at district level were organized for the locally hired staff and the LRPs with an objective to familiarize the SAGUN Program on the whole and to develop common understanding on objectives of SAGUN program, strategies and working approaches among women motivators and Local Resource Persons. Altogether, 59 staffs with 70% women, participated and developed their understanding of their roles and responsibilities to meet the objective of SAGUN program.

Orientation on Capacity Assessment and Participatory Well-being Ranking

A one-day orientation workshop for program staff on capacity assessment was organized at Kohalpur, Banke in order to equip field staff with the skills, knowledge and methodologies to conduct capacity assessment and well being ranking of the user groups to identify real target audience and provide various support to them. The contents of the orientation workshop included the methods and tools to assess institutional capacity of CFUGs and BZUCs in terms of technical, organizational, governance practices, management etc.

Altogether, 19 SAGUN-FBZ component staff and 6 Rangers participated and developed their understanding of the tools and techniques of capacity assessment. Similarly, 115 participants from CFUGs and BZUCs were trained on the capacity assessment and well-being ranking. Of them, more than 40% participants were women.

In addition, as a cross-learning and part of technical support to partner, Kailali District Office organized an orientation program on well-being ranking for its field staff including five staffs from RIMS Nepal. The orientation helped the Kailali field staff and RIMS-Nepal to conduct this process in their working area.

M&E Workshop for SAGUN Team

A workshop was organized with the help of a consultant to develop the Monitoring and Evaluation Plan (M&E Plan) for the program. A total of 11 SAGUN staff from CARE Nepal, RIMS-Nepal and WWF attended the workshop. The M&E plan for activity level was prepared only for one year whereas result, effect and impact levels M&E plan was prepared for the entire program duration.

Upon USAID's comments and suggestions, and further, revisit of proposals of other two components of SAGUN program, the M&E plan was finalized and submitted to USAID for approval.

Review and Update of Training Manuals

SAGUN is one of the first programs of CARE Nepal in the process of making a shift from Need-Based Approach (NBA) to Rights-Based Approach (RBA), advocacy and good governance. Although few initiatives were undertaken in the past with regard to RBA, advocacy and good governance, most of the manuals required to be reviewed / updated and new ones to be developed. Different training manuals prepared during Forestry Partnership Project (FPP), Master Plan for Forestry Sector (MPFS) and Pro-Public bulletin were referred to prepare the following training/ workshop manuals or guidelines:

- Capacity assessment and participatory well-being ranking guidelines (newly developed)
- TOT and Leadership Development Training manuals (reviewed and updated)
- CF management and simple inventory manual for members of CFUGs and their federations (newly developed)
- PRA (reviewed and updated)
- RBA and advocacy training manual for *Dalit* and women of CFUGs (newly developed)
- FOPs/Constitution awareness manual through LRPs (reviewed and updated)
- Awareness on accountability and transparency workshop guidelines (newly developed)
- Group management training manual (reviewed and updated)
- Planning and net working workshop guideline (reviewed and updated)
- Working Guidelines for LRP and Women Motivators (draft)

The manuals and guidelines were also shared among the DFOs and sub-grantee partners (RIMS Nepal and WWF) and inputs sought to make them final and uniform for practice. With the help of the manuals and guidelines, almost all the training and workshops were successfully completed. The FOs and Rangers heavily used these manuals and guidelines while facilitating the training workshops.

Review and update of NFE course/text books

As an effort to establishing synergy between SAGUN and SAMARPAN programs, the SAGUN-FBZ will use the Non-Formal Education (NFE) course books prepared by SAMARPAN program. However, some modification will be done to suit the SAGUN Program's goal and objectives. The course books have been received from the SAMARPAN, which are currently under review for modification and preparation of guidebook to make them suitable for the NFE Partners, Supervisors and NFE facilitators.

Project Set-up and Staffing

In CARE Nepal, a total of 3 District Coordinators (DCs) and 13 Field Officers (FOs) were assigned to Banke, Bardia and Kailali district coordination offices. Besides, 6 support staffs were assigned to Nepalgunj Cluster Office (NCO).

In Dhading, RIMS-Nepal hired 11 staff for programs and administrative activities. In addition, 18 Women Motivators were hired to support field level activities. Four area offices were established for Baireni area, Dhading Besi area, Gajuri area and Salyantar area. Staffs were assigned to each area integrating with DEPP staff. In Dolpa, WWF has a total of 4 staffs based in its Project Office at Dunai Headquarters. In addition, women motivators and LRPs based in the field supported various activities of the program.

Program orientation for VLCC members

During the reporting period, one event of program orientation for Village Level Coordination Committees (VLCCs) was conducted with the following objectives in Dhading: a) introducing SAGUN Program to VDC level stakeholders mainly CFUGs representatives to establish the working relationship and coordination with them; and b) familiarizing the participants on working approach of RIMS. Altogether, 24 participants that included 19 representatives from VDC level CFUGs networks, and 5 from CIRDS, FEPS, HIMAWANTI and FECOFUN attended the coordination committee meeting.

Baseline survey

In Dolpa, socioeconomic baseline survey was conducted in 11 VDCs of SPNP/BZ area (9 VDCs in Dolpa and 2 VDCs in Mugu) from 16 May-16 June, 2003 by Mountain Spirit Consultancy assisted by newly hired Community Mobilizers (CMs). It included various aspects such as caste/ethnicity, well being ranking, education, health, and fuelwood consumption.

2.1.2 Program Progress Towards Objectives

F 1: Strengthened CFUGs and BZUCs with enhanced technical and organizational capacities to ensure biological diversity, resource utilization, sustainability, equitable benefit sharing, the groups' own sustainability through community development activities.

This objective focuses on strengthening CFUGs and BZUCs to build their technical and organizational capacities. In order to meet the objective, various training, orientation and awareness programs were organized. The activities focused on identifying real target audiences through capacity assessment and participatory well-being ranking of CFUGs and BZUCs, which the program had and will support throughout the project period. As part of building their organizational and institutional capacity, CFUGs and BZUCs were also given an opportunity to plan their activities and seek financial support through proposals to implement their activities.

As an effect of the interventions to enhance the organizational and technical capabilities of CFUGs, 236 CFUGs in Banke, Bardiya, Kailali and Dhading had actively managed an area of 4,954 ha. of CF during the reporting period (Figure-1). To date, the CFUGs in the working districts have actively managed an area of 7,982 ha., against the target of 6,193 ha., including an area of 3,028 ha. recorded in 2002.

A total of 14,113 mt. of biomass was harvested against the target of 11,496 mt. from the active management of community forest during this reporting period (Figure-2) Of the total biomass harvested, timber accounted for 49,375 Cft.¹ (909 mt.). Other forest products included: 9,066 poles² (208 mt.), 6,448 mt. of fuelwood and 6,548 mt. of NTFPs comprising Tendu leaf, Pipla and Rohini; Khair, fodder and thatching grass.

Figure-1: Area under active management of community forest

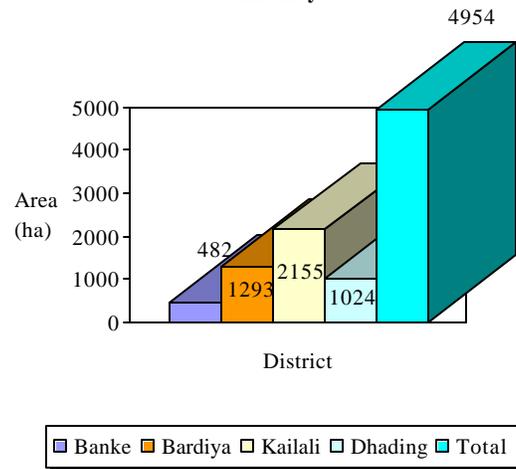
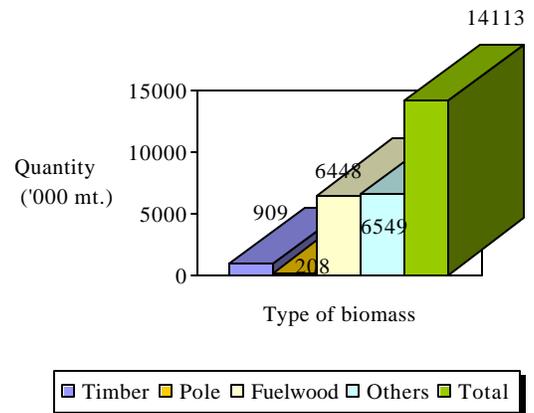


Figure-2: Biomass harvested through active management of community forest



¹ 1 Cft. timber = 18.4 kg (source: Annual Progress Report-2000/2001, EFEA).

² Average weight of a pole=22.97 kg (source: Annual Progress Report-2000/2001, EFEA).

a. Training and workshop for CFUG / BZUC members to enhance their technical and organizational capacities

A total of 853 members representing 297 groups participated in 34 events of training and workshops. Among them, 556 (65%) were members of the executive committee, of which 38% were women and 7% Dalit.

Table-1 No. of CFUGs holding general assemblies annually

| Banke | Bardiya | Kailali | Dolpa | Dhading | Total |
|-------|---------|---------|-------|---------|-------|
| 36 | 47 | 28 | NA | 154 | 265 |

The events included CF management and simple inventory techniques for CFUG/BZUCs and their federations; NTFP management and marketing (plant specific) for CFUGs and their federations; Integrated Conservation and Development (ICD) for BZUC members; Group management; Financial management and public auditing on the basis of equity concepts for CFUGs/BZUCs, Amchi¹ networking, Eco-club teachers and members; Alternative energy and Saving/Credit.

A total of 107 participants took part in CF management and simple inventory training. The participants were Local Resource Persons (LRPs), Women Motivators (WMs) and members of CFUGs and their federations. Women constituted 30% of the total participants. The duration of the training was 15 days, and it included both social and technical aspects of CF management.

The major objective of the training was to develop technical and social capacity of LRPs, WMs and key members of mature CFUGs/BZUCs. LRPs and develop their facilitation skills to give continuity to the CF management processes (see Box 1).

Group management training, which includes leadership and institutional development, was one of the most widely organized events. A total of 449 participants from 137 CFUGs attended this training. This was conducted with an objective to develop their organizational and managerial skill.

After attending this training, some CFUGs have significantly improved their record keeping (both financial and programmatic), reshuffled their committees, audited their financial transactions, held general assemblies and developed alternative leadership.

Box 1

DFO's progressive decision towards sustainability of CFUGs

After the completion of CF Management and Simple Inventory Training in Bardiya district, the District Forest Officer made an official decision to involve/mobilize LRPs for conducting forest inventory and preparing FOPs. The outcome of the training has been that, to a great extent, both LRPs and Women Motivators were involved in assisting Rangers and CFUGs for conducting forest inventory and preparing new FOPs and renewal of old ones in Bardia as well as in Kailali and Banke.

A total of 265 CFUGs organized general assemblies annually (Table-1). This can be largely attributed to the various types of training imparted to the target audiences during the reporting period. It is noticed that some CFUGs have organized general assemblies more than once. For example, in Dhading, 154 CFUGs held 182 general assemblies during this reporting period. From this, it is anticipated that the number of general assemblies held

¹ Amchis are traditional Tibetan doctors.

during the reporting period exceeded the number of intended CFUG assemblies. In most of the general assemblies more than 50% members participated actively and took part in discussion on current year's progress, management issues and next year's program and budget.

b. Activities through LRPs

Field experience and the results of capacity assessment have revealed that most of the CFUG members have limited awareness on the use of their FOPs and constitutions. Often their roles, responsibilities and rights including system of fund mobilization, harvesting, distribution and sale of forest products are not transparent. Local elite holding key positions in executive committees of CFUGs mostly control these processes for their benefit with little consideration to the concerns of ordinary users. As a result, they hardly participate in planning and decision-making process in the management of forest resources.

Past experience has shown that mobilization of LRPs has been very effective in reaching large numbers of user groups with increased awareness and knowledge on FOPs and constitutions. With an effort to promoting governance in the user groups, the LRPs were trained and intensively mobilized to conduct orientation programs such as (1) Awareness on FOP and Constitutions, and (2) Accountability and Transparency. Altogether, 36 LRPs and 5 project staffs, including Rangers and AGIDO, conducted 199 events of these orientation programs in which 7265 user group members from 92 CFUGs/BZUCs participated. Of them, 56% were women and 12% *Dalits*.

Prior to conducting above activities, LRPs and WMs were intensively oriented/trained on the significance of FOP and constitutions including accountability and transparency followed by action plans prepared to proceed on for the orientation program. The WMs also actively supported in conducting these events jointly with LRPs.

Target participants for the above programs were selected based on the result of capacity assessment e.g. less active CFUGs and some selected active CFUGs that have poor performance in terms of awareness on their constitution and FOP and transparency. The immediate outcome of orientation has been that some CFUGs resumed their general assemblies after a gap of almost two to three years; some CFUGs, based on the performance, reshuffled their executive committees while the general user groups developed their confidence to probe on the financial management system in the groups and raised issues in the assemblies for its transparency and proper mobilization and utilization.

c. CFUG Designed Activities

Activities implemented in partnership with CFUGs and their networks in the pasts have shown that CFUGs' increased capacities in planning, implementing, monitoring and evaluating CF activities. This process is not only cost effective but also contributes to sustainable institutional development process at the local level.

Twenty different partners at district levels viz. CFUGs, Networks and NGOs implemented 23 different events such as workshop for *Dalits* on CF activities; women's awareness and empowerment; leadership development; CF management and inventory; governance, RBA and advocacy; awareness on NTFP, legal aspects and process on CF for informal groups; and awareness campaign through folk songs; income generation activities like goat raising and plantation of cardamom, lemon grass and broom grass; and seedling production. A total of 18,759 users, consisting of 51% poor, women and 3% *Dalits* benefited from these training/workshops. In order to implement the events, SAGUN Program provided financial and technical assistance amounting to Rs. 90,975. The implementing partners also contributed Rs. 92,448 for the events. The partner groups were selected and prioritized based on the results of capacity assessment and well-being ranking.



Participants of CF management and inventory training and users of Gyan Jyoti Women's CFUG in Kailali during the practical of tending operation

Further, as a result of legal awareness workshops on CF, all informal or de facto CFUGs in Kailali joined and advocated to legalize them as CFUGs and hand over the forests. This is a significant initiative taken by the partners at grass-roots level, which is a clear indication of their increased confidence and capacity in managing their development activities on their own.

d. Participatory Well-being Ranking of CFUGs

The SAGUN (FBZ) Component conducted Participatory Well-being Ranking for 337 CFUGs covering 34,994 households in active participation of users and key informants such as school teachers, tailors, businessmen, village leaders, priests and LRPs. Of the total households, 6,780; 14,433 and 13,781 households belonged to well-off (rich), medium and marginal groups respectively. The result indicates that



Participants of training on CF management and simple inventory technique preparing the resource map of Jyoti CFUG in Banke

most of the households belonged to the medium category (Figure 4). Of the total 4,270 *Dalit* user households, most of them belonged to marginal group (Figure 5).

In fact, this activity should have been conducted for all CFUGs to identify the target audiences of the SAGUN-FBZ component. But, considering workload for other major/important activities during the reporting period, it was conducted for only some CFUGs in Banke, Bardiya and Kailali. In Dhading, initially this activity was conducted for 10% sampled CFUGs of the total CFUGs formed. But, later it was decided and conducted for almost all CFUGs. Considering the importance of this activity, it will be continued next year for remaining CFUGs/BZUCs.

The CFUGs in Banke, Bardiya and Kailali were selected based on the results of capacity assessment.

The findings of this activity have been very useful in identifying the target beneficiaries for different support activities.

After the result of the assessment, some CFUGs have already initiated income generation activities for those poor households identified in the ranking (see Box 2). Similarly, some CFUGs have given priority to able users of poor households in facilitating other users in the course of implementing program activities. For example, *Jayanagar Janajagriti, Santoshi, Srijanshil* and *Sahamati* have selected the capable users from poor households to facilitate the Non-formal Education (NFE) classes to be implemented in near future.

Similarly, these CFUGs identified the poorer households with the help of well-being ranking and addressed inequitable distribution of forest products. (For example please refer the thematic: Dalits Reduce Selling Price of Charcoal.)

F2: Strengthened capacity and increased active participation of women, the poor and other disadvantaged groups (DAGs) in CFUGs and BZUCs through consensus decision-making process and leadership positions

The activities under this objective focus mainly on strengthening capacities of women, poor and disadvantaged groups such as *Dalits* for their increased participation in community forestry management, decision-making processes and leadership positions in the CFUGs and BZUCs. So far women and *Dalit* motivators were employed and trained on TOT, PRA,

Fig.4 Proportion of User Households by Well-being Status

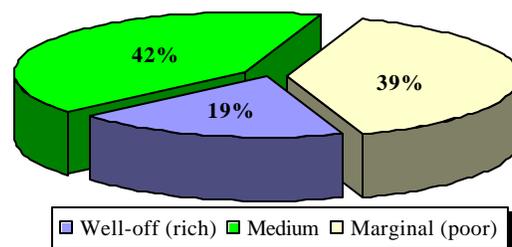
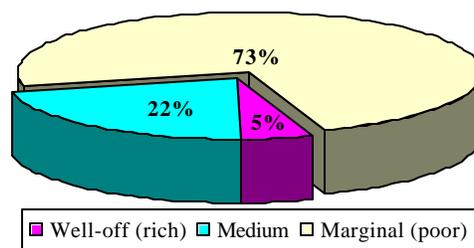


Fig.5 Proportion of Dalit User Households by Well-being Status



Box 2: CFUGs' Support to Poor Households

Radhakrishna, Pashupati Panchawati, Chatiya and Haraiya CFUGs in Kailali have supported poor households in Income Generating Activities (IGAs) such as pig farming, goat farming, loan disbursement without interest for income generation etc. from their group fund and some have planned such activities for coming year.

Janajagriti Women CFUG in Khairapur Range post (RP) and Srijanshil CFUG in Magaragadhi RP of Bardiya have given priority to poor households for disbursement of loan without interest for initiating income generating activities.

governance, advocacy, leadership to build up their capacity to serve as local resource persons to educate CFUG and BZUC members and to promote on Rights-Based Approach (RBA), advocacy and governance practices in their respective groups.

As a result of the interventions directed towards strengthening the capacity and increasing active participation of the women, poor and the *Dalits* it was observed that women occupied 42% of the Executive Committee members of the CFUGs against the target of 40%. Similarly, the *Dalits*, occupied a total of 13% of the same.

a. Training and Workshop for Women, Poor and *Dalits* to enhance their Capacity and Participation

A total of 354 members from 107 CFUG/BZUCs participated in 15 events of training and workshops. Among them, 28% were executive committee members and 60% were *Dalit*. Of them, 75 % were women.

The events included RBA workshop for *Dalit*, Leadership training for women and *Dalit* and training on kitchen gardening. Of those, RBA workshop was extensively conducted to increase awareness of their rights, responsibilities and advocacy processes so that they would be able to take active participation in CF and BZ development processes and develop alliance and co-ordination with other stakeholders to raise their voice in an organized way.

The training and workshops on the above events in Bardiya, Kailali and Dhading was directly conducted, whereas in Banke, the district team managed to conduct these workshops in partnership with *Dalit* NGO Federation (DNF) and increased the effectiveness of the workshops at grassroots level.

Following the training, some CFUGs reshuffled their ECs with new membership of women, poor and *Dalits* as EC members (see Box 3)

b. Training for Women Motivators

A total of 138 participants (75% women), attended 9 events of training/workshops organized primarily to develop the capacity of Women Motivators. Regarding the composition of the participants, four of the total participants were *Dalits*. The rest were WMs (69% of total participants), followed by LRPs from CFUGs and their federations and Rangers from DFOs.

Box 3

Strengthened Actions of Women and *Dalit*

Mrs. Gita Sunar, having attended the RBA training, raised her voice with justification in the general assembly to include Dalits in the executive committee of Siddhibinayak CFUG, Banke. As a result, she was offered the position of the Treasurer as executive member.

CFUGs viz. Chatiya, Amrit Jagaran, Bantari, Birendra, Badeha Chaitanyapur in Kailali have reshuffled their executive committees with women and Dalit members.

One Dalit woman and two other Dalits succeeded to assume the positions of Joint Secretary and EC members of Janashakti Karelia CFUG in Bardiya.

Dalit members of Lakhana CFUG in Bardiya raised the voice that the participants for any training/workshop should be selected upon the consensus of EC and general members.

The events included training on gender sensitivity, RBA and TOT. A total of 3 events of TOT were organized for 7-10 days, exclusively for capacity building of Women Motivators in facilitation and training.

All of those Women Motivators participated in the above training/workshops contributed well in their respective fields of assignment such as facilitating awareness programs on FOP and constitutions including record keeping, roles, responsibilities and rights; assisting Rangers and Forest guards in their works, and dealing with the CFUGS/BZUCs, counterparts and visitors confidently.

c. Scholarship for *Dalit* and Women in I.Sc. Forestry

As a part of developing technical human resources at local level, SAGUN- (FBZ) component offers scholarship to potential women and *Dalits* to study I.Sc. (Forestry). They will later serve as service providers/technicians to support user groups, DFO and park offices and other similar organizations in the community forestry development processes at the local level. Part of the objective of this intervention will be to generate local employment opportunity for them within CFUGs and BZUCs.

During this reporting period the SAGUN (FBZ) Component provided scholarship for four students. Among them, two are *Dalit* students (one male and one female) and two are other girl students from different caste and ethnic groups. All of them have joined IOF, Hetauda, and will undergo study program for two years with the financial support of the Program.

The entrance examination at the IOF is quite competitive with tough selection process that pose difficulty to the women and *Dalit* candidates to qualify, who because of social and cultural discrimination, are less confident. To address this issue in the following year, the FBZ Component will announce the scholarship program much earlier, at least six month in advance in all five districts, to give sufficient time to the candidates for preparation. Further, the male members from Tharu ethnic community will also be included for the scholarship competition.

F3: *Revision of OPs and limited numbers of new CFUGs identified and mobilized with the help of clear guideline, to fulfill demands and needs of local communities for active management control over the community forests.*

The activities under this objective largely focus on demands and needs of local communities for active and sustainable management of community forests. For this, capacity assessment was conducted as part of identifying target audiences. New and weaker CFUGs were supported in developing constitutions and FOPs with clear guidance and facilitation in planning and networking processes. It has helped to a large extent to build their technical and institutional capacity of the groups. The program, in addition, supported CFUGs to renew old FOPs and create awareness on the constitution and FOP.

Participatory and interactive approaches were adopted while preparing new FOPs and renewal of expired FOPs. Users were fully involved in activities in the whole forest hand over processes such as forest boundary survey, forest inventory, estimation of annual cut,

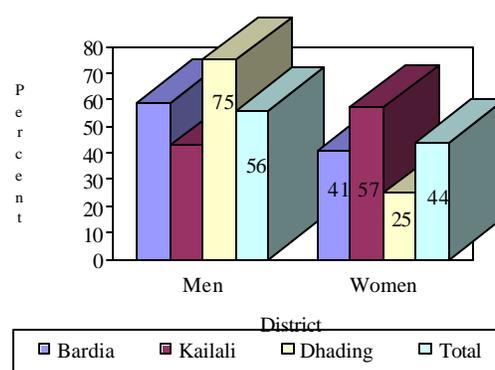
focus discussion with different sections of people (women, *Dalits* and poor) to incorporate their needs and concerns. For example Chauridanda CFUG managed to fix charcoal selling rate on an equity basis to address the needs of blacksmiths (Kamis) (Please refer the thematic). Altogether, a total of 184 CFUGs followed participatory approach in FOP preparation and revision against the target of 191 CFUGs.

a. Support New CFUGs for Developing Constitution and FOP

SAGUN (FBZ) Component supported 31 CFUGs in preparing new constitution and FOP during the reporting period. Among them, DFOs handed over 22 community forests that cover 938 hectare and benefit 3,147 households with a population of 24,119. Of the total households, 165 belong to *Dalits*. Six CFUGs in Bardia and 3 CFUGs in Dhading are in the process of being handed over soon.

There are 222 executive committee members in the newly handed over CF in which 44% are women (Fig. 6). Almost 70% CFUGs have more than 33% women EC members. It reveals that there is an increased participation of women in the decision-making positions whereas representatives of *Dalits* is still low. It is only 4%. Therefore, the program is focusing on participatory and interactive approaches to encourage CFUG members and ensure representation of women, Dalits and the poor in their executive committees.

Fig. 6 Gender representation in the executive committee of CFUGs with newly handed-over CF



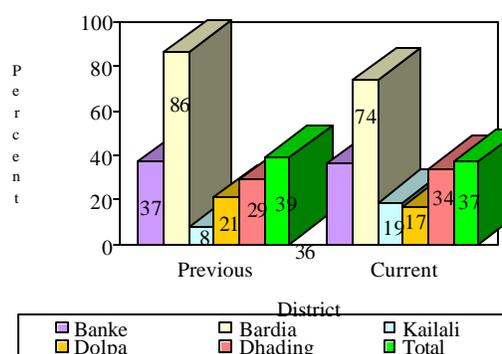
b. Renewal of FOPs

The Program supported 51 CFUGs to renew their FOPs during this reporting period benefiting 5,921 households. Over the five year period, it was noticed that 379 user households were increased in the CFUGs, particularly of *Dalit* households, from 9 to 15% over this period.

Before renewal of FOPs, there were 598 members in the ECs. In the course of renewal, 82 members were reduced. The proportion of women members has slightly decreased from 39 to 37% (Fig. 7). Rather, the proportion of *Dalits* in EC has increased from 8 to 11%.

In the course of renewal of FOPs, the CF area was estimated at 3,622 ha. after an increase of 20 ha. The current average growing stock accounts for 17,110 cft. per ha. Regarding species richness, an increase of 18 more species have been observed than the previously listed 20 species.

Fig. 7 Women's representation in the executive committee of renewed CFUGs



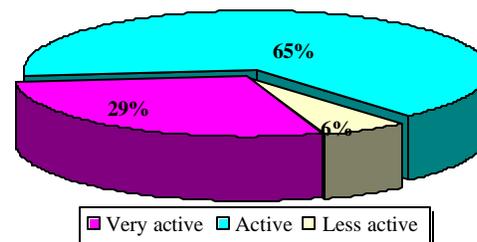
HMG/N rangers, SAGUN-FBZ component field officers, WMs, Forest guards and LRPs extensively supported CFUGs to renew their FOPs. CFUG members actively participated during FOP renewal process. They were involved during forest boundary survey, forest inventory, species identification, group discussion to incorporate their needs and concerns and in the collection of social information. Similarly, they participated in general assemblies and fixed selling prices of forest products, fine against offences, time of harvesting forest products, etc.

c. Group Capacity Assessment

The Group Capacity Assessment was carried out in order to identify target audiences through a process of orientation and workshops. Prior to it, SAGUN (FBZ) program developed a capacity assessment guideline in a highly consultative manner with the staff, counterparts and partners and provided detailed orientation and training to all key staff of SAGUN (FBZ) Component, counterparts, partners, women motivators, LRPs for its application in the field. The capacity assessment tool assesses three major parameters e.g. Productivity, Equity and Sustainability and accordingly categorize the CFUGs as Very Active, Active and Less Active. Based on the results of the capacity assessment, support in good governance in forest resource management was provided to the respective CFUGs/BZUCs.

The Program conducted 26 events of capacity assessment workshop in which 640 participants representing 466 CFUGs attended in the process in which 50% were women. The result of the capacity assessment showed that most of the CFUGs belonged to active group (Fig. 8).

Fig.8 Status of CFUGs on the basis of capacity assessment



Following were some major problems/issues observed during the course of capacity assessment:

- Large numbers of unproductive cattle and open grazing system
- Low representation of women and *Dalits* in decision-making process
- Poor financial record keeping system and transparency
- Poor monitoring and evaluation
- Inequitable benefit sharing
- Insufficient forest products
- Inadequate information sharing

F4 Strengthened capacity of CFUGs and BZUGs in overall accountability, monitoring and advocacy functions to (a) monitor service delivery by government and (b) monitor benefit - and revenue - sharing among the groups themselves, in the communities, with park offices and locally elected bodies (VDCs and DDCs) and higher.

This objective largely focuses on strengthening awareness and capacities of CFUGs and BZUCs to monitor financial accountability, transparency, benefit/revenue sharing and services delivery by various agencies such as civil services, committees, local elected bodies, and; accordingly, initiate advocacy functions to address the issues at local level. To meet the objective, orientation on public auditing and public hearing; and general orientation on RBA/advocacy for CFUGs and BZUC members were conducted at district and CFUG levels.

Annual auditing and general assemblies are mandatory provisions laid in the constitutions for every user groups, and are the basis for User Groups (UGs) to ensure practice of good governance in CF and BZ management. SAGUN (FBZ) component gives strong emphasis on holding general assemblies on regular basis, auditing of financial transactions by registered auditors, submitting of audit report to DFOs and park offices, and to organize public auditing for making all transactions transparent to users from different segments of the society. It has helped to a large extent in increasing the awareness level and knowledge of CFUGs/BZUCs members.

A total of 260 CFUGs audited their financial transactions against the target of 260 CFUGs, during the reporting period. Of them, 103 CFUGs got their accounts audited through registered auditors. 3 CFUGs got their accounts audited by project accountants in witness of CFUG members and 154 CFUGs passed/endorsed their financial transactions by internal auditing process.

a. Public Hearing and Public Auditing (PH&PA):

From the field experiences and studies conducted, it was found that most of the CFUGs do not practice monitoring and evaluation to follow up their activities on one hand, and some CFUGs which have practiced monitoring and evaluation do not follow participatory method, on the other. In most cases, the general members are unaware of PM&E processes of CFUGs activities.

In order to address the issues above, SAGUN (FBZ) component conducted orientation on public hearing and public auditing system.

Box 4

CFUGs' members started to practice PH&PA

In Bardiya, members of Shanti Samaj, Namki Khair Bhatti and Srijanshil CFUGs demanded to conduct public hearing and public auditing because they had some doubts over the financial management system by the Executive Committee(EC).

In Siddibinayak CFUG of Banke district, the EC themselves formed an independent monitoring committee from the general members for reviewing and checking all the financial transactions, records of bills and receipt, minutes and all the activities those were carried out by the EC in FY 059/60. The committee reviewed and checked all the activities and financial transactions, records and informed the general members during their general assemblies. With this practice, not only general members' trust towards EC has increased but their responsibilities and accountabilities have also been increased. In Santoshi CFUG of Bardiya, the EC started to post all the details of financial transaction in the notice board of their community hall.

As a result, 8 CFUGs in Bardiya and Kailali conducted the public hearing and auditing during the reporting period with the support of SAGUN (FBZ) component staff and DFO staff. This was carried out in the presence of representatives from different organizations and institutions viz. EC/general members of same CFUG; and representatives of VDC, nearby CFUGs, Federation (FECOFUN/ NEFUG), NGO/CBOs, journalists. The major objective was to increase access of general user group members to information and knowledge on PM&E processes and to ensure participatory monitoring of CFUGs/BZUCs' functions and activities.



Glance of public hearing and public auditing of Prashansha Women's CFUG in Kailali

In Dhading district, one event of participatory appreciative planning, monitoring and evaluation training was organized for representative of CFUGs networks/VDC level FECOFUN. This was participated by 13 representatives of which 4 were women. After the training, all the participants prepared their CF action plans based on the knowledge and skills learned in the training.

These above activities were proved effective in a) increasing the accesses of general users to information and knowledge of CFUGs' functions and activities; b) promoting general member's participation while undertaking different activities; c) developing confidence of general members to raise their voices regarding financial transactions and other transparency issues of the CFUGs' functions. The ordinary members of the CFUGs have taken whole process of public hearing and public auditing as a very good practice in ensuring good governance in terms of transparency and accountability in the CFUGs and BZUCs.

Box 5

Major issues observed during the PA & H

- *Poor documentation systems among the UGs of their financial records, minutes of meeting and other circulations and correspondence from other organizations that lead to poor and weak communication and dissemination of key information to the general members*
- *The constitutions and FOPs were not appropriately followed and decisions were not properly implemented.*
- *Decisions made by general assembly and EC were not properly implemented.*
- *Poor participation of women, poor and dalits in EC and general assemblies*

b. General orientation on RBA and advocacy

A total of 104 members from 55 CFUGs and BZUCs participated in above training and workshops organized in Kailali, Bardiya, Banke and Dhading districts. Of them 37 % were women and 4% Dalit. This was conducted with the objective to strengthen the skills and knowledge of CFUGs and BZUCs members on Rights-Based Approach and advocacy

functions focusing on different development approaches, its strategy, plan and processes and the implications of their functions. The user groups also organized echo-training to impart the knowledge and skills in their respective CFUG/BZUCs

Following the orientation program, CFUGs and BZUCs seem to have become clearer on their roles, responsibilities and rights including community forestry/buffer zone issues being faced at different levels. They have expressed their confidence to initiate advocacy functions on their pertinent issues with the concerned organizations such as DFOs regarding 40% tax imposition on their surplus timber selling. Some CFUGs have already made attempt in advocacy function in Kailali (see box 6). The SAGUN program has aimed to orient user groups through RBA/Advocacy specialized training and

assist them in preparing advocacy plans for systematic initiation of the issues in the coming years of the program. It is anticipated that such support will improve access to their rights for information at district and national levels and maintain good governance in their forest resource management.

F5: Strengthened capacities of relevant civil society NGOs/ CBOs, and networks, including FECOFUN, and selected service providers in the private sector, to (a) establish clear roles and responsibilities of networks, (b) provide advocacy functions, (c) strengthen CFUG organizational and technical capacities for 'active forest management' and resource sustainability and (d) ensure good governance, economic viability and group sustainability.

This objective focuses on strengthening the capacities of civil societies, NGOs/CBOs, networks, federations and selected private service providers enabling them to support user

Box 6

CFUGs start advocacy function on CF related issues

Following the training, the participants conducted an echo-training with general members to share the information and knowledge obtained from the training and the action plan prepared for advocacy.

In Kailali, the CFUGs members prepared the advocacy plan and raised the issues of governance in CF management with the DFO concerned. They submitted an application to the DFO in written form. The advocacy issue was "registration and hand over of national forests that have been conserved and managed by CFUGs for a long time"



CFUG members from Bardiya attending the procession organized on the occasion of World Environmental Day on 5 June, 2003

Box 7

Some major issues identified

- a) 40% tax in forest products from CF
- b) Delay in CF handover in Terai districts
- c) Hand over of too small CF area to CFUG of large population
- d) Hand over of degraded and isolated patches of forests only as CF,
- e) Double blazing system (DFO's approval needed for FOP implementation i.e. harvesting of timber)
- f) Distribution of revenues generated by the park office to the Buffer Zone User Committees.

groups in managing natural resources on sustainable basis ensuring principles and practices of good governance. To meet this objective, different training on good governance, role of civil society in natural resource management and general orientation on RBA and advocacy including workshop on Local Governance Act, NP/BZ Acts and Policies were organized and conducted at district, CFUG and BZUC level. The participants included selected civil society NGOs and federations, VLCC, ALCC, CBOs and DCC and partner staff.

The above workshops were conducted especially to sensitize the civil society organizations about their roles and responsibilities in sustainable natural resource management; equitable benefit sharing; concept and practices of good governance; tools, techniques and methods of RBA and advocacy functions including networking with the user groups. The principle objective of the training was to enhance knowledge and skills of different civil society organizations to support user groups to promote/practice good governance in natural resources management.

The workshops have been useful identifying CF issues, lobbying and networking processes for advocacy in the future. Besides, it also helped CFUGs and BZUCs affiliate with district FECOFUN and BZDC. During the reporting period, a total of 377 CFUGs were affiliated with district FECOFUN while 55 CFUGs of Bardiya and Dhading were affiliated with HIMAWANTI. (Table-2).

| SN | Types of Networks | No of CFUGs affiliated | | | | | Total |
|----|-------------------|------------------------|---------|---------|-------------|----------------|-------|
| | | Banke | Bardiya | Kailali | Dolpa (WWF) | Dhading (RIMS) | |
| 1 | FECOFUN | 55 | 96 | 52 | 18 | 156 | 377 |
| 2 | HIMAWANTI | 0 | 45 | 0 | 0 | 10 | 55 |

a. Training on good governance, RBA and advocacy

A total of 7 events of training were conducted in Banke, Bardiya, Kailali, Dolpa, Dhading focusing on governance, RBA and advocacy for different NGOs and federations (NGOs/FECOFUN/NEFUG/BZDC) including VLCC, ALCC CBOs and local NGO members of Banke, Bardiya, Kailali and Dhading. Altogether, 145 participants attended the training. Of them, 56 were women and 17 *Dalits*.

Following the training to the NGO and federations, a *Dalit* NGO federation successfully organized an RBA and Advocacy training for the *Dalits* in Banke in partnership with the SAGUN (FBZ) Component. Similarly, other NGOs and federations have developed their action plan for wider dissemination of the RBA, advocacy and governance concepts and practices in the user groups.

b. Workshop on Local Governance Act, NP/BZ Acts and Policies

In Dolpa, one event of workshop was conducted to make NGOs and counterpart organizations aware on local governance act, National Park and Buffer Zone acts and polices and their relevance to local communities. This activity proved very helpful in highlighting

controversial rules, regulations and policies. A total of 32 participants attended the workshop.

F6: Strengthened capacities of DFOs and Park Offices to work with the local communities and groups and with civil society organizations to assist in managing the increasing demand, to mobilize new CFUGs/BZUCs and revise existing forest operational plans.

The activities under this objective focus mostly in enhancing capacity of all levels of counterpart staff particularly DFOs and Park offices through various training and workshops on technical and non-technical aspects. The major objective of the training was to develop common understanding on the concepts and practices of RBA, advocacy and governance in the natural resource management. Secondly, it was also to promote partnership between government counterparts, local communities and civil society organizations (NGOs, Federations, Networks, private service providers, CFUGs and BZUCs) so as to assist DFO and Park Offices in addressing the increasing demands of the user groups related to community forestry and buffer zone development.

The Local Resource Persons and Women Motivators have been significant help to the rangers and forest guards in the FOP preparation and hand over process of community forests. The LRPs and WMs were intensively involved with DFO and Park office staff in the forest inventory, boundary survey, group discussion with user groups and preparing new FOPs and revising old ones.

As an outcome, such events have raised the awareness of 95 civil servants on environmental governance, and social development concepts, methods and implementation strategies in order to support community forestry and buffer zone development. Details of the major activities carried out under this objective are presented below:

a. Advocacy training/workshop for DFOs/Park Staffs, DLCC in CF Issues

A total of 95 HMGN staffs from DFOs and Park Offices participated in 5 events of training and workshop organized during the reporting period. The events were organized for 3 different levels of staffs viz. officers, rangers and forest guards/game scouts, with the objective to familiarize them with the concepts, processes, methods and mechanisms of rights and good governance and to develop a common understanding in issues of good governance and advocacy in community forestry and buffer zone management. In the officer level training, DFOs, Chief Warden, Asst. Chief Wardens, LDOs including key staff of CARE's SAGUN (FBZ) Component and its sub-grantee partners (WWF and RIMS-Nepal) attended. In another training program, rangers, field officers from CARE and RIMS Nepal attended.

The participants in the officer level training also developed a sense of commitment to maintain good governance in forest resource management. Similarly, the rangers in the course of attending the training developed a joint plan of actions for each district as their commitment to implement the activities in the field. Furthermore, having attended the events, the participants have developed their facilitation skills in RBA and advocacy (see Box-8).

Besides, the participants have also made efforts to disseminate their learning to others. For example, the forest guards from Geta Ilaka Forest Office who were the participants in the training, organized one day sharing program to all other forest guards who had not participated in RBA and advocacy training.

Box 8

Assistant Forest Officer of Kailali, Mr. Bodh Raj Subedi, having undertaken Governance and Advocacy training, developed himself as a facilitator. Later he used his skill facilitating RBA, Advocacy and governance training for rangers. Similarly other two Rangers and five NGO members of the district build up their capacity as facilitator and helped DFOs to conduct RBA and governance training for forest guards, women, poor and Dalits in Kailali, Bardiya and Banke districts. Of them, two facilitators were Dalits.

b. Training on Rangeland / Resource management

Based on the needs assessment, this activity, originally planned for the Park staff was revised to address the needs of CFUGs/BZUCs and local people. A total of 27 participants attended a three-day long event organized in Dolpa, with the objective of strengthening the capacity of UGs in pasture/rangeland management according to the rules and laws promulgated by HMGN. It was observed that many participants held traditional knowledge on rangeland and resource management but they were not much aware of related policies and technical management approaches used by SPNP rangers. After training, the participants developed considerable understanding on the above issues.

c. Training on GIS and GPS use

A total of 11 participants attended the training on Geographic Information System (GIS) and Global Positioning System (GPS). The event was facilitated by a team of experts from SPNP, DFO and Tourism for Rural Poverty Alleviation Project (TRPAP). The objective of the event was to familiarize the Park staffs on the application of advanced information technologies (ITs) for monitoring and documentation to facilitate research procedures. By building SPNP's technical capacity on this aspect, it is anticipated that park's ability to mobilize future funding and technical support for the project area will be improved.

d. Study tour for Rangers on good governance

The activity, proposed to be conducted in India was dropped due to donor's concern and suggestion. However, in lieu of that, possibility of short-term attachment of rangers with the IOFs was also explored to train them on good governance in natural resource management through lecture methods. But due to lack of specific curriculum and expertise at the IOFs in the governance in natural resources management, this activity could not be conducted during this reporting period.

F7: Established effective communication mechanisms between stakeholders in forestry at all levels, including the DDC, sharing lessons learned, issues and problems arising and best practices, to assure a) more coordinated planning and implementation between relevant stakeholders, b) addressing the policy discourse including the forestry contribution to GNP, and c) greater understanding and ownership among the forestry civil services of current concepts, paradigms, methodologies and implementation strategies.

F 8: Document and disseminate lessons learned and best practices for a) replication, including b) demonstrated relationship to current CF and buffer zone development and governance paradigms and methodologies, and c) highlighting issues arising especially of policy discourse.

The above two objectives focus largely on establishing communication systems that provide widespread access to information to empower all stakeholders from community to national level. The system for periodic meetings was established to prepare joint plans, conduct monitoring and reviewing progress at all levels of stakeholders. Some case studies were carried out to generate the lessons learnt and best practices adopted.

Besides, 5 types of materials including training manuals, reports on capacity assessment of CFUGs and well-being ranking of user households, booklets on park and buffer zone, and SPNP rules and regulations were produced and disseminated to major stakeholders of the program.

As an input to policy discourse on contribution of forestry to GDP, financial transactions of CFUGs have been recorded. From the records of 419 CFUGs monitored, it was observed that a total of Rs. 30.8 million was generated during the reporting period from different sources such as sale of forest products, membership fee, penalty and fund generated from various organizations. The CFUGs have well maintained the system of financial transactions. But, their financial status and their contribution in kind are yet to be recognized vis-à-vis the national GDP. This can be one of the potential issues for advocacy.

There was no specific activity under objective F7. Details of the major activities under objective F8 are highlighted under the following sections:

a. Case Studies

A study on “*Status of Good Governance Practices in Community Forest Management*” was carried out in 3 selected CFUGs of Jyamrung, and Goganpani VDCs in Dhading, with the main objective of assessing the governance status of those CFUGs and documenting the lessons learned and best practices for wider dissemination.

With the help of SAMARPAN, staffs of RIMS-Nepal carried out case study on “*Governance in Natural Resource Management*”. The findings of the study show that participation of ordinary users in CF management is still poor. The committee members are more accountable in their roles and responsibilities than ordinary users. The records and all transactions of CFUGs are reasonably transparent. But it is still not well documented. In

order to improve the shortcomings identified in the study, CFUGs have developed their action plans for implementation with the help of FBZ component staff.

Similarly, a case study was undertaken in Dolpa with the objective of assessing the impact of solar energy, improved cooking stoves and traditional health care center in Phoksundo VDC.

The outcome of the case studies undertaken in Dhading and Dolpa and action plans to improve those will be well documented and shared with all key stakeholders.

b. Coordination Meeting with Key Stakeholders

A total of 47 events of coordination meeting were held at different levels viz. PSU, district, area and village level with the objectives to develop common understanding about SAGUN Program and its field level implementation approaches; preparing plan; review and monitor progress; and discuss issues for resolution etc.

More than 50 participants including Local Development Officer (LDO), District Forest Officer, and representatives from civil society organizations such as FECOFUN, BZDC, NGO federation, *Dalit* NGO federation and HIMAWANTI attended the DLCC meetings. Similarly, 33 participants including VDC secretaries, ex-DDC members, Rangers and representatives from FECOFUN and NGOs participated in the ALCC meeting. A total of 656 participants including representatives from CFUGs and their federations, ex-chairpersons, VDC secretaries and representatives from CBOs attended the VLCC level meeting. In addition, one event of PSU meeting was also held at Kathmandu in which donors, central level counterparts from departments and ministries and CARE staff attended. The meeting reviewed the progress of all SAGUN components, discussed on the pertinent issues and developed consensus and made decisions for future implementation.

The coordination meetings at all levels have been very helpful in strengthening coordination and understanding among the key stakeholders about planning, implementation and monitoring process of the SAGUN (FBZ) Component.

c. Observation Tour for Policy Makers, FECOFUN Central Members and Journalists

Due to uncertain security situation after the breakdown of the seize fire, this activity could not be conducted. If the situation improves in the first quarter of the second year, it will be planned and conducted accordingly.

d. Production of Extension Materials and Communication through Mass Media

During the reporting period, several training manuals for RBA, Advocacy, governance and other technical subjects were prepared as a prerequisite for conducting various trainings of the program. Those manuals were widely used and shared among partners. For instance, the reports on capacity assessment of CFUGs and well-being ranking of user households were prepared and shared with government counterparts.

A briefing material of SAGUN-FBZ Component was prepared in Nepali language to disseminate the information about the program and its implementing approaches to the key stakeholders. Besides, other suitable extension materials such as posters, banners and audio-visual clips on community forestry, RBA and governance in NRM available with other related organizations are being identified and processes initiated for procurement. These will be circulated widely among CFUGs and BZUCs including local partners as extension materials. In addition, books and other suitable reference materials on good governance in NRM have been identified for procurement.

In Dolpa, a quarterly newsletter in Nepali language was produced that consisted of articles contributed by local people as well as information on the activities carried out by WWF in the project area. This was circulated widely at the village, district and central levels. Besides, a booklet on the rules and regulations of SPNP and an education booklet on the park and buffer zone have been prepared in Nepali language for wider dissemination to CFUGs, BZUCs, snow leopard committees, Sister groups, school and community eco-clubs as well as visitors from outside.

Similarly, a documentary is being prepared covering the highlights and lessons learned from SAGUN interventions in Dolpa district. These lessons learned will be shared for replication and demonstration to other focus groups as well as other stakeholders at the central level.

The training events organized by SAGUN-FBZ Component were also covered by the local newspapers in the Terai districts resulting in effective means of disseminating the features covered by specific events, and information about SAGUN Program and its implementation.

2.1.3 Major Issues

SAGUN Program is a significant departure from the traditional way of implementing the development activities. It works with new approaches and strategies where RBA and advocacy is key theme directed towards establishing good governance in natural resources management. Being a new area, it took considerably a long preparatory work in the initial period for developing common understanding on concepts, approaches and strategies of the program among the major stakeholders. Noticeably, series of start-up and orientation activities at different levels, reviewing and updating numbers of existing training manuals and developing new ones in line with the SAGUN's goal and objectives, took substantial efforts and time. These were some of the setbacks in achieving some planned activities in the first year.

The breakdown of cease-fire between government and the Maoists and consequent deterioration of the security situation significantly cut down the field visit of staff resulting in under-achievement of some of the planned activities. Nevertheless, the SAGUN team is taking the following measures to cope with the current insecure situation:

- SAGUN program activities such as workshops, training and orientation have been concentrated at the district headquarters except for orientation activities such as (awareness on constitutions and FOPs) for user groups in the villages and safer sites,

- Mobilization of Women Motivators and LRPs in the districts assisting CFUGs/Networks in conducting CFUG designed activities (orientation/training) at field level,
- Maintenance of low profile at all levels of staff,
- Regular guidance and instructions from centre and district offices to SAGUN team members,
- Informal and formal meetings to discuss and update on security situation at district and central office.

As such, despite the prevailing situation and some constraints in the initial period of program implementation, the overall achievement during the first year has been satisfactory.

SAGUN in Bardia has to be coordinated with two different government counterparts viz. DFO and RBNP. More so, these are distantly located, almost 80 km far away from each other hence limiting a regular co-ordination with RBNP. In addition, considering the large number of CFUGs and BZUCs, the human resource available to SAGUN, Bardiya seems insufficient to deliver support services adequately. To cope up with this problem, the FBZ Component is managing to coordinate with the Bardiya Buffer Zone Development Project through meetings and workshops.

In a place like Dolpa, completion of some activities was constrained due to its remoteness, harsh climatic condition and unavailability of appropriate resource persons with the expertise in time. On the other hand, the challenge for FBZ in Dolpa and Mugu districts has been in finding suitable local NGO to implement the activities in partnership. Besides, not a single Community Mobilizer could be hired from Mugu due to non-availability of suitable candidates. Therefore, some activities such as support to new CFUGs and BZUCs could not be carried out.

Area Level Coordination Committee (ALCC) and Village Level Coordination Committee (VLCC) have an important role to play in program implementation, progress review and monitoring at the field level. VDC chairperson and DDC members are the major stakeholders in these committees. However, due to absence of elected authorities, these committees do not function well as planned.

The issue related to 40% tax imposed by the government in forest products harvested from the community forest remained as a burning issue and got the publicity in media to greater extent. The CFUGs, FECOFUN, other key stakeholders of the community forestry and donors' community also raised the voices against the government's policies on it. Eventually, the government amended the policy and limited 40% tax in sale of surplus timbers outside the CFUGs.

There are still more than 40% of the CFUGs/BZUCs who have not audited their financial transactions. Most of the CFUGs auditing their financial transactions do not report to respective DFOs. This is, most often, due to improper mobilization of group funds. Thus, guidelines for fund mobilization is a felt need to ensure proper management of the group

fund. The group fund generated from the community forests and BZs, and its investment in local development activities, should find its place as contribution to the national GDP. This is one issue that calls for advocacy at national level in a planned way.

Another challenge faced during the reporting period has been the inadequate numbers of candidates qualifying for the scholarship for I.Sc. (Forestry) from the five districts. There were 15 seats for the scholarship that was exclusively meant for women and *Dalits*. Out of 51 candidates appeared for the entrance examination held by the IOF Campuses in Hetauda and Pokhara, only four could qualify to receive scholarship. This is perhaps due to low level of confidence among women and *Dalit* candidates due to social and cultural discrimination. The Component has seriously considered it and will make efforts to address it in second year.

1.2.4 Lessons Learned

Capacity Assessment of CFUGs/BZUCs and Well-being Ranking should be conducted prior to implementation of field level activities so that real target audiences are identified with their true needs and requirements for tailoring correct support service plans.

Employment of Women Motivators and mobilization of LRPs at grassroots level has been effective to reach large numbers of user groups and provide support in terms of implementing field level activities in the changed security situation. This is also cost effective in terms of reaching many people in short period of time. Secondly, they have been significant support to the user groups as well as DFO staff in extension services and in the hand over processes (forest inventory, forest survey, preparing FOPs and orientation to the user groups on FOP and constitutions and financial transparency etc.)

Site/Area office set up concept has been effective which enables close and regular contact between program staff and the user groups for quality services. This makes implementation and monitoring of field activities and coordination with the VDC level stakeholders effective.

Currently RIMS Nepal is implementing three different programs in Dhading. SAGUN is one of the major programs. Similarly, CARE Nepal is operating the Bardiya Buffer Zone Development Project (BZDP) with the support of the Department of National Parks and Wildlife Conservation. Resources and efforts have been utilized jointly with other projects operating in the same districts in terms of joint planning and implementation of the program activities bringing synergy to the program. For example, DEPP and NTFP Program of RIMS Nepal and BZDP of CARE Nepal have been using the results of the capacity assessment and well-being ranking carried out by SAGUN (FBZ) Program. Hence, integration of different activities using joint resources and efforts for the same groups has been effective.

Only four candidates against fifteen planned in the first year qualified for the **scholarship for study in I. Sc. Forestry at IOF**. In view of this fact, early announcement (at least six months in advance) will be made in the second year program enabling candidates to have sufficient time to prepare for the entrance examination. Candidates from other ethnic groups such as Tharu will be included for the scholarship.

2.1.5 *Thematic*

Dalits Reduce Selling Price of Charcoal

*Naresh Devkota
Mitra Upadhyay²*

Chauridanda Community Forest (CF) lies under Kamdi Village Development Committee (VDC) in Banke. However, as user rights the forest is being used by the people from Manikapur VDC ward no. 3 and Basudevapur VDC ward no.1 and 4. There are 152 user households with a population of 914; 453 female and 461 male. The major caste/ethnic groups of which are Bahun, Chhetri, Thakuri, Damai, Kami and Sarki. Among them, 50 households belong to the *Dalits*; with 38, 7 and 5 households of Kami, Damai, and Sarki respectively.

Although the forest area was conserved and managed by user groups since 1995, it was formally handed over to them by the District Forest Office only in 2000. The community forest comprises about 45.6 hectares having are *Shorea robusta* (Sal), *Adina cordifolia* (Karma), *Terminalia tomentosa* (Saj), *Terminalia bellirica* (Barro), *Diospuros tomentosa* (Tendu), *Mallotus Philippinensis* (Rohini), and *Aegle marmelos* (Bel) are the major species. Besides, there are many tree stumps left over in the community forests.

Five *Dalit* households of this community forests are blacksmiths who need charcoal on regular basis to sustain their occupation. The rate for charcoal as fixed by the user committee was Rs. 25 per kg. which was very high for them to pay. As a result, they were compelled to go to national forest and produce charcoal illegally to run their occupation. However, they were unable to produce sufficient charcoal to meet the local demand for repairing and producing new agricultural implements. Due to scarcity of charcoal, sometime the users could not repair their implements. On the other hand, repairing of one sickle used to cost Rs. 10 which was considered as high in the locality.

Following the launching of SAGUN (Forestry and Buffer zone) Program in September, 2002 in , the mid-west and far-west region, a series of interventions were made e.g. well being ranking, awareness program on governance in community forestry, awareness and orientation on forest operational plan preparation and constitution, RBA and advocacy training to user groups. Three events of RBA, advocacy and governance training in Banke were exclusively conducted for *Dalits* where community forestry issues were discussed in detail including their roles, responsibilities and rights as user groups. They were also oriented and sensitized on where their rights were violated, what were the major issues, how were these affecting them and how to advocate them for resolution. As a result of this and other awareness programs above, *Dalits* of this community forests developed confidence and awareness as to where their rights were violated. There they realized that one of their major issues related to community forest rights could be the high cost of charcoal fixed by executive committee. The *Dalits* met number of times and discussed intensively as to how their issue could be best placed for consideration by the executive committee. As a first step, they thought that giving pressure to the executive committee would be the best approach for addressing the issue.

² *Naresh Devkota and Mitra Upadhaya are working as Field Officer and District Coordinator respectively in Banke district

They approached executive committee informally one day and discussed the issue for consideration but they could not get satisfactory response from them. Later the *Dalits* met again and decided to press the executive committee to call a general assembly to discuss and decide on the issue in the presence of all the user members.

After series of follow up by them, the executive committee called a general assembly. In the process of discussion, the *Dalits* placed their grievances as to how and why they are unable to collect charcoal from the community forests and requested the general assembly to bring down the charcoal rate that is affordable to them. After much discussion in the assembly and the support and suggestion by other ethnic groups as well, the executive committee agreed to reduce the charcoal rate to Rs.10 from Rs. 25 per kg. fixed earlier. But the *Dalits* were still not satisfied with the charcoal rate on weight basis. They again raised their voice strongly, expressing their inability to pay the revised rate and suggested for further reduction of the rate on the basis of tree stump. The general assembly, after much debate and prolonged discussion, finally decided to fix the rate on the basis of tree stumps i.e. Rs.50 for big stump and Rs. 30 for small stump. One tree stump can produce 10–15 kilo of charcoal therefore it is more profitable to buy the tree stumps and make charcoal rather than pay for charcoal itself. This is how *Dalits* have become successful in addressing their issues and problems. The general users are also happy because the repair cost for agricultural implements has also gone down by 30-35% due to availability of charcoal at cheaper rate.

"With this success, *Dalits* look much happy and honored. Their participation in the meetings seem to have increased. They take interest in the community forest activities and volunteer for work. Their communication with other group members has also increased these days. Above all, their trust and confidence on the executive committee has also increased a lot" says Karna Bahadur B.K., the secretary of this Community Forest. Karna is also a Local Resource Person developed by SAGUN (FBZ) Program.

2.1.6 Prospect for Next Year

Most of the training materials were reviewed/updated and some new ones developed during the first year. In addition, some training materials on good governance and advocacy will be reviewed and updated in the second year on the basis of the learning in the first year.

With a focus on strengthening the CFUGs and BZUCs' technical and organizational capacity emphasizing on good governance practices in forest resource management, LRPs and WMs will be extensively mobilized. This year, Non Formal Education (NFE) program will be implemented in partnership with NGOs and CBOs. This will focus on CF management, conservation and good governance in forest resource management. The target audiences will be women exclusively.

As in the first year, CFUGs and BZUCs will be supported through LRPs, WMs and PSPs such as RAN, FECOFUN and NGO federation to develop new constitution and FOPs as well as to renew the old ones in the context of good governance. As a pilot activity, SAGUN-FBZ component will render technical support to DFOs in implementing collaborative forest management as per the guidelines developed by MFSC.

Various kinds of training and workshops will be organized for NGOs, CFUGs and BZUCs this year as well, to strengthen their understanding and capacity in monitoring financial accountability, transparency, service delivery, benefit/revenue sharing and in advocacy functions. Public hearing and public auditing, as parts of participatory monitoring and evaluation will be continued.

Similarly, training and study tours will be organized to enhance the understanding and capacity of civil service agencies viz. DFOs and Park Offices on the RBA, advocacy and good governance in forest resource management. As an effort to establishing effective communication system, periodic meetings, planning and review workshops with counterparts and key stakeholders will be continued for preparing joint plans, monitoring mechanisms and sharing lessons learned and best practices. The lessons learned from the field will be documented and shared widely among the stakeholders. The linkage will be established with educational and research institutions such as IOF for sharing the lessons learned and best practices.

2.2 Irrigation Component

The Irrigation Component of SAGUN Program emphasizes on sustainable management of the irrigation systems by improving the management capacity of the WUAs.

SAGUN-Irrigation Component was revisited, by changing original pilot concept to system approach for overall impact and result of each separately programmed systems. The sub-system components covered were: physical subsystem; institutional sub-system, agricultural sub-system and water management sub-system. Tremendous preparatory efforts & detail need assessment survey of each project was completed mobilizing nine teams comprising DOI, RITI and CARE/Nepal staffs. New activities, plan, programs, M&E plan and strategy were formulated and thereby technical and financial proposal were submitted to USAID.

The pertinent issues of redesign:

- the need of increasing overall impact of the program
- need of equitable program benefits to all labeled WUA committees and users.
- need of wider representation and participation of marginalized groups, individuals and women.
- need of complete insurance of governance at all level.
- need of program synchronization between DOI and SAGUN.

Key findings of redesign:

- for the sustainable functioning of physical system minor repair and maintenance of the control structures, field channel development for equitable water distribution and water diversion structure to Mohana Irrigation System are needed to be developed.
- Program transparency, participation and accountability including improvement of effective organizational management skills need to be enhanced within WUAs.
- Knowledge on canal operation and process for equitable water distribution need to be developed within WUAs under technical capacity development.
- Adequate linkages of WUAs with different line agencies need to be established.

As per the redesign, the Component will address 14 Main Canal Committees (MCC), 140 Branch Canal Committees (BCC) and 1033 Tertiary Canal Committees (TCC) of the following Irrigation systems:

Khageri and Panchakanya in **Chitwan**; Nepal West Gandak and Piparpati – Parsauni in **Nawalparasi**, Pathraiya in **Kailali**; Hardinath East and West in **Dhanusha** ; Manusmara I&II in **Sarlahi**; Kamala East and West in **Dhanusha** and **Siraha**; Chandra in **Saptari**; Banganga in **Kapilvastu** and Mohana in **Kailali** and **Kanchanpur**.

The main target groups and beneficiary of this Component are the executives and members of the MCC, BCC, TCC; Water management work force and the irrigation water users. The

key stakeholders are the WUAs, Department of Irrigation (DOI), Irrigation Divisional Offices (IDO), the water users, relevant NGOs, and the user Federations.

SAGUN Irrigation Component **vision** is that “*Water users organizations are managing and maintaining the irrigation systems, collecting membership and irrigation service fees and the system is functioning properly and sustainable. Proper functioning includes the institutionalization of good governance practice regarding participation, transparency, accountability and equity within the water users organizations.*”

The **goal** of the Component is “to evolve self-enduring and self-governing sustainable Water User’s Organization for increased productivity and irrigation area under WUA management.”

The **purpose** is “to contribute to increased irrigation area coverage for increased irrigation revenue through effective and efficient WUAs functioning democratically”.

2.2.1 Start-up Activities

a. Program Orientation and Preparation

After deployment of project execution team from CARE/N and RITI project management organization and work process was established to start the program. After program set up activities, several program orientation workshops at various levels were conducted in order to develop common understanding of SAGUN-Irrigation vision, objectives, implementation strategies and scope of work. The purpose and types of these workshops are briefed as follows:

Central level workshop: A two days central level workshop was organized at Kathmandu with the aim of SAGUN Program Orientation for central level stakeholders viz., DOI, DOF, Electricity Authority, FECOFUN, NFIWUAN, CARE/Nepal, RITI, RIMS-Nepal & WWF.

Cluster level orientation: Two days cluster level workshops in each cluster (Bharatpur & Jankapur) were organized in order to familiarize SAGUN-Irrigation Component to all stakeholders of the regional, district and project level representatives from DOI at central, regional and project levels, USAID, CARE/Nepal, and WUA. Altogether eighty staffs from DOI including WUAs and NFIWUAN federation members developed common understanding about SAGUN-Irrigation. Some of the key issues raised by the participants were about NGO involvement in the program implementation will not be efficient: sufficient linkages need to be developed among line agencies and DOI should be involved at all levels of program implementation. There was great enthusiasm, support and readiness from all concerned stakeholders during program implementation. Many confusions and misunderstandings about SAGUN program became clear.

Cluster level staff orientation meeting: Both Janakpur and Bharatpur Cluster level staff orientation meetings were held under the chairmanship of TL in Janakpur & Bharatpur.

The objective of the orientation was to generate better understanding about the implementation strategies and approaches.

Project level orientation: A one-day similar workshop on SAGUN-Irrigation was organized in each project of Bharatpur and Janakpur Cluster in order to develop common understanding about SAGUN-Irrigation at project level. Participants from DIO, DFIWUA, District Agricultural Development Office (DADO), District Development Committee (DDC) and concerned committees of WUA were invited. SAGUN-Irrigation was highly appreciated by the project level staffs and local committee representatives of WUA. A total of 1150 participants (i.e. WUAs committee, federation & DIO staffs) became familiar about the SAGUN-Irrigation Component. Key issues raised were about how to expand program over other branch canals, all project need to be developed to the level of Panchakanya and WUA need to be involved in overseas training program with DOI staff.

All Project level WUA executives were fully aware and oriented about SAGUN Irrigation component. During program implementation, WUA executives and other members participated with great enthusiasm.

Field level orientation: In order to disseminate the features of SAGUN-Irrigation component to the water users level, a one-day workshop was organized at branch canal level. Participants from concerned tertiary committees, branch committees, local line agency offices, site technicians from DIO were involved.

A total of 737 numbers of water users and concerned tertiary committee members were oriented on program objectives, strategies and approaches of SAGUN-Irrigation.

The main purpose of this orientation workshop was to expand SAGUN-Irrigation activities to general water users through their own tertiary representatives. Key issues discussed were about the need of parcellary map at the tertiary level and field channel development for equitable water distribution within tertiary command area. Four tertiary level committees started collecting ISF and MF and constructed filed channel of 3.5KM.

b. Program Preparation Activities

Guidelines development: Guidelines were developed for the selection of pilot branch and tertiary canals; for selection of Gender and Social Mobilizers (GSM) and for preparation of socio-organizational and technical format checklists, in participation with DIO and WUA. These guidelines and formats were used by WUAs and Program staff for selecting pilot branch canals and selection of Gender and Social Mobilizers. Socio-organizational and technical information was collected from 125 tertiaries to establish the benchmark information of the present socio-technical condition. This benchmark information was also used in revising the M&E plan.

Developed and finalized action plan: Situation analysis of 125 tertiary canals was completed covering technical, managerial and good governance capacity of the BCCs and TCCs. Identifying and documenting the present WUA status on spider web form, the

expected status of each aspect was fixed after detail discussion with the branch level committees. The plan of actions of 26 Branch Committees including 125 tertiary committees were prepared with the participation of WUA and DIO staff. This plan of action was to be implemented under SAGUN Irrigation Component.

The plan of action consisted of the several activities such as schedules of capacity building training on good governance, management and application of equitable water distribution, canal maintenance and field channel development. The prepared plan of action was supposed to be disseminated to the MCCs and BCCs for their concurrence but it could not happen because of the redesign work.

2.2.2 Program Progress Towards Objectives

I1. Strengthened WUAs with enhanced organizational, managerial, technical and governance capacities, to ensure sustainability of irrigation canal systems and the groups' own sustainability

The Training Programs planned under this heading could not be started because of redesign of SAGUN-Irrigation Component. These programs were scheduled in July onward but the redesign program started from June 13, so all activities were stopped since then.

I2. Increased active participation of women, poor farmers/small-holders in WUAs including leadership position.

Activities such as establishment of women sensitization/pressure groups have been established to meet the above objective. Nine women pressure groups have been established in all the projects except Panchakanya where such group is already existing.

These sensitization/pressure groups conducted various campaigns organizing local female farmers of the command area. The campaigns included identifying the role of women in WUA, scope of the SAGUN Program and gender issues and equity problems in Nepalese rural society. The campaign programs contributed in increasing women members in WUA including in the decision-making positions, particularly in West Gandak and West Kamala irrigation systems. A total number of 1172 female water users, including disadvantaged groups and small landholders from various irrigation systems participated to understand women's roles and rights (*please refer to thematic*).

To conduct good governance literacy programme (NFE), facilitators from various WUAs were selected and training on facilitation skills was provided. These trained facilitators were supposed to conduct good governance literacy classes. Sixty five Gender and Social Mobilizers employed by the project in all the 13 WUAs, were trained to develop their motivation and communication skills required to

mobilize water users for different WUA activities such as irrigation service fee collection, membership fee collection and canal operation and maintenance works.

I3. *A limited number of weak WUAs strengthened as required to ensure sustainability of selected canal system transfers to local Operation and Maintenance (O&M).*

Rapid Appraisal was conducted in 10 irrigation projects covering 200 TCCs and the study recommended 100 TCCs as weaker committees that needed immediate technical support to sustain their performance. The following were the major recommendations of the study;

- Extend support to revitalize the tertiary committee groups through training and interactions.
- Tertiary Committees should be made capable to collect ISF and mobilize human resources for tertiary operation and maintenance providing technical assistance.

The above recommendations have been incorporated in the redesign of the Component.

I4. *Financial accountability and Advocacy functions of WUAs strengthened, to (a) monitor service delivery by government and (b) monitor benefit-and revenue-sharing among the groups, in their communities and local elected bodies (VDCs and DDCs).*

Activities planned for financial capacity development of WUA could not be implemented because of the redesign work.

I5. *DOI capacities strengthened in association with civil society groups and selected private sector service providers, to work with local water user associations (WUAs) to enhance their technical, organizational and managerial capacities to operate and maintain irrigation systems.*

One of the important stakeholders in irrigation is DOI staffs who are involved in all the phases of project development. So, to prepare them as knowledgeable and skillful resource persons on good governance and advocacy, a five days training was organized in Staff College at Kathmandu. DOI staffs- assistant engineers, divisional engineers, sociologist, CARE Nepal specialists and SAGUN-Irrigation staffs participated and acquired adequate knowledge and skills on good governance and advocacy. Representative from USAID participated as observer in the training.

These acquired knowledge and skills will be spread over different components of SAGUN as well different WUAs in different projects under DOI also. A total of 24 members of DOI staffs have developed knowledge on the concept, principles and practices of Good Governance. The training focused mainly on characteristics and indicators of good governance, advocacy, RBA and leadership development.

- 16. *Strengthened capacity of the Water User's Federation, NFIWUAN, to provide advocacy functions as well as strengthen WUA organizational, managerial and technical capacities for canal irrigation system O&M, and ensure good governance and enduring economic viability of the groups.***

National Federation of Irrigation Water Users Associations was provided grant support to sustain central office logistic staff and to establish District Federation Office and Inventory collection.

NFIWUAN is in the process of accomplishing above activities. Further support for organizing national committee and steering committee needed for smooth organizational functioning is being continued.

To develop advocacy and governance function of NFIWUAN, a two days training was conducted. Nineteen central staffs of NFIWUAN were oriented to plan and advocate on policy issues and users water right issues.

- 17. *Improved communications between all stakeholders in irrigation, sharing lessons learned, issues and problems arising, and best practices, to assure (a) more coordinated planning and implementation, (b) informing the policy discourse, and (c) greater understanding and 'ownership' among the irrigation/water resources civil service of current concepts, paradigms, methodologies and implementation strategies.***

- 18. *Lessons learned and best practices documented and disseminated for replication.***

Two activities viz. periodic lecture from project staff and facilitating students for internship were proposed. These activities could not be implemented because of redesign work.

2.2.3 Major Issues

The following major issues were experienced while executing the program:

- a. Along with the beginning of the program, some of the WUAs initiated election program. It is a general practice that capacity building activities should be started after the WUA election as there are chances of new members to come. SAGUN-Irrigation component in Nepal West Gandak could not be started till June because of the long election time taken by the committee. Similar situation was faced in West Gandak and Pathraiya delaying program execution.
- b. In course of appointing Gender and Social Mobilizer, WUA had to follow several rules following democratic and transparent functions as a result of which the following (next) activities were delayed in implementation.

- c. In Manusmara Phase I&II, the corruption charges against WUA members on illegal tree felling issue hindered regular functions and election of WUA and other activity inputs of SAGUN.
- d. The pilot concept program originally planned to limit in a few branch committees and tertiary committees appeared inadequate to produce system level impact as realized by donors, partners, DOI & WUA. So, project redesign works were started from June postponing all activities planned for the last quarter.
- e. In course of partner (NGOs, CBOs & Local Clubs) identification & capacity assessment process, it was clearly realized that partners' capacity was inadequate in meeting objectives and goal of SAGUN- Irrigation component. A new strategy for direct program implementation through experienced project staff, local resource person and hired short-term consultants was decided while redesigning the program.
- f. Program setback resulted in Kamala East due to reluctance of WUA main committee. On the contrary, branch committees were ready to co-operate program but a few members of WUA main committee were causing program delay because of their unusual demand such as more benefits and incentives to GSM and demanding all NFIWUAN budget and program to be implemented by themselves.

2.2.4 Lessons Learned

Several good lessons were learned during the course of program implementation period. Categorically such lessons are grouped and described below:

- # Transparency of program, budget and objectives, implementation modalities of the program, and roles & responsibilities of the stakeholders developed trust between the water users and SAGUN program.

As an initial activity, a program orientation was conducted to provide information about the Program to the SAGUN Irrigation projects. Many WUA executives participated in the workshops and meetings developing a clear vision and confidence over program results. Later on, during the project site selection, GSM hiring and action plan preparation period, great participation and co-operation of the users was obtained.

- # Unfair practices such as nepotism and favoritism can be avoided if candidate selection, interview & numbering criteria and candidate selection process are finalized with WUA.

In all the thirteen WUAs, 65 Gender and Social Mobilizers were appointed by WUAs. WUAs were taught the criteria of candidate selection: notification, pre-selection, written exam, interview, numbering, evaluation, and announcing. As a result, 100% of the candidates were selected among the best ones without any internal conflict.

- # Local leader women from within the community appeared to be far more effective in mobilizing and convincing local women users than outsiders.

Women leaders were selected in each project close to the time of general election. These women leaders formed a group of 7 members called women sensitization group. These groups were oriented on campaign programs to be launched within the command area. As a result of these campaigns by these women leaders, very encouraging results were observed in West Gandak, West Kamala and Pathraiya where percentage representatives of women reached from 10% to 30% in West Gandak, 5% to 29% in West Kamala, 6% to 22% in Manusmara I &II and 0% to 22 % in Pathraiya.

Best Practices

Many core activities of the SAGUN-Irrigation component could not be started as scheduled, because of program redesign. However, the following practices uniformly observed all over 13-WUAs and then processed for replication in similar situation. Activities are very briefly outlined below for experience sharing.

a. Program transparency for setting grounds for peoples' participation.

- Program orientation workshop at cluster/district to users
 - Conduct separate orientation workshops at different level for policy makers, operators and users
 - First, present what are the current shortcomings, and then justify how your program is a solution to the shortcomings.
 - Clarify visions, objectives and activities with budget.
 - Participate in interaction clarifying each curiosity and concerns of each category of stakeholders

b. Institutionalizing democratic process of candidate selection in WUA for avoiding nepotism, favoritism and conflict.

- Develop qualification required for the candidate together with WUA
- Develop selection process and briefing to the WUA
- Notification for the post (in local news papers and posting in local agency offices), application receiving, selection committee formation, first screening from the applicant list, notifying for the written exam, posting and inviting successful candidates for interview, posting name list of successful candidates, giving appointment letter with job description)
- Assist WUA in all phases of selection process
- Close monitoring of the on-going process being adopted by the WUA until the objective is met

c. Increasing women's representation, including in the key positions of the WUA.

- Develop women pressure /sensitization /peer groups from the irrigation community
- Thoroughly orient such groups with process and practices for campaign

- Organize mass campaign of about 50 women users at a time, and at least one campaign in 1000 ha.
- Always be prepared for the time just before new election of WUA. This time is more effective than any other time. Continue campaign even during the election period advocating for women's rights, roles and present status of women in Nepal.
- Excellent results were obtained in West Kamala, Gandak, Hardinath & Banganga WUAs with the above practices.

d. For convincing water users committee about their capacity status, gaps and vision for future.

- Participatory discussion for problem exploration using checklists
- Numerical ratings (in %) of WUA.
- Discussion of the WUA capacity status using WUA diagram.
- Mutually (WUA –Committee and TA) agreeing upon vision, objectives and activities.

During the whole practices, TA team facilitated, guided and oriented the WUA committees. With these processes, WUA were assisted in visualizing and designing the solutions of the problems by themselves.

e. For a peaceful election in WUA.

In mitigating election conflicts, TA team explored the major dividers (political party issues, social prestige and egoism) that caused conflicts in the previous years. At the same time, from the very beginning, general members of WUA were convinced of “ Post and Position for works and duties”. The major roles and efforts by TA team to mitigate conflict were focused on:

- Bottom up selection (not election) process adoption from tertiary committee level.
- Mutual interaction among voters on who can spare time to the project should be selected.
- Additionally, women sensitization groups were mobilized to convince the contestants to avoid conflicts during election.
- Mediation for proportionate candidates from different political parties.

Other Achievements

Initial discussions were held among former WUA members for the new election so that WUA could start SAGUN-Irrigation component formally. And, also the importance of SAGU program was briefed to them for motivation to hold the election.

The following are the other achievements made during the course of program orientation:

- a. Completion of WUA election in Kamala East, Manusmara-II, West Gandak and Pathraiya irrigation systems.
- b. Development of criteria & training materials

- GSM selection criteria – draft
- Site selection criteria – draft
- Situation analysis guideline – draft
- Good governance – resource manual- final
- Participatory WUA capacity building training manual on advocacy-draft
- Chetana- good governance literacy manual

2.2.5 *Thematic*

A Model in Equitable Water Distribution: A Case from Chandra Irrigation System, Saptari.

*Mahesh Shrestha, ATL, Jaya Bahadur Thapa
and Hridaya Kanta Mishra (Field Officer)*

Chandra is the oldest irrigation system having 10,500 ha. command area in eastern Nepal, Saptari District. Rana Prime Minister Chandra Samsher built the system in 1828. Historically, it went through three regimes starting from Rana, Panchayat and finally, multiparty democracy. Until 1998, the starting year of Chandra Water Users Association, it was under direct management of the government. Since then, the system is being jointly managed by Water Users Association and Department of Irrigation, Irrigation Division Office, Saptari.

SAGUN program started in January 2003 to enable WUA to establish good governance for sustainable operation and canal management. The program started with project briefing and orientation to WUA executives at main, branch and tertiary committees level. Such orientations also identified major concerns of users and WUA members. The concerns were problem in ISF collection rate, equitable water distribution, and organizational development at grass root level Water Users Association. Finally, the Chandra WUA identified Diman and Guithi as piloting branch committees with the involvement of BC members, Irrigation Division Officials and SAGUN staff for application of good governance as per strategy of the SAGUN-Irrigation Component.

In the beginning, Diman and Guithi BCs assessed their capacity, supported by SAGUN, staff. They identified their weaknesses, limitations and strengths in the area of organizational and institutional development, Water Management, Canal maintenance and operation, Resource Mobilization and Leadership Development. They developed action plan to address weaknesses and limitations. The very crucial area of intervention was “Equitable distribution of Water”. It was highly emphasized by medium and poor farmers, having farmland at tail end and not getting irrigating water, equitably. The BC committee came with commitment of equitable distribution of water into its tertiary canals by cleaning the existing branch and tertiary canals and establishing field channels at farm. Though, it was determined but to put thing into action was very difficult task, convincing all farmers, organizing technical support and arranging labor contribution.

The campaign started with field level orientation to farmers and tertiary level executives about establishment of good governance and way to get equitable distribution of water. They well accepted action plan of their concerned BCs and developed their own plan which led them to the journey of construction of field channel.

Particularly, the main committee chairperson played catalytic role in inspiring TCC members to dig channel. He was there to announce additional program to the TCC, which shows utmost commitment in cleaning canal and digging new channel. All 25 TCC chairpersons led the process involving all farmers in the command area. They came up with rule of compulsory labor contribution of a person from each household in cleaning branch and tertiary canal. For field channel construction, only concerned landowners were asked for contribution. Finally, there was result, farmers made possible cleaning 16.5 KM (BC: 4 KM, TC: 12.5 KM) canal length and new construction of 3.5 KM of field channel.

In analyzing the impact of the program, 98% (746 ha) of land received irrigating water during paddy season. And, it consecutively decreased water related conflicts among farmers. There were no cases of breaching canal banks. Small landholders and basically poor farmers were happy to receive equitable amount of irrigation water as compared with big landholders. Farmers are predicting to have 10 to 15% increases in the rice production, this year.

Now, Diman and Guithi BCs are happy to share the lessons with rest of all BCs in Chandra Irrigation System. Division Irrigation Office, Saptari is just excited with unbelievable achievement by farmers and showing willingness and commitment for further investment in extending the process in rest of the BCs in Chandra Irrigation System.

WUA Election in Pathraiya Irrigation System: A Democratic Exercise for Good Governance in Kailali

Maehesh Shrestha, ATL and Indra Khatri, Filed Officer

Pathraiya Irrigation System irrigates 2000 Ha. of farm land in Dodohara and Thakurdwara Village Development Committee, Kailali district. The Patharaiya Water Users Association was formally established in 1994 with the objective of handing over management responsibilities for canal operation and maintenance from Department of Irrigation to WUA. Formally, it came into legal existence in 1996 after being registered in the District Water Resource Committee.

In 2003, SAGUN (Irrigation) intervened its Program in Patharaiya with the objective of enabling Water Users Association in the area of good governance, advocacy, organizational development and Water Management and Canal Operation. In the beginning, the WUA assessed its capacity with the help of SAGUN staff and identified the weaknesses and strengths. Major findings were lack of awareness of roles and responsibilities, technical skills and leadership capacity among WUA members. Participation and representation were other serious concerns which was, indeed inequitable based on gender perspective. Holding more than one position in WUA by the elites and big land holders was another problem explored during the assessment. Finally, WUA made plan to overcome these weaknesses. One of the main actions was amending articles of existing constitution.

WUA organized mass meeting of general assembly and WUA members to form the constitution review committee. The meeting unanimously nominated five (one woman) members review committee. SAGUN field Officer was requested to facilitate the whole revision process as advisor. Finally, there was result in hand with major changes of provision of participation of outlet chairperson into general assembly, at least 20% seats reserved to women at all tiers of WUA and compulsory provision of a women member in five member WUA election committee. The draft recommendations were endorsed by general assembly. The GA also decided the date of general election with duration of one month.

WUA arranged public talk program to all contesting member of WUA main committee. All household members including house owner became eligible for filing candidacy. It was great revolution compared to earlier election in which only concerned land owner was eligible to apply. A rule was there, any body who does not clear advance in WUA was not eligible for candidacy. The WUA election was completed almost with out interruption except few hurdles by local elites. All farmers, former WUA executives supported to make the election very successful. Pathraiya Irrigation System became pioneer in good governance practice and willing to share its lessons to other WUAs in Nepal as far as election is concerned.

2.2.6 *Prospects for Next Year*

Huge tasks have to be accomplished next year. While on the one hand the WUAs are welcoming programs at the field, the security situation appears to be a great threat on the other. However, strategies to overcome such constraints are discussed point wise below:

- a. **Direct training approach:** This is a good opportunity for the staffs to acquire skills and gain experience in developing institutional capacity. At the same time, capacity development skills and knowledge of the staff depends on their professionalism and expertise already acquired. Programs are planned to assist primarily to widen the understanding and knowledge of many staffs.
- b. **Security situation:** Many WUAs are mentally prepared and demanding programs to be started as soon as possible. The frequent incidents of violence on the way and in villages of working area may compel program withhold. If the prevailing situation continues, a 'cat & rat' strategy will be adopted –withhold programs when there is bad situation and continue when the situation is clear in the working area.
- c. **Partnership with WUA:** Almost all of the WUAs are ready to execute and manage the program in partnership relation. This will no doubt enhance the managerial capacity of WUAs and program schedules will be met in time. A separate effort will have to be made in order to develop preliminary managerial capacity of the WUA with clear cut roles, accountability & work process.

2.3 Partnership for Hydropower Component

The first year of the program implementation (18 November 2002 to September 2003), being a very new program concept for the hydropower sector, was envisaged to implement exploratory pilot activities in partnership for hydropower to pioneer a new concept of facilitating “Win-Win” partnerships for hydropower development between the local communities, private sector hydropower investors / developers and HMG. Following major outcomes were expected by the end of the first year:

Selection of program sites finalized,

- Primary stakeholders identified and brought on board,
- Potential activities for implementation identified,
- Detailed work plan developed, and
- Implementation of some preliminary activities initiated.

For carrying out the exploratory activities three hydropower projects at the different stages of development viz: Bhotekoshi in Sindhupalchowk, Upper Modi in Kaski, and possibly Khudi in Lamjung were taken as the potential sites for program implementation³.

Coming to the end of the first year of program implementation, the exploratory activities are over. Major outcomes expected have been achieved. In-depth situation analysis of two projects viz: Upper Modi, Kaski and Middle Marshyangdi, Lamjung has been carried out. Based on the findings of the situation analysis and major review of Hydropower component, the component has been redesigned with more sharpened specific objectives and activities focused on directly affected area. Khimti I in Ramechhap/Dolakha districts has been identified as the third site i.e. the project at operation level in coordination with and recommendation of the Department of Electricity Development (DoED).

The redesign resulted in the consolidation of activities under three Expected Results (ER)⁴ as against of the original six. Now, program implementation sites have been finalized and detailed implementation plan and M&E plan are set out. Accordingly, the annual work plan for the first year has also been revised. Field implementation of few preliminary activities based on the revised annual work plan, have also been carried out during the month of August and September.

In-depth situation analysis of Khimti I and few other activities targeted to be implemented during the second half of the fourth quarter could not be completed due to limited time duration and eve of the festival period. The changed operating situation after the breakdown of the cease-fire for both sites and some conflicts arisen between the contractor and labor in Marshyangdi site further contributed on it. The following sections present the highlights of the reporting period whereas the progress in statistical terms is presented in annex-6. The

³ Original program description

⁴ Please refer revised document (Revised Implementation Plan), submitted to USAID on 15 July 2003

discussion and presentation ahead is based on the revised annual work plan prepared after redesigning the component.

2.3.1 Start-up Activity

Program Staffing and Capacity Enhancement

A total of six program staff, besides other support staff, have been placed and provided various training viz: Environmental Impact Assessment (EIA) and Hydropower development, Do No Harm⁵, rights based approach, etc to them.

Conduction of Startup Workshops

A total of 82 participants (9 women and 2 *dalits*) representing Upper Modi and Middle Marshyangdi project affected communities, CSOs, power developers, USAID, district and central level government line agencies attended hydropower component and district level startup workshops. These workshops were instrumental in developing common understanding about SAGUN program and its relevance to the field situation. Furthermore, it helped as a forum to share the program activities and receive feedback on the proposed activities. Particularly, the thorough discussion on planned activities at district level workshop, Beshishahar, Lamjung district (for MMHEP) revealed sound justification of program focus at different stages of hydropower development. In Kaski workshop, the discussion was more diverted towards uncertainty of the commencement of Upper Modi project construction.



District Level Startup Workshop in progress, Kaski District, Speaker Mr. Narayan Raj Timilsina, LDO, Kaski

⁵ It is a tool that helps working in a conflict situation. The approach was found, and will be tried in the field, instrumental to hydropower component on two folds – firstly, the country is under conflict situation for which the tool helps, secondly, even in the non-conflict situation there exist conflict between the affected community and the power developer.

Completion of In-depth Situation Analysis

In-depth situation analysis was completed for two sites (Upper Modi, Kaski – pre construction stage; Middle Marshyangdi, Lamjung – under construction stage). The study was conducted with the full involvement of government counterparts. Findings from the study were shared with government line agencies and USAID by circulating the draft report and organizing an interaction meeting. Findings of the report showed that there are ample opportunities in both of the sites studied to establish a win-win situation as envisaged by the SAGUN–Hydropower program. The issues raised by SAGUN program were found valid to the field situation. Some of the issues



Interaction with local people of Upper Modi during situation analysis

were found to be of the local (hydropower project) level and other at the policy/or enforcement level⁶. There are numerous civil society groups working in the project sites. Having many civil society groups was found a positive symptom for institutionalizing good governance by strengthening capacity of the civil society. However, lack of transparency, accountability, participation and predictability of the group functioning was found a bigger challenge, and of course this was the area of SAGUN’s work, to realize good governance. The study also realized that there are constraints and challenges for the implementation of the program⁷. The study report highlights the recommendations to overcome such challenges, which were later on incorporated in preparing detailed implementation plan.

Preparation of Detailed Implementation and M&E Plan

Based on the findings of the in-depth situation analysis of UMHEP and MMHEP and major review with USAID and HMGN Departments and Ministries, the Hydropower component has been revised. Now there are three Expected Results of the component as against six in the original technical description. Detailed implementation plan to achieve the newly set Expected Results has been prepared. Originally submitted M&E plan has been revisited in line with the newly defined implementation plan.

Besides the preparation of implementation plan for 4-year program period, annual work plan for year-II had also been prepared.

⁶ For example, lack of effective communication on hiring process and actual status of local employment in MMHEP and educating the affected communities on the delay in project commencement were the field level issues whereas lack of monitoring of the implementation of mitigation plan from the central level authority was the enforcement level issue.

⁷ More details are available in the in-depth situation analysis report.

Selection of Local Implementing Partners for Hydropower

Operational partnership strategy and partner selection guidelines, selection criteria have been prepared. However, selection process targeted to initiate during the month of September could not be initiated due to the changed operating situation as it was designed to institutionalize through formation of District Level Coordination Committee (DLCC). DLCC was to be represented by key district level line agencies (district administration office, DDC), power developer, and representative from the affected communities. Mobilization of the community representatives through interaction workshops and frequent consultation with the line agencies and power developer could not be done to establish DLCC.

2.3.2 Program progress towards Objectives

H1. System established and implemented among local key stakeholders for smooth implementation of environmental measures (social and natural) by (a) enhancing effective communication (b) strengthening capacity of stakeholders and (c) ensuring participatory monitoring.

a. Identification of Target Groups and Conduction of Interaction Workshop

Target groups for program delivery have been identified. There are all together 57 target groups in UMHEP and MMHEP sites. Besides to these groups, there are 17 other management groups in two project sites that will also be participating in SAGUN activities. Below is the detail about the target groups representing the affected communities:

Target Groups

| Type of group | UMHEP | MMHEP⁸ | Total |
|--|--------------|--------------------------|--------------|
| User groups (forest, drinking water) | 1 | 15 | 16 |
| Mother / Women groups | 7 | 14 | 21 |
| Other local groups (clubs, concern committees) | 8 | 12 | 20 |
| Total | 16 | 41 | 57 |

Other Groups⁹

| Type of group | UMHEP | MMHEP | Total |
|--|--------------|--------------|--------------|
| Management Committees (Hotel, BAZAR, Conservation Area, School, Health Post) | 11 | 6 | 17 |

In average, there are 14% of women (excluding the mother/women groups) and 10% of *dalits* representation in the executive committee of the target groups. These figures have been taken

⁸ Of the total there are 2 exclusively dalits groups.

⁹ These groups will also receive program implementation support but are not the major target groups to enhance their capacities.

as baseline value and targets for increasing women and *dalits* participation are set out in M&E plan.

One-day interaction workshop was held with community representatives representing UMHEP affected area. All together 44 participants (including 6 women and 2 *dalits*) participated in the interaction. It helped in developing common understanding on the issues and concerns on hydropower development and environmental management and SAGUN program at the affected community level. However, conduction of interaction workshop with affected communities at MMHEP area could not be done due to the conflicts between the contractor



Target group interaction in Upper Modi area, local representative leading the interactions of selecting their representatives to participate in District Level Startup Workshop

and labor. It was found not suitable to have interaction meeting discussing SAGUN initiative and future actions at the time of tension between the power developers, labors and the local communities.

b. Communities Capacity Enhancement through Target Groups

Building on the strengths of the existing target groups is the implementation strategy of the program in order to internalize good governance practice. A total of six target groups from UMHEP have been assessed using Spider Web Tool to know their present capacity with respect to good governance practices. A total of 4 (2 female) Local Resource Persons (LRPs) were first trained for group assessment and were mobilized for assessing the target groups.

Spider Web Tool, that was being used by CARE Nepal to assess group capacity, was modified in line with the four pillars of good governance – Participation, Transparency, Accountability, and Predictability. Box 9 presents the output of one group as an example. The overall assessment result showed that the groups lack good governance functioning (the average score was only 57.7 percent). Weakest pillar, in average of the six groups assessed, among the four was found to be the predictability followed by participation¹⁰. The result was found quite logical that there is the lacking of predictability of their actions resulting low participation from the local people. Interestingly, the negative perception of the power developers towards the local communities (one of the major findings of the situation analysis) could also be justified due to unpredictable actions of the affected groups. Negative perception contributed to keep the local communities away from participation in the hydropower development, which ultimately created conflict.

¹⁰ Percentage score: Predictability – 49.5, Participation – 58.3, Accountability – 59.9, and Transparency – 63.

Box 9: Capacity assessment of Birethanti Mother Group, Kaski

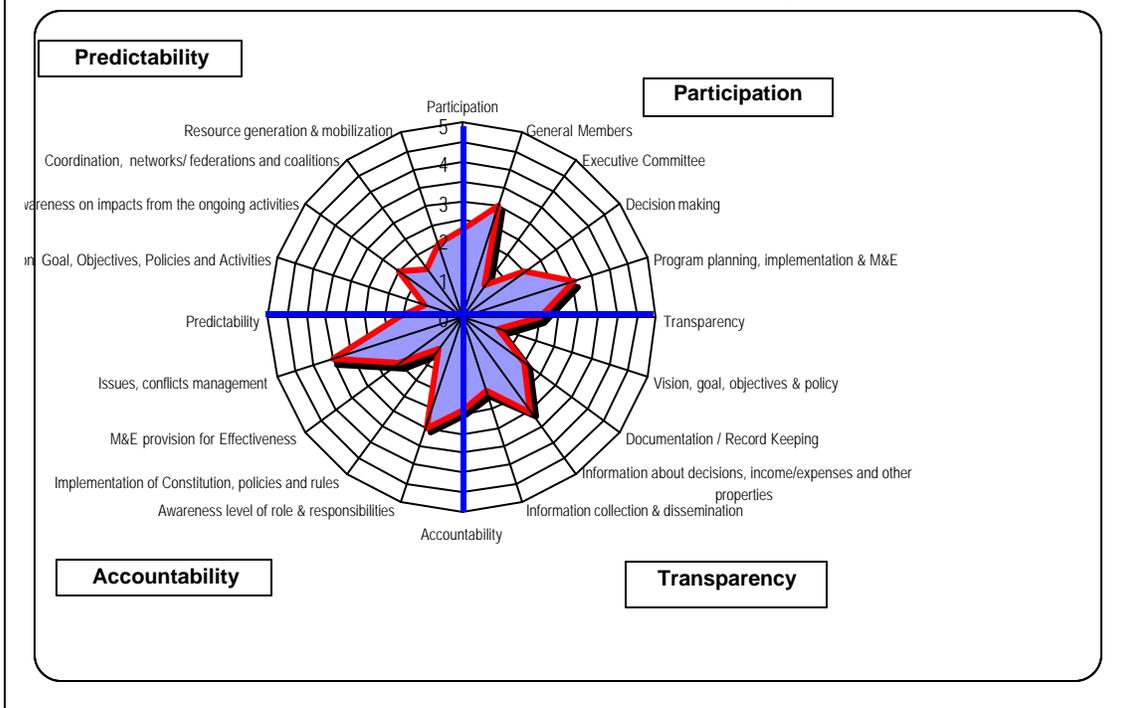
1. It is the graphical representation of capacity assessment of the Birethanti Mother Group using Spider Web Tool. It is based on the participatory assessment. “Bigger the web size stronger the group” is the principal message. Few strong areas and the areas needing improvements have been highlighted below:

Strong areas

- Issues, conflict solved involving all concerned.
- Information sharing system in place, although it is a verbal one.
- Activities (although very small scale and limited in numbers) are planned and implemented involving all general members.

Areas to be improved

- Executive Committee to be formed.
- Written constitution, and policies to be developed.
 - Diversity (caste) to be maintained.
 - Network/linkages to be developed.



Awareness campaign on STD / HIV-AIDS could not be completed due to the changed operating situation. Sharing of the Environmental Management Action Plan (EMAP) in the MMHEP area also could not be done due to limited time available for its implementation.

H2. System established and implemented for revenues sharing and utilization in a rational equitable way at DDC and VDCs levels ensuring environmental sustainability by (a) developing proper communication mechanism (b) ensuring transparency, accountability, participation (c) introducing strategic planning /programmatic approach, appropriate guidelines and (d) ensuring effective participatory monitoring.

Identification of target groups in Khimti I project site was planned to complete during the month of September. This activity was to be completed together with in-depth situation analysis. Preparation of ToR, checklist, etc, all the preparatory works for conducting in-depth situation analysis have been completed, however, field study could not be completed due to the changed operating situation leaving the group identification activity incomplete.

H3. Lessons learned and best practices documented and disseminated for replication, including demonstrated relationships to current hydropower and associated environment and social development paradigms, and methodologies, and highlighting issues arising especially of policy relevance.

a. Coordination and Establishment of Linkages

Coordination and establishment of linkages with the relevant institutions and organizations is continuous activity, and more the bottom line activity to work with and establish a conducive environment for “win-win” situation. Substantial attention was given on this and the reporting period was also much productive in understanding the issues, concerns and ways to address them. It was achieved mainly through participating in interaction meetings, visiting concerned institutions / organizations and holding formal as well as informal discussions.

More particularly, meeting with SO4 team, project staff of MMHEP, representative of UMHEP power developer, DoED personnel including DG are mentionable for realization of coordinated approach. Meeting with SO4 team helped understanding the area of collaboration. SO4’s learning on streamlining of hydropower revenues would help SAGUN program. Meeting with DG of DoED underlined the further scope of SAGUN type program in bridging the communities with power developers and the government. Furthermore, meeting with School of Environmental Management and Sustainable Development (SchEMS) helped in reaching to a memorandum of understanding on collaboration and cooperation in the due course of program implementation.

A discussion paper titled “*One Step More Towards Social Change: Partnership for Hydropower*” was prepared and presented in 8th convention of Nepal Engineers’ Association. It was to share the concept and approach of SAGUN-Partnership for Hydropower to a wider audience. However, hosting or co-hosting of one national level workshop planned in the month of September could not be completed due to non-availability of the directly concerned representatives from DoED, MoWR, and MoPE as they were out of the country for a month long study tour.

2.3.3 *Major Issues*

After the redesigning of the Hydropower component¹¹, there was little time left (less than 3 months) period for actual field implementation of the targeted preliminary activities. Time constrain became the major issue. Setback was also from the breakdown of ceasefire, which compelled to watch the situation. It affected in achieving the targeted progress.

Similarly, delay in finalizing the project site at operation level¹² affected conducting in-depth situation analysis of Khimti I site.

These incomplete activities of the year have been adjusted in the second year work plan.

2.3.4 *Lessons Learned*

“Sincere and continuous efforts following a true participatory approach helps winning support of the stakeholders and drives forward” is the main lesson learned and also the biggest achievement of the reporting period. Following story tries to spell out the single most lessons learned.

Good governance practices are really lacking among the key stakeholders of hydropower development including the affected communities. Lack of effective communication is keeping the affected communities and power developers at distance at one hand. On the other hand, effective initiation to address the communication gap issue is also lacking. It has contributed in falling into the vicious cycle of mistrust and sense of fear between the affected communities and the power developers. Moreover, involvement of NGO through SAGUN was making the power developers a bit apprehensive with SAGUN's initiation, at one hand. On the other hand, the affected community was expecting much from SAGUN in fulfilling their high expectations that were not met, indeed could not be met, by the power developers. Furthermore, actual work areas of SAGUN program were also not much clear to the government line agencies.

In such scenario, it was very challenging to the SAGUN – Hydropower program to function smoothly. The exploratory and startup activities were carried out in a participatory way involving all stakeholders. Many informal and formal interactions / meetings were held. Such initiations helped in developing a common understanding on SAGUN program and its relevance to the hydropower development.

Emphasis was given to have proactive role of the representatives from local communities in communicating the SAGUN program to the affected people. It was to make the representative more accountable towards their target people. Initiation on such proactive role demonstrated that the target groups would internalize good governance functioning thereby contributing towards a “win-win” situation. Box 10 and 11 are the examples of such proactiveness.

¹¹ Final submission including the cost proposal to the USAID was made on 21 July 2003 leaving effectively two-month period for field implementation.

¹² Originally planned Bhotekoshi site was dropped due to unavoidable reasons. It affected in conducting in-depth situation analysis of the operation level site.

Box 10: Dissemination workshop at VDC level

Chairperson of Dansing VDC level coordination and concern committee, Mr. Ananta Raj Chapai – one participant of the district level startup workshop of July 22 – 23, 2003, organized a meeting on August 16, 2003. A total of 50 participants representing various groups attended the meeting. They discussed about the SAGUN program. Now, the local people were found more informed about SAGUN program. It is worthy to mention over here that during the situation analysis, the local groups were found with the saying that CARE will construct the Upper Modi project which was originally supposed to be constructed by GITEC Nepal.

Box 11: Meeting at District Level

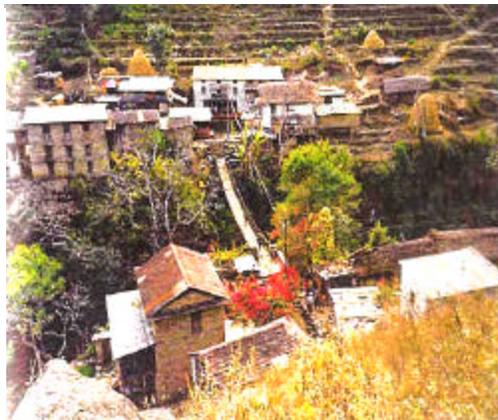
With the initiation of Annapurna Area Conservation Project's Dansing VDC level Conservation Committee an interaction meeting was organized at Pokhara. Over 50 participants representing all four affected VDC's stakeholders, ex-VDC executives, and other concerned persons attended the meeting. The meeting had decided to assure the power developer a positive support from the local communities. The meeting also concluded to proceed ahead to form a coordination committee. It is worthy to mention that SAGUN program was with the idea of District Level Coordination Committee as a forum to address the communication gap.

2.3.5 *Thematic*

Dynamics of Hydropower Development

Marshyangdi was flowing down for the years and natural resource, the water, was being counted in economic terms only in the reports of academicians and development thinker. There was a township called *Phalia Sangu* (Wooden Bridge, top left photo). People were residing over here mainly for business purpose. Now, the dream of converting water into economic commodity came to reality and Middle Marshyangdi Hydroelectric Project is under construction. There is the dam construction going on at the *Phalia Sangu* (Top right photo). The people residing over there have now been resettled at *Ahalbate* (Bottom right photo), which was previously a purely agricultural land (Bottom left photo). This process of converting the water into economic goods had witnessed many changes with the local environment, both social and biophysical. SAGUN – Partnership for Hydropower is working within this dynamics with the vision of helping to internalize a practice of good governance in such a way that the adverse impacts will be minimized and the affected communities share benefits in an equitable basis.

(Photo courtesy: Top left and bottom left, EIA Report of Middle Marshyangdi)



2.3.6 *Prospects for Next Year*

As the first year activities had contributed in developing common understanding on the areas, scope, and relevance of SAGUN program among the key stakeholders, it will be easier to expedite program implementation in the next year. However, keeping the present understanding intact while moving ahead with local implementing partner at one hand and to a wider audience on the other hand is still a big challenge. Operating situation will also be the constraints for the next year, in general. Absence of elected representatives will be a constraints particularly in the operation level site where internalizing good governance practices in utilization of revenue accrued is the program focus. However, the SAGUN team will put their best effort to overcome these challenges by working closely with local communities, maintaining low profiles to the program in the field areas, developing cordial relationships with the government counterparts and power developers and making continuous efforts to develop common understanding. It will contribute to build on the opportunities and overcoming the challenges.

As mentioned before, common and in-depth understanding on the importance of the envisioned SAGUN-Hydropower program among the government line agencies (both at central and district level), power developers, representatives from the affected communities, Non Governmental Organization Coordination Committee Kaski chapter, USAID, and component staff is the biggest opportunity for smooth implementation of the program.

3. FINANCIAL STATUS

The overall expenditure of SAGUN Program comes about 12.91% whereas the personnel and the direct costs come about 21.20% and 17.94% respectively for the first year of the program, which are almost in line with the budget allocation. However, the overall expenditure for the implementation of SAGUN Program activities comes about 7.87% compared to time elapsed 21.88%, which seems low in comparison to time elapsed. The reasons for such low expenditure are:

- Though SAGUN cooperative agreement took place on the middle of Nov. 2002, most of the program activities were started from the end of Dec. 2002.
- Some activities of FBZ Component such as Collaborative Forest Management and OFMP could not be implemented at all as the FBZ Component could not receive any implementation guidelines from MoFSC and DoF.
- Most of Irrigation and Partnership for Hydropower Components activities could not be implemented in this reporting period as these components have been affected significantly due to redesigning process of SAGUN Program Proposal.

Nevertheless, the SAGUN Program budget has been revised according to the redesigned proposal and submitted it to USAID for approval. It is anticipated that the expenses of the program will be in line in the forthcoming months. The following table shows the summary of overall expenditure of SAGUN Program for this reporting period.

Summary of overall expenditure of SAGUN Program Year - 1

FY : 2003

STARTING DATE: 18 NOVEMBER 2002

ENDING DATE: 30 SEPTEMBER 2006

PROJECT # : NPL 040

FUND CODE: NP 14701/14702/14703(USAID/N)

| S.N. | DESCRIPTION | TOTAL BUDGET US\$ | EXPENSES AS OF JUNE'03 | EXPENSES OF JULY'03-SEPT'03 | EXPENSES AS OF SEPT'03 | BUDGET BALANCE AS OF SEPT'03 | % SPENT |
|------|--|-------------------|------------------------|-----------------------------|------------------------|------------------------------|---------------|
| 1 | Staff Cost: | | | | | | |
| | Salaries & Benefits: | | | | | | |
| | a. National | 1,549,193 | 199,278 | 136,412 | 335,690 | 1,213,503 | 21.67% |
| | b. International | 98,301 | 9,091 | 4,488 | 13,579 | 84,722 | 13.81% |
| | Sub-Total of Staff Cost | 1,647,494 | 208,369 | 140,900 | 349,269 | 1,298,225 | 21.20% |
| 2 | Support Cost (CO) | 251,567 | 20,005 | 7,377 | 27,382 | 224,185 | 10.88% |
| 3 | Other Direct Costs: | 329,000 | 40,902 | 16,222 | 57,124 | 271,876 | 17.36% |
| 4 | Procurement Costs | 73,083 | 31,010 | 1,721 | 32,732 | 40,352 | 44.79% |
| | Sub-Total of Direct Costs (2, 3 & 4) | 653,651 | 91,917 | 25,320 | 117,237 | 536,413 | 17.94% |
| 5 | Activities Costs | | | | | | |
| | a) CARE | 1,290,378 | 24,383 | 45,195 | 69,579 | 1,220,799 | 5.39% |
| | b) RITI | 393,090 | 39,319 | 7,273 | 46,592 | 346,498 | 11.85% |
| | c) RIMS-Nepal | 155,206 | 17,784 | 8,413 | 26,197 | 129,009 | 16.88% |
| | d) WWF | 202,578 | 18,309 | 0 | 18,309 | 184,269 | 9.04% |
| | Sub-Total of Activities Costs | 2,041,252 | 99,795 | 60,881 | 160,676 | 1,880,576 | 7.87% |
| 6 | Operation Costs of Sub-Grantees: | | | | | | |
| | a. RITI | 413,959 | 42,644 | 20,817 | 63,461 | 350,498 | 15.33% |
| | b. RIMS | 244,789 | 23,077 | 10,530 | 33,607 | 211,182 | 13.73% |
| | c. WWF | 197,422 | 17,288 | 0 | 17,288 | 180,134 | 8.76% |
| | Sub-Total of Sub-Grantees Costs | 856,170 | 83,009 | 31,347 | 114,356 | 741,814 | 13.36% |
| | TOTAL | 5,198,567 | 483,091 | 258,449 | 741,539 | 4,457,028 | 14.26% |
| 7 | Indirect Costs Recovery (8.88% of Total USAID Funds) | 401,433 | 42,898 | 22,950 | 65,849 | 335,584 | 16.40% |
| | TOTAL | 5,600,000 | 525,989 | 281,399 | 807,388 | 4,792,612 | 14.42% |
| | Matching Fund | 1,453,695 | 85,753 | 17,631 | 103,384 | 1,350,311 | 7.11% |
| | GRAND TOTAL | 7,053,695 | 611,742 | 299,030 | 910,772 | 6,142,923 | 12.91% |

Annex 1

Achievement against Goal, Purpose and Objectives

Forestry and Buffer Zone Component

| Statement | Indicators and Target for 2003 | Achievement by 2003 |
|--|--|---|
| <p>Goal: To empower organizations (CFUGs, BZUCs) through their capacity building in good governance for sustainable management of forest resources.</p> | <p>G1.2: By end 09/03, 260 UGs have their account annually audited</p> | <p>260 CFUGs:</p> <ul style="list-style-type: none"> • 103 CFUGs got their accounts audited through registered auditors. • 3 CFUGs got their accounts audited by project accountants in witness of CFUG members • 154 CFUGs passed/endorsed their financial transactions by internal auditing process. |
| <p>Purpose To ensure that performance of UGs (CFUGs and BZUCs) and other selected institutions is improved to meet the principles of good governance and in particular, that the benefits and revenues generated from sustainable community forestry and buffer zone development are distributed to local communities on equity basis</p> | <p>P1.2: 11496 mt. of biomass harvested annually on a sustainable basis due to active forest management</p> | <p>14113 mt. of biomass harvested as follows:</p> <ul style="list-style-type: none"> • Timber - 908.5 mt. • Poles - 208.3 mt. • Fuelwood - 6447.6 mt. • Others (fodder, thatch grass, some NTFP-fruits) – 6548.8 mt. |
| <p>F1 Objective : Strengthened CFUGs and BZUCs with enhanced technical and organizational capacities to ensure biological diversity, resource utilization, sustainability, equitable benefit sharing, the groups' own sustainability through</p> | <p>R1.1: 6193 ha. of community forest area actively managed</p> | <p>7,982 ha. (cumulative);</p> <ul style="list-style-type: none"> • Area harvested in FY 2003 - 4954 ha • Area reported in base year – 3028 ha |

| Statement | Indicators and Target for 2003 | Achievement by 2003 |
|--|--|--|
| community development activities. | | |
| <p>F2 Objective :</p> <p>Strengthened capacity and increased active participation of women, the poor and other disadvantaged groups (DAGs) in CFUGs and BZUCs through consensus decision-making process and leadership positions</p> | <p>R1.2a: Representation with regard to gender increased from 38% to 40% in executive committee</p> <p>R1.2b Representation with regard to caste in executive committee</p> <p>R1.2c: Representation with regard to poor in executive committee</p> | <p>Women's representation in EC - 42% (from a total of 492 CFUGs formed)</p> <p>Dalit representation – 13% (from a total of 492 CFUGs formed)</p> <p>Marginal / Poor people's representation – 19% (from a total 75 CFUGs, in which Participatory Well-being Ranking was conducted)</p> |
| <p>F3 Objective :</p> <p>Revision of OPs and limited numbers of new CFUGs identified and mobilized with the help of clear guideline, to fulfill demands and needs of local communities for active management control over the community forests</p> | <p>R1.3: 191 CFUGs followed a participatory approach in operational plan preparation and revision</p> | <p>184 CFUGs (cumulative):</p> <ul style="list-style-type: none"> • 111 CFUGs reported in base year (2002) • 73 CFUGs (22 new CFUGs and 51 CFUGs revising FOPs) |
| <p>F4 Objective :</p> <p>Strengthened capacity of CFUGs and BZUCs in overall accountability, monitoring and advocacy functions to a) monitor service delivery by government b) monitor benefit/revenue sharing among the groups themselves, in the committees, park offices and local elected bodies (DDC and VDC) and higher</p> | <p>R1.4a: 456 general assemblies (amsabha) held by CFUGs</p> <p>R1.4b 20 CFUGs practiced</p> | <p>265 general assemblies:</p> <ul style="list-style-type: none"> • Initial assumption - almost every CFUGs formed organizes mandatory general assembly at least once a year • Reality – some CFUGs have organized more than once and others have not organized such events for last 2/3 years |

| Statement | Indicators and Target for 2003 | Achievement by 2003 |
|--|--|--|
| | public auditing (in general assembly) | 8 CFUGs practiced public auditing |
| <p>F5 Objective:</p> <p>Strengthened capacities of relevant civil society NGOs/CBOs and networks, including FECOFUN and selected service providers in the private sector, to a) establish clear roles and responsibilities of networks, b) provide advocacy functions, c) strengthen CFUG organizational and technical capacities for active forest management and resource sustainability; and d) ensure good governance, economic viability and group sustainability.</p> | <p>R1.5a: 250 UGs get affiliated to their federations</p> <p>R1.5b: 1 issue related to CF identified and advocated by users and their networks</p> | <p>377 CFUGs affiliated to district FECOFUN</p> <p>One issue was advocated with DFO, Kailali in a planned way by the user groups. The issue was "registration and hand over of forests to the user groups conserved and managed by them for long time"</p> <p>Some other pertinent CF issues identified for advocacy are:</p> <ul style="list-style-type: none"> a) 40% tax levied on products from CF b) Slow rate of CF handover in Tarai c) Hand over of small area as CF in comparison to population including degraded and isolated patches of forests d) Double blazing system by both CFUG and DFO in timber harvesting from CF e) Revenues generated by the Park Office to the Buffer Zone User Committees (time and amount) f) Transparency of financial management system in CFUGs |

| Statement | Indicators and Target for 2003 | Achievement by 2003 |
|--|---|--|
| <p>F6 Objective :</p> <p>Strengthened capacities of DFOs and Park Offices to work with the local communities and groups and with civil society organizations to assist in managing the increasing demand, to mobilize new CFUGs/BZUCs and revise existing forest operational plans</p> | <p>R1.6: 25 members from DFOs, Park Offices, NGOs, Federations of CFUGs and BZUCs have knowledge about good governance and improved managerial practices</p> | <p>95 (initial assumption excluded forest guards and game scouts):</p> <ul style="list-style-type: none"> • 12 officers • 16 rangers • 67 forest guards and game scouts <p>23 NGOs and Federations also participated in related training/workshops</p> |
| <p>F7 Objective:</p> <p>Established effective communication mechanisms between stakeholders in forestry at all levels, including the DDC, sharing lessons learned, issues and problems arising and best practices, to assure a) more coordinated planning and implementation between relevant stakeholders, b) addressing the policy discourse including the forestry contribution to GNP, and c) greater understanding and ownership among the forestry civil services of current concepts, paradigms, methodologies and implementation strategies</p> | <p>R1.7: 5% UGs documented income from CF including expenses for CF and community development activities as a contribution to GDP</p> | <p>From a total of 419 CFUGs monitored, a total of Rs. 3,07,84,012 (30.8 million rupees) was generated during the reporting period. They have maintained good recording system of income, expenditure and balance. But this contribution is yet to be recognized by the government as GDP at national level. This is one potential issue for advocacy during the project period.</p> |
| <p>F8 Objective :</p> <p>Document and disseminate lessons learned and best practices for a) replication, including b) demonstrated relationship to current CF and buffer zone development and governance paradigms and methodologies, and c) highlighting issues arising especially of policy discourse</p> | <p>R1.8: 3 types of materials produced and disseminated based on the learning and best practices</p> | <p>5 types:</p> <ul style="list-style-type: none"> • Training manuals of different topics (RBA, Advocacy, Governance and other technical subjects) • CFUG Capacity Assessment report • Well-being ranking report |

| Statement | Indicators and Target for 2003 | <i>Achievement by 2003</i> |
|-----------|--------------------------------|---|
| | | <ul style="list-style-type: none"> • Booklet on rules and regulations of She-Phoksundo National Park (SPNP) • Educational booklet on the park and buffer zone |

Annex 2

Achievement Against Goal, Purpose and Results
Irrigation Component

| Statement | Indicators /Target for 09/03 | Achievement by 2003 | Remarks |
|--|---|--|--|
| Goal: To evolve self-enduring and self-governing sustainable Water User's Organization for increased productivity and irrigation area under WUA management. | G2.1. Average crop yield increased by x ton per ha in pilot area: a .Paddy – 2.5 ton/ha b. Wheat – 1.5 ton/ha c. Pulse 0.5 ton/ha | a. 3.3 ton/ha b. 1.5 ton/ha c. 0.81 ton/ha | Many branch canals were cleaned by farmers that contributed to increase water availability as well as increase in the yield. |
| | G2.2. 2 nos. and 15.4% of WUA (MCC) followed a participatory approach in operational plan preparation and revision | 8 nos. (61 %) of WUA (MCC) prepared operation plan of the canal in participation with BCC. | Increased involvement of program staff and coach to WUA committees, encouraged to facilitate the participatory approach. |
| | G2.3. 6 nos. and 46.2 % of MCC annually audited and adopt public auditing. | 11 nos. (84.6 %) of MCC adopted annual audit of their account . | 4 (30.7 %) WUAs publicly audited of their income and expenditure in general assembly. |
| Purpose: To contribute to increased irrigation area coverage for increased irrigation revenue through effective and efficient WUAs functioning democratically. | P2.1. Rs 960,000.00 and 25% of ISF actually collected annually | Rs 965,229.00 (26 % of target) ISF was collected | GSM's support is highly encouraging for the collection of ISF. Program staff coached the GSMs on the process. |

| Statement | Indicators /Target for 09/03 | Achievement by 2003 | Remarks |
|---|--|---|---|
| <p>Expected Results:</p> <p>ER- 1: Strengthened WUAs with enhanced organizational, managerial, technical and governance capacities, to ensure sustainability of irrigation canal system and the groups' own sustainability.</p> | <p>ER 1.1 Practice of good governance in MCC, BCC and TCC</p> <p>No target for year 2003</p> | 0 | |
| | <p>ER 1.2 100 nos. of TCCs mobilized 1296 person days of labor contribution on share basis</p> | <p>A total of 222 TCCs mobilized 16773 person days for cleaning canals.</p> | <p>In order to address the equitable labor contribution, Program staff facilitated to improve the old system of equal contribution in many systems.</p> |
| <p>ER-2 Increased active participation of women, poor farmers/small-holders in WUAs , including in leadership positions.</p> | <p>ER -2 Active participation of women increased by 5% in WUA</p> | <p>Increased women representation by 7.76 % for 13 WUA.</p> | <p>Effort has been made to sensitize women groups and WUA. As a result, In the election Women participation in West Gandak, West Kamala, Manusmara I&II and Pathraiya reached from; 10% to 30 %, 5% to 29 %, 6% to 20 % & 0% - 22 % respectively occupying 28 % of the key positions (Chairperson, vice chair persons & secretary) by women members particularly West Gandak irrigation</p> |

| Statement | Indicators /Target for 09/03 | Achievement by 2003 | Remarks |
|--|---|---|--|
| | | | system. |
| <p>ER-3 A limited number of new and/or weak WUAs strengthened as required to ensure sustainability of selected canal system transfers to local operation and maintenance (O&M) irrigation.</p> | <p>ER-3 X #s of weaker TC committees from remaining 600 committees are capable for operating & maintaining canals sustainably.</p> <p>No target for year 2003</p> | 0 | Targeted for next year |
| <p>ER- 4: Financial accountability and watchdog functions of WUAs strengthened, to a) monitor revenue sharing among the groups, in their communities and local elected bodies (VDCs and DDCs).</p> | <p>ER- 4: 0 nos. of MCC, 36 nos. of BCC and 125 of TCCs executives have knowledge on financial management, accounting, benefit monitoring process and advocacy.</p> | 0 | Core program was affected by redesign which was scheduled in fourth quarter. |
| <p>ER-5: DOI capacities strengthened in association with civil society groups and selected private sector service providers, to work with local water user associations (WUAs) to enhance their technical, organizational and managerial capacities to operate and maintain irrigation systems.</p> | <p>ER-5: 30 nos. of DOI staffs have knowledge on good governance and managerial practice</p> | 24 nos of DOI staff participated a 5 days training on good governance and advocacy training conducted by staff college. | Developed common understanding on good governance and advocacy . Ist package could provide accommodation for 24 only . |

| Statement | Indicators /Target for 09/03 | Achievement by 2003 | Remarks |
|---|---|--|--|
| <p>ER- 6: Strengthened capacity of the water user's federation, NFIWUAN, to provide advocacy functions as well as to strengthen WUA organizational, managerial and technical capacities for canal irrigation system O&M, and to ensure good governance and enduring economic viability of the group groups.</p> | <p>ER- 6: 25 members of NFIWUAN members enhanced advocacy capacity</p> | <p>19 NFIWUAN members participated orientation on advocacy and prepared advocacy plan.</p> | <p>Advocacy issues will be identified from the WUA level.</p> |
| <p>ER 7: Improved communications between all stakeholders in irrigation, sharing lessons learned, issues and problems arising, and best practices, to assure (a) more coordinated planning and implementation, (b) informing the policy discourse, and (c) greater understanding and 'ownership' among the irrigation/water resources civil service of current concepts, paradigms, methodologies and implementation strategies.</p> | <p>ER 7: 60 % of 7 institution members i.e. 4 institutions participated in planning activities</p> | <p>4 institutions</p> | <p>1. DOI 2. WUA-MCC 3. WUA-BCC 4. WUA-TCC participated in planning program activities.</p> |
| <p>ER 8: Lessons learned and best practices documented and disseminated for replication.</p> | <p>ER 8: Publications circulated 3 nos.</p> | <p>3 nos. of publications produced</p> | <p>a)SAGUN Program booklets, b) Good governance manual c) Literacy materials on good governance were published and circulated to all stakeholders.</p> |

Annex 3

Achievement against Goal, Purpose and Objectives Partnership for Hydropower component

| Output Statement | Indicators and Target for 2003 | <i>Achievement by 2003</i> |
|--|--|----------------------------|
| <p>Goal: To contribute to create a harmonious relationship and win-win situation among different stakeholders particularly focusing on affected communities and hydropower developers by utilizing benefits accrued from hydropower development on an equitable manner.</p> | <p>Target was not set for year 2003.</p> | |
| <p>Purpose: To contribute to have key stakeholders including local groups capable of monitoring implementation of mitigation plan and mobilization of revenues for affected communities/people demonstrating good governance.</p> | <p>Target was not set for year 2003.</p> | |

| Output Statement | Indicators and Target for 2003 | <i>Achievement by 2003</i> |
|---|---|---|
| <p>H1 Objective: System established and implemented among local key stakeholders for smooth implementation of environmental measures (social and natural) by (a) enhancing effective communication (b) strengthening capacity of stakeholders and (c) ensuring participatory monitoring.</p> | <p>Result level target was not set for year 2003.</p> <ul style="list-style-type: none"> ▪ In-depth situation analysis of 3 hydropower project sites completed. ▪ Target groups for program implementation identified in all 3 project sites. ▪ Interaction workshop with target groups completed in 2 project sites. ▪ Capacity assessment of 5 target groups completed. | <ul style="list-style-type: none"> ▪ In-depth situation analysis of 2 sites (UMHEP and MMHEP) completed. ▪ A total of 57 target groups identified from 2 project sites (UMHEP and MMHEP); of the total 21 are women and 2 are dalits groups. ▪ Interaction workshop in 1 project site (UMHEP) completed. A total of 44 participants (including 6 women and 2 dalits) representing 17 groups participated. ▪ Capacity assessment of 6 target groups completed. In average, weakest side was found to be the <u>predictability</u> of their actions and stronger the <u>transparency</u>. |
| <p>H2 Objective: System established and implemented for revenues sharing and utilization in a rational / equitable way at DDC and VDCs levels ensuring environmental sustainability by (a) developing proper communication mechanism (b) ensuring transparency, accountability, participation (c) introducing strategic planning /programmatic approach, appropriate guidelines and (d) ensuring effective participatory monitoring.</p> | <p>Result level target was not set for year 2003.</p> | |

| Output Statement | Indicators and Target for 2003 | <i>Achievement by 2003</i> |
|--|--|---|
| <p>H3 Objective: Lessons learned and best practices documented and disseminated for replication, including demonstrated relationships to current hydropower and associated environment and social development paradigms, and methodologies, and highlighting issues arising especially of policy relevance.</p> | <p>Result level target was not set for year 2003.</p> <ul style="list-style-type: none"> ▪ One discussion paper on SAGUN-Hydropower prepared and disseminated. ▪ Had MoU between SchEMS and SAGUN Program. ▪ Had meeting with SO4 team / or power developers. | <ul style="list-style-type: none"> ▪ One discussion paper titled “One step more towards social change: partnership for hydropower” prepared and presented in 8th national convention of Nepal Engineers’ Association. ▪ Prepared MoU with SchEMS on areas and framework on future collaboration ▪ Attended meetings with SO4 team and power developers. |

Annex 6

Annual Plan and Progress - Year I

Reporting Period: November 2002 to September 2003

Component: Partnership for Hydropower

Key Implementing Agency: CARE Nepal

| S N | Activity | Unit | Quality indicator | Plan | Progress | Percent | Remarks |
|--|--|---------------------|---|------|----------|---------|---|
| Startup / Support Activity¹³ | | | | | | | |
| 0.1 | Designation / recruitment of hydropower component staff | Person | <ul style="list-style-type: none"> • Six competent staff in place | 6 | 6 | 100 | |
| 0.2 | Conduct SAGUN level startup workshop | Event | <ul style="list-style-type: none"> • 22 participants attended and developed common understanding towards SAGUN | 1 | 1 | 100 | |
| 0.3 | Conduct component level startup workshop | Event | <ul style="list-style-type: none"> • 30 participants attended and developed common understanding towards SAGUN-hydropower component | 1 | 1 | 100 | |
| 0.4 | Develop detailed implementation plan | Plan | <ul style="list-style-type: none"> • Implementation plan prepared with revised specific objectives | 1 | 1 | 100 | |
| 0.5 | Prepared monitoring plan | Plan | <ul style="list-style-type: none"> • Monitoring plan prepared in line with the revised implementation plan | 1 | 1 | 100 | |
| 0.6 | Enhance capacity of component staff on advocacy, governance, EIA process, Do No Harm, etc. | Continuous activity | <ul style="list-style-type: none"> • 6 component staff received 5-day training on EIA and Hydropower development • ICBO and 4 FOs received 4-day training on rights based approach • Team leader participated in a 2-day team building workshop • Team leader received 3-day training on Do No Harm | | | | It is a continuous activity and the component team members will be made more equipped to deliver better services. |

¹³ Serial number of the activities as numbered in revised annual work plan has been followed. Only those activities targeted during the reporting period are inserted in the format for brevity.

| S N | Activity | Unit | Quality indicator | Plan | Progress | Percent | Remarks |
|-----------|---|---------------------|---|------|----------|---------|---|
| 0.7 | Design and conduct in-depth situation analysis study at each sites | Study | <ul style="list-style-type: none"> Completed in-depth situation analysis of Upper Modi and Middle Marshyangdi sites with full involvement of government ministries and department. Identified Khimti I as third site for program implementation with cooperation from DoED and pre-field work completed for conducting in-depth situation analysis. | 3 | 2.3 | 77 | Field survey on Khimti area could not be conducted due to the changed operating situation. |
| 0.8 | Design and conduct site specific district / community level startup workshop | Event | <ul style="list-style-type: none"> 52 participants representing district level line agencies, power developers and community representative attended and developed common understanding on SAGUN, 2 proceedings prepared | 2 | 2 | 100 | |
| 0.9 | Select local implementing partner and enhance capacity on identified areas (good governance, advocacy, hydropower and social/natural environmental measures, etc.) based on the findings of capacity assessment and provide support to implement program. | Continuous activity | <ul style="list-style-type: none"> Operational partnership strategy finalized covering type of partner to be selected Finalized selection criteria and guideline for partner selection | | | | It is a continuous activity. |
| HI | System established and implemented among local key stakeholders for smooth implementation of environmental measures (social and natural) by; (a) enhancing effective communication, (b) strengthening capacity of stakeholders, and (c) ensuring participatory monitoring. | | | | | | |
| 1.1 | Identify target groups (networks, interest groups, CBOs, CFUGs, MGs, WGs, CAMC/resettled community, etc.) | Event | <ul style="list-style-type: none"> Identified 57 groups that are directly affected | 2 | 2 | 100 | |
| 1.2 | Conduct interaction workshop at the target groups to have common understanding of issues, concerns and finalize representation to DLCC | Event | <ul style="list-style-type: none"> 44 participants representing UMHEP affected area participated in 1-day workshop | 2 | 1 | 50 | Interaction workshop in MMHEP could not be held due to some tension in the project-affected area due to a conflict between the contractor and labors. |
| 1.4 | Formation of DLCC with defined roles and working procedures | No. | | 1 | 0 | 0 | Could not be held due to the field situation of MMHEP where mobilization of communities became difficult. |
| 1.5 | Conduct workshop/meeting of DLCC | No. | | 1 | 0 | 0 | Could not be held due to the absence of DLCC. |

| S N | Activity | Unit | Quality indicator | Plan | Progress | Percent | Remarks |
|-----------|--|----------|--|------|----------|---------|--|
| 1.6 | Assess capacity of target groups to identify the area of intervention | Group | <ul style="list-style-type: none"> Finalized the Spider Web tool and implementation guideline in line with good governance, prepared 4 LRPs to use the tool, completed its field testing and assessment of 6 groups | 5 | 6 | 120 | |
| 1.20 | Conduct awareness campaign to reduce adverse impacts on the area of STD/HIV-AIDS and girls trafficking, water and sanitation campaign, traffic accidents and over spending. | Activity | | 1 | 0 | 0 | Situation was not favorable to conduct awareness campaign. |
| 1.21 | Conduct key stakeholders' (central level line agencies, power developer, district line agencies, representative at the DLCC from communities) workshop on sharing plan and implementation of EMAP | Event | <ul style="list-style-type: none"> The program and training material developed | 1 | 0.25 | 25 | DLCC could not be brought into board to organize the workshop. |
| 1.22 | Sharing of plan and implementation of EMAP at target communities | Event | | 5 | 0 | 0 | Could not be completed due to limited time for its implementation. |
| 1.24 | Provide technical and logistic support to key stakeholders (DoED/MoWR, MoPE) to monitor implementation of mitigation plan | No. | | 1 | 0 | 0 | Could not be completed, as the concerned staffs from DoED/MoWR and MoPE were out of country to participate in a month long training during the planned month of September. |
| H2 | System established and implemented for revenues sharing and utilization in a rational / equitable way at DDC and VDCs levels ensuring environmental sustainability by; (a) developing proper communication mechanism, (b) ensuring transparency, accountability, participation, (c) introducing strategic planning /programmatic approach, appropriate guidelines, and (d) ensuring effective monitoring. | | | | | | |
| 2.1 | Identify target groups (networks, interest groups, DDC, VDC, line agency, etc.) | Event | | 1 | 0 | 0 | Could not be completed for Khimti I, Ramechhap and Dolakha districts as it was supposed to be done together with the situation analysis. |
| H3 | Lessons learned and best practices documented and disseminated for replication, including demonstrated relationships to current hydropower and associated environment and social development paradigms, and methodologies, and highlighting issues arising especially of policy relevance. | | | | | | |
| 3.5 | Prepare discussion paper on pertaining issues related to hydropower and environmental governance | No. | <ul style="list-style-type: none"> One paper titled "One Step More Towards Social Change: Partnership for Hydropower" was prepared and presented in Nepal Engineers' Association | 1 | 1 | 100 | |

| S N | Activity | Unit | Quality indicator | Plan | Progress | Percent | Remarks |
|----------------|--|-------------|---|-------------|-----------------|----------------|--|
| | | | Convention. | | | | |
| 3.6 | Host/co-host seminars and workshop with line agencies (DoED, MoWR, MoPE, SO4 team), national institutions/projects and other institutions. | No. | | 1 | 0 | 0 | Could not be completed and decided to postpone, as the concerned staffs from DoED/MoWR and MoPE were out of country to participate in a month long training during the planned month of September. |
| 3.7 | Establish functional linkage with research/educational institutions – like: IOF, IAAS, IOE, SchEMS, TU and KU. | No. | Had MOU with SchEMS outlining the area of cooperation and mode of operationalization. | 1 | 1 | 100 | |
| 3.8 | Conduct periodic interaction/review meeting with SO4 team, power developers, etc. | Event | One meeting each with SO4 team and power developer completed | 2 | 2 | 100 | |