

Developing Nepal's Country Partnership Strategy 2010–2014 in Progress

While ADB's country strategy and program for 2005–2009 for Nepal is in its final year of implementation, a new strategy for 2010–2014 is being prepared.

To gather inputs to their respective strategies, ADB, the United Kingdom's Department for International Development (DFID), and the World Bank (WB) organized joint consultations with Nepal's stakeholders. Participants discussed where and how ADB, DFID, and WB could be most effective in supporting Nepal's development and what role should the three development institutions play in supporting the new Nepal. Consultations with the Government, civil society, nongovernment organizations, and donors were held in various districts of Nepal and in Kathmandu from October to November 2008.

To gain a better understanding of the Government's plans and priorities and their implications for ADB's future operations,



HARMONIZATION ADB, DFID and World Bank organized consultations with various stakeholders to gather inputs to their respective strategies

the Nepal Resident Mission (NRM) held a 4-day country partnership strategy (CPS) Country Team Retreat on 26–29 January. The vice-chairman of the National Planning Commission and secretaries and key senior officials of nine major

government ministries participated.

The retreat kick-started the internal process of developing ADB's strategy for Nepal for the next 5 years (2010–2014). The ADB staff had a close dialogue with
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ADB Helps Nepal Improve Local Governance, Community-Led Development

ADB is helping Nepal improve local governance and promote community development through a program grant of \$106.3 million. The program is an outcome of active collaboration among the Government, stakeholders, and development partners.

The grant will support the active engagement of communities in local governance and improve resource management and service delivery by local government agencies. The post-conflict Government of Nepal is moving toward a federal form of government, with a 3-year interim plan

(FY2008–2010) calling for decentralization as the main means for good governance.

The program will increase the involvement of women as well as caste, ethnic, and minority groups in local governance. The program will also undertake new ways of monitoring local finances by incorporating gender equality and social inclusion indicators; administering safety nets and social assistance programs to the poorest people; budgeting grants to education, health, and agriculture sectors; and testing coordination with other districts.

The overall program is estimated to cost \$470 million, with the Government contributing \$260.8 million. The rest will come from other development partners, such as the Canadian International Development Agency (which will provide its support through a cofinancing arrangement with ADB), United Kingdom's Department for International Development, Swiss Agency for Development and Cooperation, the governments of Denmark and Norway, and several United Nations agencies—UNDP, UNFPA, UNV, UNICEF, and UNCDF. ■

Sanitation and Safe Water: Changing Lives of Women in Banskhor Village

by Binita Shah Khadka

From being a little girl to being a mother, Gena Kohar's life had been a constant struggle—fetching water everyday, living in a house without a toilet, and drinking unsafe water—until a water supply and sanitation project helped change her life and the lives of other women like her in their village.

Growing up in Banskhor village of Kapilvastu, Gena would spend up to three hours every day, fetching water. To make matters worse, not a single house in her village had a toilet. Unsafe drinking water and lack of sanitation facilities meant rampant water-borne diseases.

In 2003, the Government of Nepal through the Ministry of Physical Planning and Works with assistance from ADB, started the Community Based Water Supply and Sanitation Project. ADB approved a loan of \$24 million for the project on 30 September 2003, and it is now being implemented in 21 districts in Nepal.

The project expanded the coverage of improved water supply and sanitation facilities, especially to the poor and in remote areas, and has helped improve health and hygiene practices related to waterborne and sanitation-related diseases. In Banskhor village, the project installed 15 shallow tube wells. Through a health and hygiene awareness program, residents were motivated to build pit latrines to improve sanitation. Now, 75% of the total households are using their self-constructed latrines.

The results are there for everyone to see. Health and living conditions of the community in Banskhor village have shown significant improvement. The incidence of water-related diseases has dropped. Girls have been suddenly freed up from hours of walking to and from the wells in distant villages and have been able to enter school. Women like Gena and her friends have found more time to engage in activities such as making candles, which are being sold to boost the family income.

The ADB-assisted project has also



HEALTH AND HAPPINESS Gena Kohar explains how the expanded coverage of improved water supply and sanitation facilities has improved health and hygiene practices in her village

helped create the Water Users and Sanitation Committee (WUSC) which now maintains the system. The committee is headed by a woman. Gender equity concerns and social inclusion in terms of participation of *dalits* and ethnic groups have been integrated in the different phases of the project. Starting from the planning phase, the participation of women, *dalits*, and ethnic groups has been ensured in WUSC and in program activities.

The project has also strengthened the participating communities' capacity to plan, cofinance, implement, manage, operate, and maintain improved water supply and sanitation facilities. The project has set up a sanitation revolving fund to provide credit

for construction of individual family latrines and finance sanitation facilities for schools. "The WUSC committee now ensures that the system is self-sustaining, allowing the project to invest in new rural projects," says Kishore Shakya, Project Manager from the Government.

Today, Gena and other women like her are relieved from the heavy chore of fetching water, and now making use of their time productively to augment their family's income. ADB's project in rural Nepal has shown what can be done when the local people and the Government work hand in hand, and most importantly, when women are involved in changing their own lives. ■

ADB Publication

Voices from the Field: On the Road to Inclusion

Voices from the Field: On the Road to Inclusion contains the key responses, concerns, and issues raised by local stakeholders in consultations organized by the Nepal Resident Mission from January to April 2008 in different parts of the country. The consultations were part of the midterm review of the present country partnership strategy 2005-2009. The consultations aimed to gauge local stakeholders' perceptions particularly in light of the changed political situation since the strategy was drawn up in 2004. This publication

presents the sincere and strong voices of the local people who have shared with ADB their views, concerns, and insights into development. Download the English or Nepali version at <http://www.adb.org/Documents/Books/Voices-from-the-Field-II>. ■



New Staff at ADB NRM



Yubraj Acharya joined ADB on 15 October 2008 as Economics Officer. Mr. Acharya completed his Master's degree in Public Administration, with International Development concentration, from the Maxwell School, Syracuse University, New York, and his Bachelor's degree in Economics and Public Policy from Swarthmore College, Pennsylvania, USA. He previously worked as an economist at Moody's Economy.com, also in Pennsylvania, USA. ■



Raj Kumar Pandey joined ADB as an Administrative Assistant on 1 October 2008. He started his career in 1990 with Save the Children Norway. He has also worked for Strengthening the Office of the Prime Minister and Council of Ministers Project, Himalaya Broadcasting Company Radio Station, United Nations Population Fund, Country Technical Services Team for South and West Asia, and Japan Medical Association-funded School and Community Health Project. Before joining ADB, he worked with the Japan International Cooperation Agency, Nepal Office as Administrative Support Officer. He holds Master's degrees in Business Studies and Rural Development. ■

South Asia Can Weather Economic Crisis, Says New Study

South Asian countries can weather the global financial crisis by taking both short- and long-term measures to stimulate their economies, says a new study commissioned by ADB.

The study titled *The Impact of the Global Economic Slowdown on South Asia* notes that the subregion has been hit by capital outflows and weaker commodity prices, and faces a sharp slowdown in exports and remittances as the global troubles worsen. Short-term measures have been taken to cushion the impact of the crisis, including monetary easing and fiscal stimulus packages. The study says Nepal is a small economy and

has relatively low exposure to the global economy. These exposures are limited to remittances, tourism, and exports. The financial sector has been relatively insulated but negative sentiments have floated in. A contagion effect from India's slowing demand could also be a reason for concern.

It adds that governments could consider incentives to encourage overseas workers to remit money home, such as special savings instruments, and they should also discuss currency swap arrangements and other measures to keep their financial systems stable.

In the longer term, South Asian countries need to reduce their fiscal

deficits, diversify their economies, step up infrastructure investment and boost intraregional trade to take up the slack of lower demand from G7 nations, the study says. ■

Developing Nepal's Country Partnership Strategy

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the sector ministries and gained a better understanding of the Government's plans and priorities and their implications for ADB's future strategy and operations. Consultations were also held with DFID, WB, and United Nations about their plans in the coming years. Constituent Assembly members presented their views in some of the sessions. Nepal's political and economic analysts also presented the emerging political scenario and the country's economy, respectively. ■



COUNTRY TEAM RETREAT ADB is developing a country-driven, results-oriented, and inclusive country partnership strategy for Nepal

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Nepal Resident Mission Events

13–14 November 2008, Nepal Portfolio Performance Review (NPPR). ADB, the Government of Nepal, Department for International Development, Japan International Cooperation Agency, and World Bank conducted the review with the theme Improving Country Systems for Improved Portfolio Performance. The discussions on building country system encompassed five major areas: results-based management, public financial management, public procurement management, monitoring and evaluation system, and aid effectiveness and donor harmonization.

17–21 November 2008, Media Tour to ADB-Assisted Projects. NRM organized a press tour for journalists to ADB-assisted project sites of Community-based Water Supply and Sanitation Sector in Kapilbastu, Community Livestock Development in Nawalparasi, and Urban and Environment Improvement and Community Ground Water Irrigation Sector in Chitwan. The trip aimed to inform the media about the issues and progress of projects assisted by ADB. Nepal Television, Kantipur, Newsfront, The Rising Nepal, Annapurna Post, and Artha Ko Artha (NTV) participated in the press tour.

8 December 2008, Public Communications Policy (PCP) Awareness Raising Workshop. Delphine Roch, ADB Public Information and Disclosure Specialist, conducted the workshop for project managers, directors, civil society organizations, and NRM staff. For more information on PCP, visit <http://www.adb.org/Documents/Policies/PCP/>.

5 February 2009, Interaction with Media. Barry J. Hitchcock, NRM's Country Director, reviewed ADB's activities in the



FIRST HAND INFORMATION A team of national media visits ADB-assisted projects



ADO OVERVIEW ADB launches the Asian Development Outlook 2009 in Kathmandu

country in 2008 and discussed development issues with the media at a press event. NRM's publication, *Voices from the Field: On the Road to Inclusion*, was also launched.

6 February 2009, Interaction with NGOs. NRM Country Director Barry J.

Hitchcock, met with NGOs to review ADB's activities in 2008. More than 12 NGOs from different sectors attended. While the NGOs appreciated ADB inviting them for this interaction and the exchange of information and views, they also said that they would want to be more actively engaged in ADB's activities at the implementation level. Mr. Hitchcock expressed his commitment to take into consideration the issues and concerns raised as ADB prepares a new Country Partnership Strategy for 2010–2014.

31 March 2009, ADO Launch. More than 40 representatives from the media attended a press conference at the NRM during the launching of ADB's flagship publication, the Asian Development Outlook (ADO) 2009. NRM Officer-in-Charge and Senior Country Specialist Paolo Spantigati gave an overview and presented highlights from the Nepal chapter, followed by an open forum. ■

NEWS FROM

Nepal

The quarterly newsletter of the Asian Development Bank (ADB) Nepal Resident Mission (NRM) aims to enhance communications between ADB and its client groups. *News from Nepal* disseminates information on ADB activities and provides a forum on development issues in Nepal. Articles in the newsletter, however, do not necessarily reflect the official ADB view. We welcome readers' comments and suggestions.

In this publication, \$ refers to US dollar.

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