

The United Nations Development Programme in Nepal



> Introduction

UNDP has been supporting the Nepalese people in their struggle against poverty since it opened an in-country office in 1963. Much of this support has gone to building up the capacity of government agencies, civil society and community groups to fight poverty, and to bringing these groups and Nepal's donors together to design and implement successful poverty alleviation projects.

UNDP Nepal's work is closely linked with the priorities of both the Government and the United Nations system in Nepal. Our Country Programme Action Plan (2008–2010) is based on Nepal's development needs as outlined in the United Nations Development Assistance Framework for Nepal (UNDAF) — a joint document of all United Nations agencies in Nepal. These two documents are aligned with the Government's policy priorities as laid out in the Three Year Interim Plan (2008–2010).

The portfolio of fact sheets you have in your hands gives a comprehensive and up-to-date picture of the breadth and depth of our current programme. It shows what we do and gives evidence of the impact of our work. As of February 2009 we support 27 projects ('projects' and 'programmes'), many of them in partnership with other donors and implementing agencies. This pack contains 19 fact sheets as several of the sheets cover more than one project.

> Thematic areas

The overarching priority of our work in Nepal is to help the Government and its people build a lasting peace by:

- strengthening governance institutions at all levels (from communities up to the national Government level);
- improving incomes and generating employment;
- protecting Nepal's development gains from the ill-effects of natural disasters and climate change; and
- empowering disadvantaged people and fostering policies for equity and equality.

Within this framework, our current programme is aimed at six priority areas for Nepal's development: peace building and recovery, transitional democratic governance, inclusive growth and sustainable livelihoods, energy and environment, disaster management and slowing the spread of HIV/AIDS.



> Peace

The main short-term challenge faced by Nepal is the successful conclusion of the peace process. Since the Comprehensive Peace Agreement was signed in November 2006, we have worked alongside the United Mission to Nepal (UNMIN) to support the registration of Maoist army personnel and improve the conditions in the Maoist army's cantonments. We also helped the Government successfully hold the April 2008 elections and set up and run a multi-donor fund (the Nepal Peace Trust Fund) to mobilise and fund important parts of the peace process.

Our experience of working in post-conflict situations around the world means that we are able to provide technical expertise to guide the many difficult tasks involved in consolidating peace. One such task is the writing of a new constitution. Our Support to Participatory Constitution Building in Nepal project is promoting wide participation in the writing of the new constitution including by assisting assembly members to reach out to their constituents.

> Governance

Most of our projects promote more efficient and democratic governance. For example, our environment projects are improving the governance of natural resources.

Five of our projects have improving governance as their main focus towards helping Nepal negotiate its transition from conflict to peaceful development. We are strengthening the National Human Rights Commission to safeguards citizens' human rights (the CDNHRC project) and the Election Commission to hold free and fair elections. Our justice project (A2J) is helping bring Nepal's courts and laws up to international standards and is providing local access to justice. Our support to the new multi-donor local governance project (LGCDP) will strengthen the ability of Nepal's local governments to provide the peace dividend that local communities expect and need. Last but not least, our new aid project (implemented by the Ministry of Finance) aims to improve the management of the country's aid receipts, something that is crucial to ensure that this money is used more effectively.



> Livelihoods

Promoting livelihoods and creating employment is another priority for many of the projects we are involved in. For our environment projects in particular, raising local people's incomes through conserving nature is an important way of motivating them to protect the environment.

The following four projects are designed to improve livelihoods for spurring economic growth and enabling progress across all the MDGs:

- The micro-enterprise project (MEDEP) has lifted thousands of people out of poverty and is a model initiative that the Government, other projects and donors have followed.
- The new access to financial services project (EAFS) will help provide the credit and access to financial services that poorer people in remote areas need to develop their livelihoods.
- The support for public-private partnerships (PPPUE) is bringing together the strengths of the private and public sectors to improve the urban poor's access to services and to create jobs.
- The ENTRC project is working with the Government and Nepal's business community to promote trade as a key strategy for providing more income to the Government and more jobs for the Nepali people.

Our continuing support to promoting human development helps keep the development focus on reducing human poverty. The latest UNDP-sponsored Nepal Human Development Report will emphasise the crucial importance of giving Nepal's millions of traditionally disadvantaged people a larger stake in political, social and economic affairs.

➤ Energy, environment and disaster management

Environmental degradation is a serious threat to the livelihoods of the majority of Nepalis who rely on natural resources for their fuel, fodder, water, raw materials and other environmental benefits. Our rural energy project (REDP) has led the way since 1996 in promoting clean alternative sources of energy. Year-after-year it makes a major contribution to saving Nepal's forest, reducing carbon emissions and improving livelihoods.

The Small Grants Programme (GEF/SGP), Terai landscape conservation project (WTLCP) and wetlands project (CSUWN) are empowering local communities to conserve their environments. This is happening both for the benefit of their own livelihoods and to conserve Nepal's globally important diversity of plant and animal species and the many benefits to human lives and downstream communities that robust natural and semi-natural ecosystems provide.

We also play a major role in reducing the risks from natural disasters (DRRN) and mitigating the effects of climate change (NAPA), targeted at protecting Nepal's development gains. The greatly improved livelihoods, infrastructure and levels of poverty achieved in the past few decades could literally be swept away by natural disasters and the negative effects of climate change.

➤ HIV/AIDS

The largest percentage of our expenditure in 2008 went to slowing the spread of HIV/AIDS. UNDP is managing Nepal's Global Fund money and major bilateral funding and is supporting the implementation of the national programme on HIV/AIDS. This programme is working to overcome the high rates of infection amongst injecting drug users, men who have sex with men and other high risk groups to stop the disease spreading into the general population. Recent declines in prevalence in most high risk groups show that the support is having an impact. More of this support is now being directed to reducing the rates of prevalence and the vulnerability of the hundreds of thousands of poor Nepalis who go to India to work.



➤ Impact

Our support reaches and benefits communities across Nepal. In 2008 those projects with a community development component — including the rural energy (REDP), micro-enterprise (MEDEP), local governance (DLGSP and QIPSI) and environmental conservation (SGP and WTLCP) projects — reached and benefited local people in 75 districts and about 40% of Nepal's village development committees. The support for improved policies and laws, and for other initiatives, such as informative radio programmes, reach and benefit an even wider population. Our support has led to improved policies for promoting rural energy and public-private partnerships, for reducing risks from natural disasters, for performance-related grants to local governments and for MDG-based planning.

Inclusive development that targets the poorest of the poor is an absolute priority throughout our work. For example all of the 5,000 entrepreneurs who benefited from the micro-enterprise project (MEDEP) in 2008 were below the poverty line and included 20% Dalits (almost twice their proportion in Nepal's population). Since it started, 90% of the budget of our Quick Impact and Peace Support Initiatives project (QIPSI) has gone for local development in the poorest and most remote communities in 20 conflict-affected districts. Our access to financial services, constitution building and access to justice projects all directly target poor and marginalised Nepalis.

> Partners and resources

Between 2002 and 2008, UNDP has invested \$128 million in Nepal's development. This funding comes from our own sources and the contributions of bilateral and other donors. In addition to our donor partners we rely on our Government partners and on thousands of community groups, local governments and civil society groups to implement our programmes in Nepal's communities, villages and districts and at the central level.

Bilateral funds contributed or committed to UNDP-supported projects operating in 2008

Donors	Amount (\$ million)
DFID	\$23.3
Norway	\$12.0
Himal Power Ltd	\$3.7
Denmark	\$2.9
Canada	\$0.9
Japan	\$0.8
European Commission	\$0.7
SDC	\$0.5
Denmark	\$0.4
Finland	\$0.3
Ford Foundation	\$0.2
SNV	\$0.2
USAID	\$0.2
AusAID	\$0.02
TOTAL	\$45.8

Looking forwards

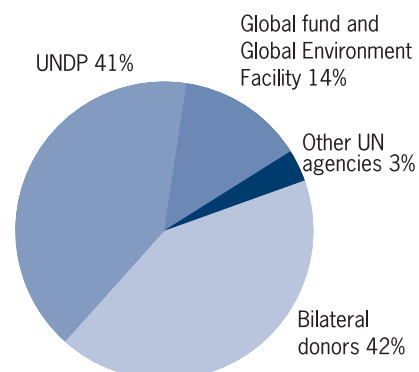
We look forward to continuing our work in 2009 and beyond and to continuing our long and fruitful relationship with the Government of Nepal, the Nepali people and our donor partners.

Anne-Isabelle Degryse-Blateau
UNDP Nepal Country Director



Sources of funding and 2008 expenditure

1. Sources of funding contributed and committed to UNDP-supported projects operating in 2008



2. UNDP Nepal programme expenditure, 2008

