

# **DFID Community Support Program Appraisal in Remote Districts Jumla and Mugu**

**Fraser Sugden**

**University of Edinburgh**

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Contact Details:

Institute of Geography  
School of Geosciences  
The University of Edinburgh  
Drummond Street  
Edinburgh, EH8 9XP

Email: [f.j.sugden@sms.ed.ac.uk](mailto:f.j.sugden@sms.ed.ac.uk)

Tel: +44 (0)131 650 9172

Fax: +44 (0)131 650 2524

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# 1 Introduction

The Community Support Program (CSP) was established in 2003 as a flexible umbrella fund to offer direct financial support for essential development activities which have been identified by conflict affected communities of the Mid and Far Western Region of Nepal. The primary objective of the program is to *provide immediate support for populations affected by exclusion, poverty and conflict, and to help them achieve their livelihood and human development priorities.*

The local state was absent from much of rural Nepal during the conflict period, resulting in a suspension of many essential development works. The CSP was able to compensate through offering immediate financial, technical and logistical support to communities to implement development projects essential to their livelihood and human development needs.

There are seven main interconnected project types which are funded by the CSP:

- **Income generation** (skill development, vocational training to poor, excluded and conflict affected groups)
- **Irrigation** (Canal construction and renovation)
- **Health** (Construction/renovation of health post and sub-health post buildings, health camps)
- **Education** (Construction/renovation of school buildings, furnishing of school buildings)
- **Small rural infrastructure** (Construction of foot trails, truss bridges, and micro hydros)
- **Drinking water/sanitation** (Renovation and construction of drinking water and sanitation infrastructure)
- **Humanitarian** (income generation activities and financial support for the resettlement of conflict affected/displaced communities)

Over seven hundred thousand rural households have so far received support from the CSP in 39 districts of Nepal through DFID and its partner organisations CARE Nepal and RRN.

The CSP has attempted to achieve its primary objective through adhering to the following guiding principles:

- **Participation:** Communities themselves identify and implement projects with the support of the CSP according to their prioritised needs. Village level user groups participate in the process of project identification, planning, execution, monitoring and evaluation. This helps to ensure that communities' essential livelihood and human development needs are met, and facilitated the operation of programs in a conflict environment where it was considerably more difficult for external agencies to operate in rural areas.
- **Inclusive and Equitable:** Interventions aim to equitable so they benefit the whole community and reduce tensions. Targeted initiatives are often necessary to meet the needs of particularly disadvantaged and excluded groups.

- **Transparency:** Efforts have been made to ensure that the budget and purpose of projects are transparent. This creates a healthy working environment for project implementation, ensures an equitable distribution of benefits, and limits the potential for corruption and fraud.
- **Sustainability:** Efforts are made to ensure that supported projects continue after the withdrawal of CSP support. Maintenance strategies are developed to ensure this occurs.
- **Innovativeness:** CSP projects aim to deal with development issues in novel ways which move beyond traditional approaches.
- **Complementarity:** CSP projects aim to complement existing programs supported by both the CSP and other external agencies.

At present the program is being phased out, and it remains uncertain as to whether it should continue for a second phase in the changed political context. This study aims to understand how effective the program has been in meeting its primary objectives, and how the local people and stakeholders view the program, so as to contribute to discussions regarding the future of the program.

## 2 Research Objectives

The aim of this study is to assess the effectiveness of the Community Support Program (CSP) in meeting its primary objectives and in the process, to identify recommendations regarding the sustainable development of its funded initiatives and the smooth handover of the program to the local government.

To do this, the study addresses the following questions:

- Did the CSP initiatives reach out to poor and excluded people during the conflict period and in the present?
- How have the CSP initiatives impacted the livelihoods of poor and excluded communities?
- How do poor and excluded communities value the CSP initiatives?
- How do local political parties and the local government view the CSP initiatives?

### 3 Research Methods and Location

This research was carried out in a ten day period between the 17<sup>th</sup> April and 27<sup>th</sup> April 2008, just a week after Nepal's constituent assembly elections in the remote districts of Mugu and Jumla in mid-West Nepal. As of July 2007 there were 59 CSP funded projects operating in Mugu district and 73 operating in Jumla district. Table 1 shows a break down of the number of projects operating in different sectors in both districts.

**Table 1: Project type by district**

District	Education	Health	Humanitarian	Drinking Water	Irrigation	Infrastructure	Income Generation
Mugu	22	8	2	13	7	7	4
Jumla	34	12	1	9	7	5	6

To answer questions one, two, and three informal semi-structured focus group discussions were carried out with villagers in eight communities in Jumla and Mugu district. Efforts were made to ensure that a wide range of groups attended the discussion with regards to socio-economic status, caste and gender. The villages with CSP implemented projects active that were visited are listed in Table 1. Visits were also made to the actual project sites in all communities with the exception of Narakot.

**Table 2: Projects Visited in Jumla and Mugu**

Village	VDC	District	Projects discussed/visited
Raka	Tatopani	Jumla	Smokeless stoves for Dalit households
Godesim	Mahadev	Jumla	Micro-hydro/Oil mill and smokeless stoves
Patar Khola	Mahabe	Jumla	Drinking water system for Dalit village
Narakot	Narakot	Jumla	School building projects
Murma	Rara	Mugu	Smokeless stoves
Kachhe	Rara	Mugu	Irrigation system
Phuli	Srinagar	Mugu	Drinking water system and market gardens.
Gamgadhi bazaar	Srinagar	Mugu	Income generation activities for conflict affected single women.

To gain further insights into questions one, two and three, and to address question four, interviews were carried out with the LDOs of Jumla and Surkhet. A further focus group discussion was carried out with political leaders from four parties in Surkhet, namely, Nepali Congress, NCP Maoist, NCP United Marxist-Leninist and NCP Workers and Peasants Party.

## **4 Did the CSP initiatives reach out to poor and excluded people during the conflict period and in the present?**

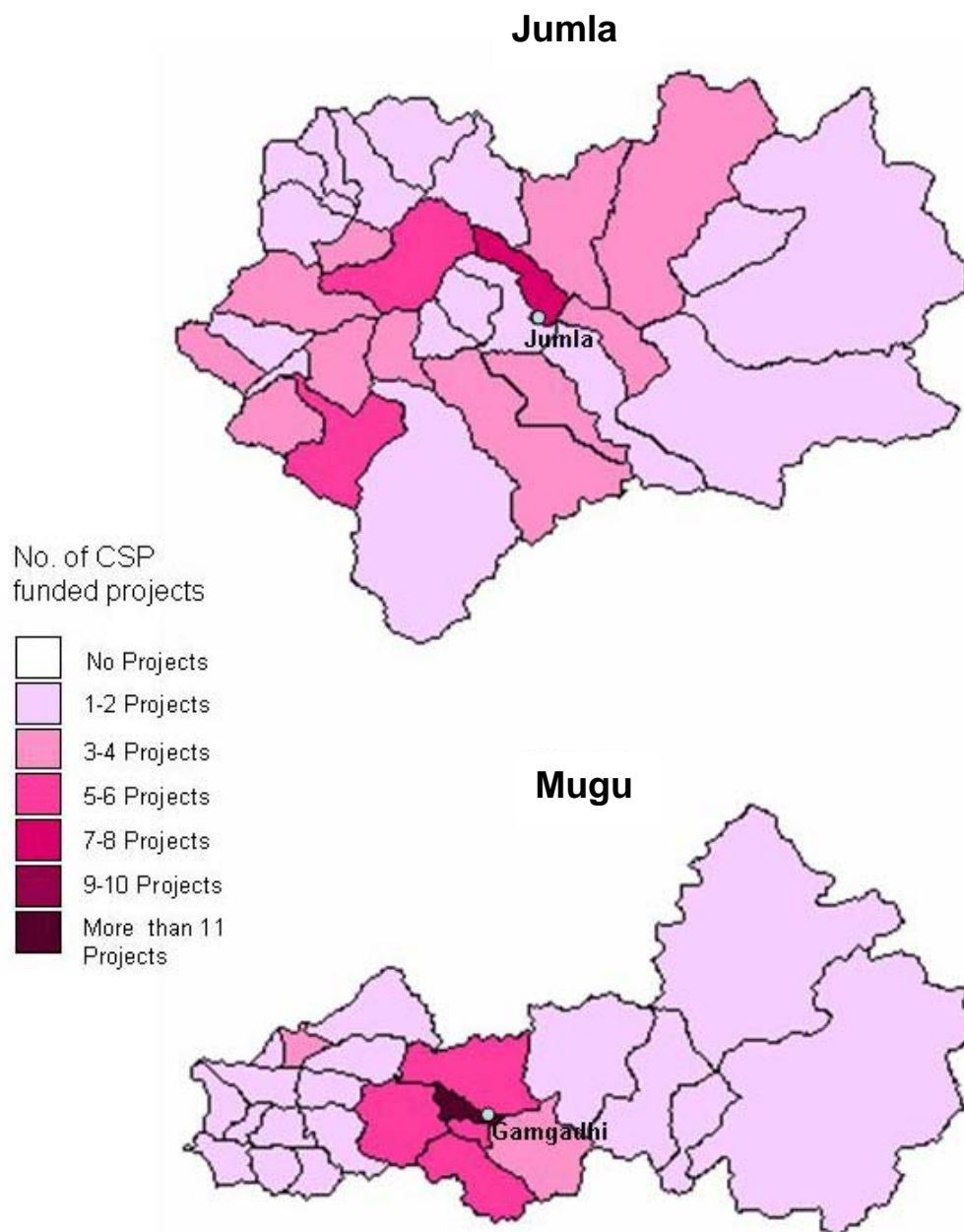
### ***4.1 Coverage of Projects***

Figure 1 suggests that up until July 2007 the coverage of CSP initiatives is reasonable in Jumla and Mugu districts. Every VDC has one project at least. However, there is evidence that projects are still clustered around the district headquarters in Mugu. Although still remote by the standards of mid-West Nepal, the VDCs surrounding the district headquarters Gamgadhi, namely Ruga, Karkibada, Rara and Pina all operate more than five CSP supported initiatives, while the VDC of the district headquarters, Srinagar, has fifteen. Most of the remaining VDCs in the district have only one or two CSP funded projects operating. In Jumla the situation is somewhat better. Although there is a concentration of projects in Chandarnath VDC, where the district headquarters is located, the remainder of VDCs which have more than three projects operating are all located some distance from the district headquarters. The regions in the far North and East of the district however, have only one or two projects operating in each VDC, suggesting that it is an area where more initiatives are necessary.

Although priority has been offered to remote VDCs, it is understandable that some outlying areas receive relatively less support. The lower population in some remote VDCs of Mugu, such as Dolphu and Mugugaon may naturally explain why fewer projects operate there. However, it may also be a result of the isolation of such regions from the district headquarters. Discussions revealed that local people often heard about the opportunities offered by the CSP while working in or passing through the district headquarters, and visits to the CSP office were often necessary while planning a project. Such contact with the CSP staff is more difficult in regions which may be several days walk from the district headquarters. Furthermore, other respondents stated that a user group was formed to apply for CSP support after learning of successful CSP initiatives in neighbouring villages. In areas where there are already a large number of CSP funded initiatives operating, where local people can directly view the success of projects, the idea of forming a user group to apply for support is more likely to catch on. In remoter regions with fewer initiatives meanwhile, there are fewer projects from which communities can draw inspiration to form a user group to apply for support for their own project.

Meanwhile, there was also some concern within the Jumla DDC that poor communities within the vicinity of the district headquarters were not receiving the same level of support as their counterparts elsewhere in the district. Although the spread of projects to some of the remote regions in Jumla is necessary to meet the CSP's primary goals, regular social assessments by CSP staff can help to ensure that all axes of exclusion, namely caste, socio-economic status and geographical location are accounted for.

**Figure 1: Concentration of CSP funded projects by VDC in Jumla and Mugu Districts up until July 2007**



Data Source: DFID-CSP Regional Office, Nepalgunj

## **4.2 CSP's Effectiveness During Conflict**

During the conflict time when there was a withdrawal of the state from the countryside, the Community Support Program was one of the projects that was able to operate out with the vicinity of the district headquarters. It had the capacity to implement projects that would have often have been impossible to operate directly through the DDC, particularly in remote locations where some of the poorest communities reside. This was made possible through its participatory approach, which entailed managing projects through community based user groups. The increased role of the community facilitated in the generation of trust in the CSP within all sides during the conflict period. Furthermore, the transparency of the CSP, aided by the display of notice boards outlining the details and costs of the project, further contributed to building up trust.

The focus on hardware activities also facilitated in allowing the projects to operate during the conflict. The benefits of infrastructure activities in a conflict environment are that the material impacts are directly visible to all sides. In a politically sensitive environment, such projects are favoured over those which involve heavy community mobilisation.

## **4.3 Priority to Traditionally Excluded Groups**

Offering priority to Dalits facilitated the CSP in reaching out to traditionally excluded peoples, and helped to prevent the project benefits being captured by locally powerful groups. However, an overemphasis on caste and geographical location has the potential to risk overlooking socio-economic status as an axis of exclusion. For example, in Raka village in Jumla, only Dalit households were offered smokeless stoves. However, villagers noted that there were also many poor Kshetris households who were not included in the program. This was because the project was run by a Dalit user group and was orientated towards Dalit households only. However, visits by CSP staff for social assessments of approved projects can help to ensure that a fair assessment of exclusion can be made that accounts for caste, location and socio-economic status, as Case Study 1 demonstrates.

### **Case Study 1: Social assessment to measure poverty in Godesim, Jumla**

*Godesim village is located in Southern Jumla near the border with Kalikot. Most of its inhabitants are marginal farmers owning on average 3-4 ropani of land. Sixteen years ago a request was made to the DDC for a micro-hydro project. A technical survey was carried out, but eventually nothing happened as a result of financial constraints. Recently, after hearing about the CSP, villagers approached the CSP staff in Jumla. Initially the CSP was against the proposal, as Godesim is a Kshetri village and the priority of support is to Dalits. However, eventually a social assessment was carried out by CSP staff from Jumla and it was found that the socio-economic status of the villagers made the project worthy of attention. The project was thus approved and has had a positive impact on the life of the community. Aside from providing a reliable electricity supply, the micro-hydro system has been combined with an oil mill, the proceeds of which contribute to the maintenance fund.*

#### **4.4 Focus on Hardware and Direct Financial Support**

Most the CSP funded projects are focussed on the construction of infrastructure. Even those under the categories of health and education are focussed primarily on the construction or renovation of schools and health posts. The focus on hardware related projects and public works that all sectors of the community utilise ensure that projects are of universal benefit to the community in question and not just to particular social or economic groups, as would be the case with more targeted income generation or livelihood improvement programs.

Furthermore, the provision of direct untied financial support with minimal community contribution also helps ensure poor and excluded people can overcome financial barriers that may have otherwise limited the effectiveness of the project in question. This aspect is a particularly valuable aspect of the CSP at a time when development initiatives are increasingly focussed on financial sustainability. For the little community contribution that was necessary, poorest community members are often exempt, and can make any payments through labour contributions for project maintenance. For example, in the context of the Godesim micro hydro project, users are expected to pay an annual fee to the maintenance fund according to the number of light bulbs they use. However, those who are unable to pay the fee are given the option of contributing through the provision of labour to maintain the canals. This ensures that poor community members are not excluded from program benefits as a result of financial constraints.

The provision of direct financial support also proves useful with regards to the income generation activities launched amongst conflict affected single women. The provision of capital that was not tied to any lending arrangement facilitated their capacity to invest in small businesses and reduced the risk that they would otherwise have been subject to if they had borrowed money, as Case Study 1 demonstrates.

##### **Case Study 2: Encouragement to conflict affected women**

*A large number of women in Jumla and Mugu lost their husbands during the conflict period. Many such women have no land or assets in their name and have lost their primary income source. Many risk destitution and are reliant on the charity of others. Three women were interviewed in Gamgadhi bazaar, Mugu. All had lost their husbands during the conflict, and were given Rs 25,000 financial support to set up small businesses. One woman purchased a buffalo and sells the milk, while the other two women have set up small shops in the bazaar which earn Rs 50-100 per day. They agreed that if the support had been tied to a loan it would have been difficult to make a profit, and the risk entailed in setting up the business would have been too high.*

#### **4.5 Participation**

Another means through which one can ascertain whether the CSP is reaching out to poor and excluded people is to observe levels of participation in project implementation and planning. Most respondents acknowledged that participation in project planning

and implementation included most people in the village, something which is made easy by the small size and geographical concentration of communities. People from a wide range of socio-economic groups and castes participate in meetings and user committees. Only one community, Kachhe in Mugu was composed of both Dalits and Kshetris. In this case, while 33% of Households are Dalit, 31% of the user committee for both the healthpost and the irrigation system are Dalit, suggesting that participation of Dalits is proportional to their population. However, only 25% of both committees are women. Similarly, for the Patar Khola drinking water system 27% of the user committee is composed of women, and for the Phuli drinking water system it is 33%.

Discussions revealed that as women often lack literacy skills, they have difficulties in participating in the user groups. Nevertheless, there are some encouraging signs. For the Godesim micro hydro, male villagers explained how they had faced many difficulties in encouraging women to participate. However, the idea to participate became more attractive following the success of the project, and women went on to themselves lead a user group to apply to the CSP for smokeless stoves, an intervention which would go on have a positive impact on the lives of women in particular.

| [Better compare with existing system of others and suggest...on the participation...](#)

## **5 How have the CSP initiatives impacted the livelihood of poor and excluded communities?**

### ***5.1 Livelihoods in Jumla and Mugu***

Livelihoods in Jumla and Mugu are highly insecure. Due to the semi-arid climate and poor soil quality, yields of crops are marginal. From Baisak – Kartik, maize, millet, potato, beans and red rice are cultivated. A second harvest of barley can be produced between Kartik and Asad, but this is restricted to lower lying regions. Households usually have food security for around three to four months only from their land. For the remainder of the year, food must be bought with earnings from male migration to India, casual labour in the local bazaar, or portering.

The type of CSP supported project which offer households direct livelihood improvement opportunities are irrigation works, income generation initiatives and some of the humanitarian projects aimed at conflict affected and displaced peoples. However, the focus of CSP funded projects up until now has been on hardware based projects in the sectors of health, education and small rural infrastructure. Table 1 demonstrates that out of the 59 projects operating in Mugu, there are only 7 irrigation projects, 4 income generation schemes and 2 humanitarian projects. Out of the 73 projects in Jumla, there are just 8 irrigation projects, 6 income generation schemes and 1 humanitarian initiative.

Nevertheless, where income generation and irrigation projects have been implemented there is evidence of direct livelihood benefits to communities. Furthermore, projects which are not directly aimed at livelihood improvement offer indirect livelihood benefits to communities.

### ***5.2 Direct Livelihood Opportunities***

Two of the studied projects which were directly aimed at livelihood improvement were the Kachhe irrigation project and the income generation scheme for single women in Gamgadhi. The income generation schemes in Gamgadhi clearly offered an improved livelihood, as was outlined above, and the Kachhe irrigation project significantly increased crop yields. Furthermore, the use of waste water for irrigation in the context of the Phuli drinking water scheme also offered livelihood improvement opportunities by allowing households to establish small kitchen gardens for vegetable production.

Furthermore, in infrastructural projects, poor and excluded people are offered income generation opportunities for the construction of necessary hardware such as canals or buildings. This income directly contributes to their livelihoods during the construction phase of the project.

### ***5.3 Indirect Livelihood Opportunities***

There are also indirect benefits that households achieve, even with regards to projects that are not directly focussed on livelihood improvement. The most notable of these

indirect benefits is that certain projects release more free time, particularly for women. The free time gained not only reduces everyday hardship, but can potentially be used to invest in other productive activities on and off the farm. Some of the indirect benefits of smokeless stoves are outlined in Case Study 1.

### **Case Study 3: Female's now have time**

*Murma is an isolated high elevation kshetri village of 64 households within Rara National Park in Mugu district. In 2004, the CSP introduced smokeless stoves to every household in the village. Prior to the stoves being built, local people suffered numerous respiratory and eye problems as a consequence of the smoke. Since the stoves have been built, aside from improved health from reduced smoke, local women spend significantly less time collecting firewood as stoves are more fuel efficient. The free time can be utilised productively on their farms. Furthermore, less money is spent on soap, lowering household expenditure, and less time is spent cleaning clothes, which needed to be cleaned much more frequently and vigorously when smoke levels were higher!*

Aside from the short term income generation opportunity local people achieve while contributing their labour for the construction of project hardware, it was noted that the skills acquired in construction can be utilised again to earn money elsewhere, such as for construction in the local bazaars. These skills are long term assets which will remain with local people long after the CSP support has been withdrawn.

### **5.3 Knowledge Associated Constraints to Livelihood Improvement**

Although many of the CSP funded projects offer potential for livelihood improvement, there are still constraints which limit rural people's capacity to fully take advantage of the opportunities created. Lack of skills is one of the biggest concerns amongst local people. In many cases, people have the basic hardware, but do not have sufficient skills to utilise it, as Case Study 1 demonstrates.

In villages where projects were not directly aimed at livelihood improvement, local people recognised a need for the CSP now to shift to more livelihood focussed projects. As one villager in Murma explained, "*We have smokeless stoves, but we can not produce food to cook on them.*" They described how they recognise the potential for an improved agricultural income, but need skills to utilise this. For example, they found it frustrating that the large number of army personnel stationed at the National Camp nearby shipped in food by helicopter from Surkhet, when they themselves could be selling them vegetables and other food items. They thought there could be potential to make juice or jam from the local apples, but needed support in getting started on such a project.

Discussions revealed that while villagers could easily identify more obvious basic infrastructural needs such as a new drinking water system or irrigation canal, they were unable to identify potential projects which could improve their livelihoods. The identification of possible interventions for livelihood improvement often requires prior

knowledge of for example, the market situation or the soil capabilities. Such knowledge is often limited in the remote communities of Mugu and Jumla.

#### **Case Study 4: Irrigation brought further ideas**

*Kachhe is a low lying mixed Kshetri and Dalit community just above the banks of the Mugu Karnali river. A CSP funded irrigation canal was built around four years ago. Although still only two harvests are produced, yields are nearly double what they were prior to the canal being built. They have food security now for longer than before which resulted in less migration of males to India. However, they are still producing the same crops they have always been producing, rice, barley, wheat and millet, but with confident and assurance of a reasonable harvest. They would like to be able to diversify, and perhaps sell things in Gamgadhi bazaar, which is only four hours walk away. However, they have few ideas of what potential their land has, and how to produce non-traditional crops. For this they recognise the need for research and technical support.*



### **5.4 Structural Constraints on Livelihood Improvement**

Given the presence of socio-economic inequality within villages, it is always likely that certain groups will benefit more from livelihood related projects than others. For example, in most villages, the land ownership structure is not equal, with landholdings varying from 2-3 ropani to 15-20 ropani in some cases. The benefits of irrigation and agricultural improvement schemes will benefit the farmers with greater holdings of land most. Those with less land require more focussed programs such as livestock rearing assistance alongside the main program if they are to reap equal benefits from the CSP initiatives.

Even public works projects such as drinking water schemes may benefit some community members more than others when it comes to indirect livelihood impacts, as Case Study 1 demonstrates.

### **Case Study 5: Rights of Dalits in drinking water maintained**

Patar Khola is a community in an isolated side valley of the Tila river in Jumla. While the higher caste Thakuri section of the village which is located some distance away had had a water supply system for many years, the lower caste Kami and Damai of the Dalit community did not, and people were compelled to climb 15 minutes to a stream several times a day to collect unsafe water. After the Dalit villagers worked as labourers to construct a CSP funded school in the Thakuri village, they heard about the program. They went on to form a user group and applied to the CSP for a drinking water system.

The drinking water system has improved the health of the villagers and has significantly cut the hours of time spent collecting water each day. The users have heard that neighbouring villages are using the waste water to irrigate kitchen gardens. They would also value such added benefits, but can not as all of the Dalit households are landless. They earn their income only from labour, as well as from metalwork and tailoring. They would appreciate further support from the CSP however in offering them alternative livelihood opportunities. For example, the Damai community have skills in tailoring but do not know how to utilise them in the markets which are developing along the new Karnali highway down the valley. Other villagers mentioned that livestock rearing would offer them an alternative income source.



It is clear from this case that the drinking water system did not have the same added benefits that it would have had if it had been implemented in the Thakuri village. If the CSP continues into a second phase with a focus on livelihood improvement and income generation, it must be aware of such differential livelihood benefits that CSP installed infrastructure offers households, so excluded groups such as the Dalits in Patar Khola can be the recipients of further programs to compensate.

## 6. Different Stakeholders' Views on the CSP

### 6.1 How do poor and excluded communities value CSP initiatives?

Poor and excluded communities valued the CSP as a source of funds for essential projects during the conflict period. Meanwhile, even out with the conflict period they appreciated that the CSP could implement projects that would be beyond the normal budget of the DDC.

One of the aspects of the program most appreciated by poor and excluded communities was the transparency of the project. The display of an information board outlining the project details with a break down of costs seemed to have significantly increased local people's trust in the program. They know how the money is being used for each element of the program, reducing any suspicions of misuse. Most local people in project villages, when asked, had a rough idea of the costing of the program.

On the other hand, many respondents have a significant distrust for the DDC authorities. They claim it is a political tool, and projects are implemented according to the vested interests of the DDC staff. They feel that if one wants to apply to the DDC for project funding, it is difficult if the community in question does not have *aaphno manche* (one's own people) at a high level in the DDC establishment. In three communities, they asked the Nepalganj office to restructure the CSP's modality to work through the DDC. The involvement of the DDC, it was claimed, was one of the weaknesses of the project. Respondents felt uncomfortable that project proposals required approval from the DDC, and it was subsequently requested that proposals should be handled only by the CSP, and not through the DDC.

This collective distrust of the local state is unfortunate at a stage when the CSP is in the process of being transferred to the local government. The mid-term evaluation stresses the increased role that the DDC should play in the CSP. The suggestions of many respondents at a village level however, directly contradict these proposals.

The reasons for this distrust of the local state are difficult to identify without a more in-depth study. However it partially appears to be a consequence of the withdrawal of the local state from rural areas during the conflict. Organisations such as the CSP were the only development agencies working at a grassroots level. Local people, who have been satisfied with the work of such agencies in the absence of a government equivalent, appear to have become over-dependant on external support. The DDC staffs that were spoken to were asked about this problematic issue. They suggest that local people have lost awareness of the importance of the DDC as a core government body for coordinating and carrying out vital development work.

## **6.2 How do local political parties and local government view CSP initiatives?**

### *DDC's View*

The DDC favoured the CSP in particular as it carried out work in every sector, unlike other more targeted development programs. It thus compensated for the weakness of the state in the rural hinterland during the conflict. However, in the changed context, both the LDOs of Sukhet and Jumla acknowledge that the project must eventually be handed over to the DDC. They requested meanwhile that support is extended until the local government can effectively take over development activities. In this period, some of the responsibilities should be transferred to the DDC. They recognise that many local people have become over-reliant on the CSP and are no longer aware that the ultimate responsibility for development work lies with the DDC.

There are a number of particular features of the CSP that the DDC officials value. They value the flexibility of the program and its ability to quickly identify the needs of villages through rural people themselves at the grassroots. They are also impressed by the method of maintaining transparency through the use of information boards. They also value the capacity of the CSP to increase the skills of the local labour force while using local people to construct and operate projects.

They would like to adopt many of these features in the future when the hand over of the CSP is complete, but they stressed that it would take time and they are not yet ready to take over the program. There are a number of means through which the DDC staff feel that DFID can help in achieving an effective transfer of power. They would like more training and capacity building of DDC and VDC staff. They stressed that training VDC staff is particularly important as they have been largely left out of the CSP program as a result of the conflict. The DDC and VDC staff in Surkhet particularly valued the training and workshops offered by the CSP in Rights Based Approach, Public Audit and Social Exclusion. They would like to see such forms of training continued during the second phase of the program.

They also request assistance in some kind of sensitisation workshop at the village level to raise awareness amongst the rural people of the role of the DDC and how it operates, to try to increase trust in the establishment.

Regarding changes to the way the program runs, the DDC staff in both Jumla and Surkhet feel that the application process for projects is a little long, and is something that can be streamlined in the second phase. They suggest shifting the district CSP office to within the DDC premises, and releasing funds directly from the CSP district office or even the DDC themselves, leaving the Nepalgunj office to play a monitoring role only. This would also facilitate the gradual transfer of power from DFID-CSP to the DDC.

### *Political Parties' View*

The views of the political leaders interviewed in Surkhet largely paralleled those of the DDC staff. All four parties commended the CSP as a model program, and valued its transparency, flexibility and capacity to continually provide basic needs during the

People's War, neutral of any side in the conflict. This caused it to win the support of both local people, the local government and the Maoist themselves.

Mirroring the opinions of our respondents at the project sites, the political parties hold a collective distrust for the DDC, although they acknowledge that in the long run the CSP should be transferred. They feel however, that it would take a long time, and stress that responsibilities must not be transferred overnight. All four parties agree that in the coming years following the election there may be a complete overhaul of the bureaucratic system and state restructuring. The program can not be completely transferred until this process is complete.

They agreed that the current modality of the program must remain the same, but it should be gradually transferred with the assistance of DFID to build the capacity of the DDC and VDC authorities. In the process there would be time for the program to adapt to the structural changes which may be made to the state development establishment in the coming years. The political party leaders gave examples of development projects which had been handed over to the local government without a proper phase in period, and had quickly become obsolete. They emphasised that for the long term sustainability of the CSP as a government run program, it must be transferred gradually.

## 7 Suggestions for Future

Based upon the discussions with rural people in the project sites, it is possible to identify certain elements of the program which can be improved or changed if the CSP continues for a second phase. If support is continued until the local government can take over the CSP's responsibilities, the likelihood of the CSP's primary objectives being met will be significantly improved.

- Shift more of the responsibility to the DDC to facilitate the eventual transfer of power. Relocate the CSP office within the DDC premises, and release the funds from the DDC office itself rather than from the Nepalgunj office. The DDC would thus be responsible for giving projects their final approval, making the MOU, and releasing the instalments. This would both speed up the project cycle and would facilitate the eventual transfer of the program to the local government.
- The district CSP staff meanwhile can retain responsibilities for registering proposals, risk assessments, social assessments, public auditing and technical support. The Nepalgunj office meanwhile can retain a monitoring and facilitating role. Both the district and Nepalgunj offices can address the fears of local people by carefully monitoring the use of funds to ensure project selection is neutral, fair and transparent.
- Continue training to DDC and VDC staff in fields such as Social Exclusion, Public Audit and Rights Based Approach. It is important to ensure VDCs participation.
- Facilitate the DDC in setting up workshops and awareness raising at a local level to sensitise people about the role of the DDC and the changed model of CSP project selection.
- Shift the focus of CSP from infrastructural based projects to human development and income generation initiatives, so households can better utilise the infrastructural improvements already made during the 1<sup>st</sup> phase to enhance their livelihoods. Ensure that the different livelihood needs of different socio-economic groups are accounted for while prioritising projects. Coordination with other organisations working on livelihood improvement schemes such as the APP-SP as well as the district agricultural office is necessary.
- Regularly monitor the distribution of CSP funded initiatives. In remote regions where few CSP initiatives are operating, field visits by CSP staff may be necessary to sensitise local people about the opportunities offered by the CSP and to facilitate them in identifying potential projects.
- More regular social assessment visits by CSP staff are necessary following the receipt of a proposal by user groups. This will help to ensure that levels of exclusion can be more effectively identified and will facilitate in the prioritisation of support for projects. It can ensure that all axes of exclusion, namely remoteness, caste, gender and socio-economic status are accounted for.
- Field visits by CSP staff can also help to monitor the patterns of participation and the group dynamics of user committees. Where participation of excluded groups is low, appropriate social mobilisation exercises can be potentially carried out. To ensure project sustainability, visits by staff to project sites some time after their completion can ensure that projects are still operating effectively. If problems exist, appropriate support can be offered.

- Regular sharing of project experiences between CSP staff within and between districts can help to ensure that staff can learn from each other's best practices, and maximise the effectiveness of funded initiatives.
- Continue the CSP until it is more evident what structural changes may be made to the Nepali state in the post CA election context.

## 8. Conclusion

It is clear from the above study that the CSP has been successful in reaching out to poor and excluded people, especially during the conflict time. This success was achieved through offering priority to traditionally excluded groups, a focus on public infrastructure and direct financial assistance, and through its success in achieving high levels of participation. Any future continuation of the program must however ensure that all axes of exclusion are accounted for in project prioritisation, including economic status as well as caste and geographical remoteness.

The CSP has impacted the livelihood of poor and excluded people directly through livelihood enhancing programs such as irrigation schemes. However, other hardware related projects have increased the potential for improved livelihoods through increasing households' free time, saving money, and by offering local people transferable skills through the use of their labour for project construction and implementation. However, lack of knowledge still limits the potential of many infrastructural projects in offering households a more secure livelihood. Furthermore, households with poorer access to productive assets benefit less from such infrastructural projects, and thus require support from more targeted livelihood improvement programs.

Poor and excluded communities themselves value the CSP for its capacity to operate during the conflict time, its tendency to implement projects beyond the normal budget of the DDC, and its transparency. These opinions are however, paralleled by an unhealthy distrust towards the local DDC which must take overall responsibility for the project in the long run.

The DDC and Political parties also value the CSP for its capacity to work during the conflict and its transparency, and would like to see it continue for a second phase. While they would like the program to be transferred to the DDC eventually, they emphasise that it must not happen immediately, and in the meantime they require support and training from DFID to make the transfer a success.

It can thus be suggested that if the CSP continues for a second phase, there should be a changed focus on skill development and income generation. During the second phase, responsibilities for release of funds and final project approval must be delegated to the DDC. In the meantime, capacity building support can be offered by DFID to both VDC and DDC staff. The extra time spent in transferring the program to the DDC will ensure that the program can be modified in accordance with the changes likely to the Nepali state in the new political context. Only this will ensure the long term sustainability of the CSP as an effective state run program.