

**PRIORITIES AND ACHIEVEMENTS OF
DANISH AID TO NEPAL**

A Thesis

**Submitted to the Department of Economics,
Faculty of Humanities and Social Sciences, Tribhuvan University,
P.N. Campus, Pokhara**

**In the partial fulfillment of the requirements for the Degree of
Master of Arts
In
Economics**

**Submitted by
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LETTER OF RECOMMENDATION

This thesis entitled *Priorities and Achievement of Danish Aid to Nepal* has been prepared by *Mr. Yuba Raj Kandel* under my guidance and supervision. This thesis is the outcome of his own intensive and independent research work and has been prepared in the form as required by the Department of Economics, P.N Campus, Pokhara. Therefore, I recommend it for examination by the Thesis committee of the degree for Master of Arts in Economics.

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APPROVAL SHEET

We certify that the thesis entitled *Priorities and Achievements of Danish Aid to Nepal* submitted by Yuba Raj Kandel to the Department of Economics, Prithvi Narayan campus, Pokhara, Faculty of Humanities and Social Sciences, Tribhuvan University, in partial fulfillment of the requirements for the degree of Master of Arts in Economics has been found satisfactory in scope and quality. Therefore, we accept this as a part of the said Degree.

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ABSTRACT

This thesis entitled “Priorities and Achievement of Danish Aid to Nepal” has been carried out in partial fulfillment of the Degree of Master in Arts in Economics. It is an explanatory and analyzing type of thesis. The study analyzes the trend of aid Danish aid to Nepal. The study further analyzes priorities and achievements of Danish aid to Nepal. The secondary data are used in the analysis. Data have been collected through annual reports of economics survey related publication. Data are presented in figure tables percentage chart, trend line and diagram.

This era is an era of globalization and open market .Desirably or undesirably foreign aid is not possible to be refused by developing countries .So main issues on foreign aid are priorities and achievements of foreign aid. Effective utilization of aid, absorptive capacity, good governance, setting priorities, achievement, and measurement of achievements, global partnership, addressing and combating for MDGs etc are the issues inside the priorities and achievement of Danish aid to Nepal. It has also enquired the priorities policy area of Danish aid to Nepal. Descriptive research methodology which is based on secondary data analysis is followed .Result is presented in the analytical and descriptive form.

Transformation of commodities and resources from one country to another country for the humanitarian, economic, political utilization and effectiveness of international assistance is more important than foreign aid. There are so many international conferences on the aid effectiveness. Agenda of aid effectiveness are changing in each conference. Utilization is the process of reducing gap between the commitment and disbursement. Mainly, disbursement depends on the absorptive and competitive power of the receiving country. Absorptive capacity depends on incentive, human resource, systematic and procedure of the aid giving and receiving. Effectiveness is the relationship between the intervention and output. Priorities and achievements depend on the relevance of objectives, effective planning, implementation and evaluation of projects. Ownership, alignment, harmonization, mutual accountability of donors and received country predictability, country system, untying aid is ways of accelerating achievements.

Denmark is the Nordic and member of EU country. Denmark has been helping Nepal since 1967. Its assistances are in the field of human right, peace process, education, Bhutanese refugee, small industries, rural energy support etc. Denmark has its own major objectives, strategy and evaluation procedure for assistance to Nepal. Right to a better life is the main objective of Denmark which is focusing on economic growth. Denmark also is coordinating with international society, Government of Nepal, different ministry and local authorities and civil society. Denmark is also following international norms and standards to address the priorities of millennium development goals. Denmark is evaluating priorities and Achievement of Danish aid in the title of relevancy, efficiency impact and sustainability. Denmark has been changing its objectives and enlarging the sectors of aid according the situation and need. Denmark has been giving bilateral and multilateral aid to Nepal periodically. Danish aid has small positive significant impact in Nepalese economy.

TABLE OF CONTENTS

Letter of Recommendation	ii
Approval Sheet	iii
Acknowledgment	iv
List of Acronyms	v
Table of Contents	vi
List of Tables	viii
List of Figures	ix
Abstract	x
CHAPTER I : INTRODUCTION	1-8
1.1 Background of the Study	1
1.2 Statement of the Problem	4
1.3 Objectives of the Study	5
1.4 Significance of the Study	6
1.5 Limitations of the Study	8
1.6 Organization of the Study	8
CHAPTER II : REVIEW OF THE LITERATURE	9-24
2.1 Theoretical Review	9
2.1.1 Causes of Aid flow in Nepal	11
2.1.2 History of Foreign Aid in Nepal	12
2.2 Review of the Literature	14
2.3 Research Gap	24
CHAPTER III : RESEARCH METHDOLOGY	25-26
3.1 Research Design	25
3.2 Study Period	25
3.3 Sources of Data	25
3.4 Presentation and Analysis of Data	25
3.5 Tools of Analysis	26

CHAPTER IV: PRESENTATION AND ANALYSIS OF DATA	27-71
4.1 Objectives of Danish Assistance	30
4.2 Trend of Danish Aid to Nepal	34
4.2.1 Foreign aid commitment and disbursement	37
4.3 Composition of Danish and to Nepal	43
4.3.1 Grant Assistance	43
4.3.2 Loan Assistance	44
4.3.3 Technical Assistance	45
4.4 Area of Danish Aid	47
4.4.1 Education	49
4.4.2 Danish support to energy and Environment sector	50
4.4.3 Human Right and Good Governance Program	52
4.4.4 Denmark support to peace process	55
4.4.5 Small scale Activities and Projects	57
4.4.6 UNNATI - Inclusive Growth Program in Nepal	57
4.4.7 Danida Business Partnership	59
4.4.8 Danish support of Bhutanese Refugee	60
4.4.9 Corruption Control and Transparency	60
4.5 Danish NGOs in Nepal and strategic partners of Danish Aid to Nepal	62
4.6 Major Business Projects under Denmark Assistance in Nepal	63
4.7 Findings of the Study	64
 CHAPTER 5: SUMMARY, CONCLUSION AND SUGGESTIONS	 72-86
5.1 Summary	72
5.2 Conclusion	74
5.3 Suggestions	75

BIBILOGRAPHY

APPENDIXS

LIST OF TABLE

Table		Page
4.1	Trend and pattern of Danish aid to Nepal	34
4.2	Total Danish Aid and GDP of Nepal	36
4.3	Foreign aid commitment and disbursement	38
4.4	Disbursement as a percentage of commitments	38
4.5	Distribution of Danish Aid to Nepal by Major Sector	41
4.6	Region wise distribution of Danish aid to Nepal	42
4.7	Share of Grant and Technical assistance of Danish aid	46
4.8	Priority area of Danish aid.	48

LIST OF FIGURE

Figure		Page
4.1	Trend and pattern of Danish aid to Nepal	35
4.2	Share of Danish aid to GDP of Nepal	37
4.3	Percentage of disbursement as a commitment	39
4.4	Trend of foreign disbursement and commitment of aid	40
4.5	Sector Wise Distribution of Danish Aid to Nepal	41
4.6	Distribution of Danish aid to Nepal	42
4.7	Region wise Distribution of Danish Aid to Nepal	43
4.8	Trend line of danish Grant and Technical assistant	46
4.9	Share of Grant and Technical assistance	47
4.10	Priority area of Danish aid.	48

LIST OF ACRONYMS

AAA	:	Accra Agenda for Action
ADB	:	Asian Development Bank
AEPC	:	Alternative Energy Promotion Centre
APTP	:	Approach Paper to the Thirteen Plans
BPEP	:	Basic Primary Education Program
CBS	:	Center Bureau of Statistics
CRFE	:	Center Renewal Energy Fund
CSO	:	Civil Society Organization
DANIDA	:	Danish International Development Assistance
DKK	:	Danish Kroner
EASP	:	Energy Assistance Program
EU	:	European Union
FY	:	Fiscal Year
GDP	:	Gross Domestic Product
GESI	:	Gender and Social Inclusion
GON	:	Government of Nepal
HLF	:	High Level Forum
HRGGP	:	Human Right and Good Governance Program
ICS	:	Improving Cooking Stoves
IMF	:	International Monetary Fund
INGO	:	International Non-Government Organization
LDCs	:	Least Developed Countries
LGA	:	Local Grant Authority
MDGs	:	Millennium Development Goals
MfDR	:	Management for Development of Result
MOF	:	Ministry of Finance
MRM	:	Monitoring of Result Management
NAG	:	Nepal Aid Group
NGO	:	Non-Government Organization

NHRC	:	National Human Right Commission
NPC	:	National Planning Commission
NPR	:	Nepali Rupees
NRB	:	Nepal Rastra Bank
NRREP	:	National Rural Renewal Energy Program
ODA	:	Official Developments Assistance
OPE	:	Organization of Petroleum Exporting Countries
PID	:	Program Intensive District
RMB	:	Result Base Management
SAARC	:	South Asian Association Regional Cooperation
SESP	:	Secondary Support Program
SSRP	:	School Sector Reform Program
UNDP	:	United Nations Development Program
UNICEF	:	United Nation International Children Emergency Fund
WB	:	World Bank
WHO	:	World Health Organization