

CHAPTER - ONE

INTRODUCTION

1.1 Background

Nepal, among few countries in the world, is a pluralistic country having multi-ethnic, multilingual and multicultural features orchestrated in various tribes, castes and ethnic groups with their own language, culture, faith, tradition etc. Also, the country is rich in physical, socio-cultural and natural diversities. Situated in southeastern part of Asia between two huge nations India and China, the country has diverse ecological regions running from south to north i.e. Terai, Hill and Mountain stretching over 26° 22' to 30° 27' northern latitudes and 80° 4' to 88° 12' east longitudes. It covers the area of 1,47,181 Sq. km with 885 km east-west length and 193 km mean width (CBS, 2011). Its population is 26.5 million (CBS, 2011). Nepal's total population by broad caste/ethnic groups. Nationally the largest broad ethnic group is Hill Janajati, 22.2 percent. Second is the Chhetri caste group at 19.2 percent (Chhetri, Thakuri and Sanyasi combined in Figure 11), Terai Middle Castes (13.8%), Bahun (12.7%), Terai Janajati (8.6%), Hill Dalit (8.1%), Terai Dalit (5.9%) and Muslim (4.4%) in that order (UNFPA, 2017). The per capita income of Nepalese people is \$ 1004 per annum (MoF, 2018). The gap between haves and have not is still increasing.

There are more than one hundred different types of races and castes in Nepal. They have different origins and different cultural backgrounds. Government of Nepal has listed out 59 indigenous ethnic groups all over the country and divided into five categories. Among 59, Magar is one of the many ancient indigenous nationalities and third largest ethnic group of Nepal. The total population of the Magar is 1,877,733 (7.3 percent of the total population) according to the census 2011.

The word poverty is derived from Middle English: from Old French *Poverté*, from Latin *Paupertas*, from *Pauper* means 'poor'. It means the state of being poor or extremely poor (Oxford University, 2003). Poverty means the state of not having

enough money to take care of basic needs such as food, clothing, and housing or a deficiency or lack of something (Encarta, 2008). Poverty means condition of having insufficient resources or income. In its most extreme form, poverty is a lack of basic human needs, such as adequate and nutritious food, clothing, housing, clean water, and health services. Extreme poverty can cause terrible suffering and death, and even modest levels of poverty can prevent people from realizing many of their desires (Corbett, 2007a). Poverty is as old as the human society. It was considered as a sin and had the belief that there was no escaping from it. Alms giving as charitable donations to the poor were and important part of life in Hinduism, Buddhism, Christianity and Islam (Kunwar, 2006).

Nepal is known as one of the poorest country. More than **25.5%** of people are below the poverty line. For eradication of poverty different kinds of program have been implemented. Before knowing the definition of development it is important to know the history of development. The history of planned development in Nepal goes back to 1950s. Tribhuvan Gram Bikash was established for this purpose in 1952. The concept of community development slowly emerged in our society. Shrestha defines community development as socially a village self help program, in which people themselves, through their own village leaders, organizations and institutions are to have the opportunity of working together to improve all aspects of village life. The central and the state government are only to assist the progress. After the political revolution in 1950, the citizen of Nepal got freedom to raise voice for decentralization of rights. Gram Bikash Centres (Village development centers) were established in different places.

The main objectives of these centres was to provide information to people about increasing agriculture products, uplifting their living standards, construction of canal, road, well etc. in their participation. Later, during panchayat system, above mentioned Gram Bikash activities were dismissed. In 1961, according to village panchayat act, 3347 village panchayats were established and small development activities took place under these village panchayats. Technical and financial assistance were provided to these village panchayats. To support these panchayats District Panchayats were established. These processes of decentralization of power continued.

In real sense whatsoever happened before was controlled by the centre or the government. There was less participation of the citizens. So, decentralization was limited to the government policy. After the dawn of democracy suitable environment for decentralization has been created. For the first time the local level institutions got opportunity to involve effectively in development work.

According to PAF report, in order to carry on development work local government has formed two systems. The RMas well as municipality levels and district level in each of Nepal's seventy-seven district. The RM consists of 13 Members. RM formulates and implements village level development plans by its own resources, development grant received by government or NGOs. Municipality has a mayor and a deputy mayor. The municipality formulates town development plans and implements development projects on the basis of their own resources, which is the result of decentralization. DDC consists of 9 to 17 members, Plus a chairman and vice chairman. This body is responsible for the overall development of the district. At the district level, there are three types of public institutional player they are CDO, line agencies and LDO. They are involved in development administration or other internal affairs of the district. This is how the power has been decentralized from national level to district level and then to village level.

Decentralization plays a vital role in development work. "Participatory development requires the implementation of decentralization for decision making and in organizing the implementation of development program." Nepal is one of two countries in the world where life expectancy of males is less than the female, which of females 71,6 years and males 68.8 years. (Population Monograph of Nepal 2014). Female literacy rate in Nepal is 53.1 percent and male is 76.4 percent. (Population Monograph, 2014). In rural areas particularly, Nepali girls and women work for more than boys and men, spending 25 percent to 50 percent more time on household tasks and economic and agricultural activities (Dhakal & Sheikh, 1997).

In fact, women have very strong character in every household. But, it is a bitter truth that woman in Nepal lag behind men in many areas of life (Singh, 1996). Empowerment is one of the central concepts in the development agenda. There is widespread argument that women must be empowered to play an effective part in national development. Defining empowerment is a difficult work. It could be

defined as making women capable of doing things, making women powerful or improving women's lives taken initiatives by themselves.

Poverty is a multi-dimensional and complex problem. The causes of poverty by analyzing different aspects of income and human poverty are not only economic but also social and technological backwardness too. One of the main causes of poverty is low economic growth rate. The stock taking of economic achievement of last three decades shows an average of 4.1 percentage economic growth rate while annual population growth rate was about 1.1 percent. The per capita income growth rate at a very low level could not contribute to mitigate poverty significantly.

The economic growth rate in Nepal is not only very low but its annual variation is also very high. The main reason behind such variation of high degree has been the dependence on agriculture. Still agriculture in Nepal depends on monsoon. Though agriculture productivity has increased, it is increasing at insignificantly low rate. The concentration of poverty is high in rural areas where the main economic base is agriculture. There is no noticeable implement in rural poverty because of low agricultural growth rate and monsoon variation. There is significant contribution of non-agriculture sector in the growth rate of GDP, but its impact is limited to urban areas but it has not affected the rural areas where majority of poor live.

Social discriminations, prevailing due to traditional, social values have derived the opportunity and access for all segments of society to education and development works. There are deprived groups of people where the poverty befalls squarely inhibiting their development of skills and technological knowhow to increase productivity (NPC, 2002).

The failure of past efforts to ameliorate the situation of the lower strata of the society living below the poverty line is well known. With this fact in view, the poverty alleviation fund (PAF) envisages to develop and implement programs that address the issues and problems of the lower rung of the society, by involving the poor and the disadvantaged groups themselves as partners in such efforts.

Poverty Alleviation Fund is a targeted program for poor started from the year 2004 through the issuance of "Poverty Alleviation Fund (PAF) Ordinance 2060"(2003

and subsequently "Poverty Alleviation Act 2063"(2006). PAF is implemented through a 12 Member's Board chaired by the Prime Minister. The major financial support comes from the World Bank. This program was initiated under "Social Fund" concept in order to take poverty alleviation program directly to hard core poor who lie down below poverty level in the country. The goal of PAF is to help the poor, find their way on a sustained path out of poverty and target is to reach specially the poor households below poverty level in a community; thus it is different from a conventional community development of the whole community of a settlement or RM where the risk is to limit the benefits to only relatively elite group of the society.

PAF is aimed to empower the socially excluded and disadvantaged poor households. It provides them the avenues for changing from "dependency" to "independency" and to "interdependent" level in relationship with traditionally dominant elite of the society and thus empower the poor to become part of the mainstream of development.

PAF has followed five principles: namely (a) Targeted to Poor (b) Social Inclusion (c) Demand Driven Approach (d) Transparency and (e) Direct Payment to Community Organization of Poor. PAF is ultimately concerned with socio-economic transformation of the poor. While the short-run objective of PAF is to improve the economic condition of poor households through the income generation activities but in the long-term it aims for transformation of society, where poor could equally find their due share and become full partner in the development process (PAF Annual report, 2063/64).

For the first time PAF began its programs in pilot six districts such as Siraha, Kapilbastu, Pyuthan, Mugu and Darchula in 2004/5. The pilot district has covered mountain, hill and terai regions. PAF doesn't work itself and it works with partner organizations. So, POs facilitation to COs in capacity building, income generation, infrastructure and social mobilization. The pilot districts where programs became very effectively run and achieved targeted results during the visit team of World Bank. After the completion of visit, the team recommended to PAF for extension of its 2nd phase programs in 19 districts and accordingly PAF launched its programs in Humla, Jumla, Dolpa, Jajarkot, Kalikot, Doti, Achham, Dadeldhura, Rukum, Ropla,

Bajhang, Bajura, Sindhuli, Rasuwa, Mahaottari, Dailekh, Baitad, Sarlahi and Rautahat in 2005/6 which is belonging to the category of most deprived districts in Nepal. Now, again programs have launched in 15 Districts since 2008/9. Those third phase program districts are Okhaldhunga, Sindhupalchok, Solukhumbu, Saptari, Bara, Parsa, Udayapur, Bardiya, Salyan, Khotang, Panchthar, Terathum, Taplejung and Dhanusha. Now, PAF has covered 40 districts of Nepal.

All of the PAF's activities (sub-organizations) show that it has changed the targeted people, aspect and various places such as; community development, people's participation, social mobilization, employment opportunities, self-employed, empowerment of women, disable, lower caste children and disadvantage groups. It includes the inclusive community and people without biasness. It has also encouraged local communities in various places. To sum up, it has changed the socio-economic status, socio-cultural change in the rural society of Nepal.

In this context, this study explores the role of PAF changing socio-economic status of Magar community of Manebhanjyang Rural Municipality ward 9 (former Madhavpur Village Development Committee) Okhaldhunga district, province no 1 Nepal.

1.2 Statement of the Problem

Poverty is the main maladies of the Nepalese society. More than 75% people are living in rural areas. People who are in rural areas are living without facilities, extra income source, and infrastructure. Lack of the access or opportunities rural areas are suffering by poverty day by day. On the bases of Economic survey, rural poverty is above 48% in Nepal. It is often reflected in a stage of various causes. Such as; water, sanitation, high population, illiteracy etc. Really, poor men are living rural places and poverty is increasing their rapidly. Its main cause is economic problem.

In this stage Nepal and its people are facing below the poverty line. Lacks of special development policy, day by day increasing population, low economic growth rate are the main causes of coming poverty. Nepal government does for alleviation the poverty but it is less. In few last decades the organization PAF is doing its activities more than 40 districts of Nepal. It has been working as a partner of poor

people in rural places. So, this research is totally based on the impact of PAF for improvement the living standard of Manebhanjyang RM in Okhaldhunga District people. The policy of PAF is very good in the theoretical perspective but in reality higher class community organizations are taking more benefit than lower class community organizations. The main problem is policy gap between rich and poor peoples.

In general, PAF program is supposed to be a good program. But it is not true whether it is good or not based on social survey reports. The first thing we can ask some questions on its sustainability and self-reliance? As the programs time frame has been started since 2066 B. S. and it would be interesting to see if the essence of the program would be sustained by the community after the project terminates. When this program is facilitated by PO to COs. Is the facilitation process of PO appropriated? Can community organization manage and sustain their programs by themselves without any external supports?

PAF has highly encouraged to *Dalit, Janjati*, Poor and women to participate in all programs. COs have sub committee, saving credit, user committee, Drinking water user committee, Community Forestry, Health Committee, Farmers group, support of materials and skill development are the activities operated by themselves with support of POs. Women as well as men are involved in income generation such as livestock farming, adapting innovative technology, farming crops, vegetables, fodder trees and fruit sapling plantation, Non formal education, library use, hotel business, micro enterprises, micro hydro power project, conservation of local resources, mobilizing volunteers and social welfare works.

Members of group taking loan first time and next time on meeting those members only show and refund loan of previous taking and from another colleagues and the end of the meeting again he/she claims to get loan. This is due to illiterate and ignorance. Another matter is that there is a huge amount of budget which is for revolving fund. Most of the members in COs are illiterate and they cannot manage the account well. Do they keep account and ledger as transparent?

This research was proposed to study at Manebhanjyang RM Ward No; 09Okhaldhunga district in order to assess the overall impact of Poverty Alleviation

Fund Program on local development. So, more specific this study had been concentrated to answer the following questions of the study area:

- What is the socio-economic condition of Magar community in Manebhanjyang RM Ward No 9?
- What is the role of PAF in changing social status of Magar community?
- What is the role of PAF in changing economic status of Magar community?

1.3 Objectives of the Study

The main objectives of this study are to know the socio-economic impact of Poverty Alleviation Fund (PAF) in study area. However, other specific objectives are;

- To analyze the socio-economic condition of Magar community in Manebhanjyang RM Ward No 9.
- To analyze the role of PAF in changing social status of Magar community.
- To examine the role of PAF in changing economic status of Magar community.

1.4 Significance of the Study

This study is important to the actual situation of the area and the people concern. When the program is implemented in some area, it is necessary to monitor, evaluate the program as to know the outcome or impact of the program. By this study, we can know if the program is really helping for people to improve their living stander or it is not of any help them. We could find out the real problems and wants of the people concern.

If the program out come is very good and satisfying, this program could be extent to other RMS/District of Nepal. People from those places would also have the opportunity to enjoy the benefits and can get some sort of development. So, evaluation study of this RM is important and how to benefit from demand driven program being implemented to COs in this RM. From this, we can find out the significant changes in socioeconomic sectors in community level. This indicates that impact of the project become success and sustainability for future.

1.5 Limitations of Study

This study covers only Ward No 9 of Manebhanjyang RM of Okhaldhunga District. This study was very specific like that of case studies. As this study concerned with the sample households, it does not represent the whole representation of PAF, although there are lots of things to include while studying about poverty in local development. This study had been focused on the economic status of people; local developmental activities done by PAF and people's attitude towards PAF following Socio-cultural change in study area.

Hence, the conclusion might not be generalized and claimed to be representative of all the Magar community throughout the country. But, the inferences might be valid to some extent to those areas which have similar geographic, demographic, culture, socio-economic and ecological settings.

1.6 Organization of the Study

The study encompasses six chapters. The first chapter introduces the background: introduction, objectives, importance, limitation and organization of the study. The second chapter describes the literature review. The third chapter introduce with the methodology of research. The fourth chapter deals the study area description including Manebhanjyang RM,Ward No;9. Chapter five deals the analysis and interprets all the data collected from the study area. and last chapter describes summary; conclusion and recommendation.

CHAPTER-TWO

LITERATURE REVIEW

There are many researchers and scholars who have dedicated their time of poverty issues of Nepal. Their efforts to find out the problems and solution are considered valuable contributions in poverty sector. Nonetheless, here only some literatures of scholars and researchers have been reviewed in order to know about the socio-economic impact of PAF program in Manebhanjyang RM Ward No;9 specially on Magar community..

2.1 Concept of Poverty

Poverty has been defined in various ways, and debates about the nature and causes of poverty are going. The concepts and measurements of poverty are linked to the way poverty is perceived and defined. Thus, programs for poverty alleviation are implemented based on the way poverty is defined, measured, and socially constructed. The Third World receives immense foreign aid from western nations, and poverty alleviation programs and projects in developing countries are influenced by the western concept of poverty (Maklund&Goneya, 1990).

Poverty is the deprivation occurring among the people or individual without basic amenities of life. It is the life without freedom of choice and action. There is lack of adequate food, shelter, education and health and income to support the basic minimum needs. It can also be defined as economic, social and psychological deprivation occurring among the people or countries lacking sufficient ownership, control or access to the resources to maintain the minimum standard of living (World Bank, 1990).

Poverty is multidimensional phenomenon. Income poverty is only one feature of the deprivation. Education, health including reproductive health, nutrition, and employment, social and political participation are supplementary elements of the deprivation of capacity and empowerment (Sen, 1999). It is an international agenda so the world's leaders have committed ambitious programs of

social development in the beginning of the twenty-first century. Fighting against poverty has become a common agenda for all. In the last decade, continuous efforts were made for reducing the proportions of people living extreme poverty (Chen and Ravillion, 2001). However, developing countries have slower progress for achieving the reduction of extreme poverty. Poverty is produced by circumstances, not by individuals and it affects human being in all countries with all nationalities. Economic crisis supports in the growth of poverty sector and finally leading to unemployment and social instability.

Poverty is a major problems all around the globe and likely to be an epidemic with very few cures. There are several dimensions, such as educational enrollment and advancement, infant and child mortality reduction and over all longevity, attached with income poverty. Cross-cultural, socio-political conflicts and natural devastations have had a depressing impact on them. Indeed most countries have increased their income inequality with rapid economic development (ESCAP, 2002). The project like Millennium Development Goals (MDG) was introduced for the reduction of poverty (UN, 2001). The MDG set targets for making progress in varied dimensions, which ranges from halving extreme poverty to putting all children into primary school and stemming the spread of infectious diseases all by 2015 (HDR, 2005). A significant progress has made on these issues during last decade but developing countries have slower progress on it and progress in other several issues and macroeconomic growth the real data sets with improved techniques and they concluded that population has a variety of effects on development at both the household and national levels (Birdsall, et al. 2001).

2.2 Poverty in Nepal

Nepal is a mountainous Himalayan country, having population density of 158- persons/square kilometer of area 147,181 km square. Nepal is a multi-ethnic and multi-lingual society. It is predominantly rural with only 14 percent of her population living in urban areas and it is one of the least urbanized countries in the world (Aryal, 2002). The basic amenities of life is highly urban-biased and around 80 percent of all urban household have access to electricity for lighting whereas less than 10 percent rural household enjoying it. Nepal is one of the poorest countries in the world and

the annual per capita income is around US\$1004 (NHDR, 2017). Economy and employment depend heavily on agriculture. Agriculture is the main source of economic activity where more than 80 percent of the nation's labour force involves on it. Over 60 percent of household income comes from agriculture (Chhetry, 2003). Nepal also has five development regions. Each development region is a narrow strip of land stretching from north to south. Each development region includes the three ecological regions. Several development indicators have persistently shown that the Eastern, Central and Western regions are relatively better off than the Mid-western and Far-western development regions (ICIMOD, 1997).

In Nepal poverty incidence profile was not a long history. Initially in 1976/77, National Planning Commission conducted the National Survey on Employment, Income and Consumption. The poverty level has been quantified with the help of minimum subsistence level of income and consumption. About 33 percent populations were below the prescribed poverty lines in 1983 (NPC, 1983). World Bank (WB) conducted a series of poverty survey and reported that 70 percent in 1992 and 53.1 percent in 1997 populations were below the poverty line. Nepal Rastra Bank (NRB) conducted Multiple Household Survey in 1984 and reported that 41.1 percent populations were below the poverty line of which about 43 percent in rural and 39 percent in urban areas (NRB, 1998). In the Ninth Five Years Plan (1997-2002), 42 percent were below the poverty line estimated from Nepal Living Standard Survey 1996 data (CBS, 1996). In Tenth Five Years Plan (2002-2007), 38 percent were living below the nationally prescribed poverty line in 1999. Nepal Living Standard Survey I & II estimated that 18 percent populations were below the poverty line.

Poverty not only affects the elderly, unemployed and homeless people but also it affects the people from all walks of their life. It exists when a particular person is not financially stable or do not have the right sources to stay on their feet. Poverty in Nepal is universally rural characteristic with extensively scattering. The poor people are not poor by their choice. Most of them have been deprived of many of the opportunities that the non-poor have received. Thus poverty is considered as hunger, lack of shelter, being sick and not being able to see a doctor, not being able to go to school and not knowing how to read, not having a job, fear for the future,

losing a child to illness brought about by unclean water, powerlessness, lack of representation and freedom. Poverty is complex problem, which is not solving within short span of time. Cross-cultural, caste/ethnicity, gender, familial status, age, and place of residence are some but not all of the characteristics that enhance the risk of being poor. Existing socio-demographic variables influence the poverty. But our expectation is to reduce poverty to a minimum level and reduce the gap between haves and haves-not.

Chhetry (2005) reported that over 95 percent of total income poor and education poor reside in rural areas, where agriculture is the main source of income and employment. Indeed, agriculture sector remain poor where its per capita GDP growth rate is eight times lower than that of per capita non-agriculture GDP growth rate. A large household size with more children and more illiterate persons in the households is the major socio-demographic characteristics of the poor in Nepal. Due to low economic performance and high population growth rate, a large number of children go to labour markets as wage earners, which results large disparities of educationally poor. Most of the rural dominated regions of the country with the lowest level of human and infrastructure development suffer from the highest incidence of poverty.

2.3 Poverty Alleviation Fund (PAF): An Overview

The Poverty Alleviation Fund Ordinance 2060 has recognized PAF as an autonomous organization with inalienable authority. It is a professional organization sensitive to the poor with its executive office located in Kathmandu. PAF Board is chaired by the Prime Minister. With the Prime Minister as the Chairperson of the PAF Board, the PAF Ordinance reflects the conviction, support and commitment of the highest echelon of Nepal Government to the programs and objectives of the Fund.

The other members of the Board includes Vice-Chairperson of PAF, Secretary from the Secretariat of the National Planning Commission, the Chairpersons of the Federation of District Development Committees; Federation of Village Development Committees; National Women's Commission and National Dalit Commission as ex-officio members, a member of the NGO umbrella organization and two prominent

persons including a women who have contributed to poverty alleviation in the country. The Executive Director of PAF works as the Secretary of the PAF Board.

Table: 2.1 Organizational Structure of the Poverty Alleviation Fund

Even after nearly five decades of planned development, one third of the Nepalese are still in absolute poverty- deprived of basic amenities of life such as food, clothing, shelter, health, education and drinking water. The poor live predominately in rural areas and engage in subsistence agriculture on small plots of low quality land, have limited access to credit, infrastructure, markets and basic social services, often because of remoteness, and rely heavily on seasonal migration and remittance.

Certain castes, ethnic groups, women and those living remote areas are socially excluded and lag seriously behind in terms of income, assets, and most

human development indicators. Nepal can not think of achieving any development goal by, excluding this large population of demand groups.

Poverty Alleviation Fund (PAF) is a targeted program initiative to support the third pillar of the Tenth Plan, which is targeted program. Broad-based and sustainable economic development, social development and good governance have been enunciated as the other three major pillars of the Plan, which is also known as Poverty Reduction Strategy Paper (PRSP).

Justifying the necessity and the rationale of the Fund as a separate entity, in its preamble, the PAF Ordinance 2060 States that “ with the active participation of the poor and marginalized groups of the society, the Fund shall run various poverty alleviation programs and shall provide necessary assistance and funds to organizations involved in similar works.”

The PAF starts with the realization by the government as an ad hoc effort to assist the marginalized groups in the past did not become sufficiently effective, and that government institution face inherent difficulties in allocating limited resources to those who have the least political voice. So the main issues before PAF are:

- i. Reaching out to the poor and excluded communities,
- ii. Plan implement demand driven program to improve access to income generation and community infrastructure for the groups that have been excluded by reasons of gender, ethnicity and caste as well as for the poorest groups in rural communities through their own organizations, and
- iii. Finance directly to community organizations on cost sharing basis to implement and manage their programs by the poor themselves. The main challenge is to empower the poorest people with more resources and bring them into the centre of development (PAF, 2017/18).

Initially, in the Fiscal Year 2061/062, PAF started program implementation in six districts (Siraha, Okhaldhunga, Pyuthan, Darchula, Kapilvastu and Mugu). Based on the experience gained in these six pilot districts, PAF has expanded program coverage to an additional 19 districts from the fiscal year 2062/063. These districts include Achham, Baitadi, Bajhang, Bajura, Dadeldhura, Dailekh, Dolpa, Doti, Humla, Jajarkot, Jumla, Kalikot, Mahottari, Rasuwa, Rautahat, Rolpa, Rukum, Sarlahi, and

Sindhulu, thus covered all 25 districts belonging to the category of most deprived districts in Nepal.

Based on the experience gained in those six pilot districts and remaining nineteen districts of category-C of CBS, from fiscal year 2064/065 BS, PAF has expanded program coverage to an additional 15 districts falling in category –B of the CBS. The new districts include Bardiya, Salyan, Parsa, Bara, Dhading, Sindhupalchowk, Dhanusa, Solukhumbu, Okhaldunga, Khotang, Udayapur, Saptari, Taplejung, Terathum and Panchatar. It is also beginning special program in the RMs bordering with India. Thus in 2064/065 BS, PAF has covered 40 districts.

Besides its regular program districts, PAF has also been working in the districts through innovative Special Window Program to capture innovative initiative of different organizations/communities at different places.

PAF is all set to extend the regular program in other additional 15 districts within this FY 2008/09 to cover 55 districts and poverty pocket programs in remaining 20 districts which are ranked from one to twenty according to CBS ranking based on composite indices. Thus by the turn of 2009/10, PAF will cover all 75 districts of Nepal with its program.

2.4 The Strategy of Poverty Alleviation Fund (PAF)

To implement the program, PAF envisages the following strategies:

- Enable poor people through social mobilization and capacity building to organize and obtain quality basic services in cost-effective and sustainable manner with their direct involvement in identification, planning, designing, executing and managing, operating and maintaining the schemes/program.
- Use Partner Organizations (Pos) to help facilitate poor vulnerable people and their community Groups or Organizations to implement the program components, and they include local bodies, NGOs/ CBOs and private sector organizations.
- Build partnership with various organizations working in its areas of operation at the village, district and national level in order to ensure holistic

development intervention to bring discernible impact on poverty reduction and scaling up the programs in considerably less time.

- Build PAF an independent, autonomous and a professional organization sensitive to the needs and aspirations of the poor, expected to comprise a lean and thin structure with a core professional staff only as act as facilitator.

2.5 Guiding Principles of Poverty Alleviation Fund (PAF)

Six basic guiding principles are followed in the operation of PAF activities.

- i. Targeted to poor: Seeking the prosperity of poor and disadvantaged at the lowest end of economic ladder. The last is the first for PAF. PAF follows bottom-up approach rather than top-down approach.
- ii. Social Inclusion: Seeking the participation of *Dalit, Janajati, Women* and other disadvantaged groups below poverty level.
- iii. Transparency: All the activities of PAF are transparent. Every Community organization displays it activities on a board in their community.
- iv. Demand Driven: Programs are designed based on the needs and demands of the targeted people.
- v. Direct Funding: Funding is made directly in the account of community organization to implement the program. Every CO has opened a back account in the nearest bank office as per the rule of PAF. This provides both empowerment and confidence in them.
- vi. Community Institutional Development: It is regarded as a crux for the sustainability of community organizations. Community institutionalization is exclusively done for the legal identity to the community organizations so that they can self-propel by delivering services to the target poor even after the phase out of PAF intervention. Multi-purpose co-operatives for single function and federation of COs are formed as per communities need.

2.5.1 Social Inclusion

PAF's Social Inclusion Strategy includes:

- i. Targeted Beneficiaries will be poor women, *Dalits* and *Janajatis*,
- ii. At least 80percent of community organization (CO) members are from targeted beneficiaries,
- iii. At least 50percent of CO members are Women,
- iv. The office bearers (chairperson, secretary and treasurer) of COs are from among the *Dalits* and *Janajatis* communities and female members of the CO.

2.5.2 Social Mobilization

The social mobilization process has been taken as one of the key program components of PAF. The objective of the social mobilization is to create awareness among the community (poor women, dalit and janajatis), help them to organize and empower them for decision making so that they can identify and prioritise their needs. It is also expected to build up capacity for preparation, implementation, operation and management of community sub-projects to enhance their livelihood.

Partner organizations help identify the settlements of target communities based on the secondary information available in the district: ethnicity, income level and access to basic service facilities. The consultation is done with concerned stakeholders and key informants. After identification of the settlement, POs facilitate communities for participatory social assessment and well being ranking. Individual households of a settlement are categorized as the hardcore poor, medium poor, poor and non-poor by the communities themselves.

Only hardcore poor, medium poor and poor are organized into community organization (CO) to ensure “poor take decision” for themselves. Community organization (CO) is formed with membership from the defined households during social assessment. At least 80 percent of the CO members are supposed to be poor women, dalits and janajatis. It is also mandatory that 50 per cent members of a CO should be women and key positions (chairman, treasurer and secretary) must be filled by poor women, dalits and /janjatis. Keeping the target communities at the driving seat, it encourages them to take initiatives to improve their livelihoods, particularly organizing them into community organizations.

Such community organizations (COs) are registered in Poverty Alleviation Fund (PAF) and the institution building and capacity building of COs are initiated and it is continued in whole project cycle. All this mobilization is facilitated by partner organization (PO). Community organization with active participation of each member lists problems, interest, needs and aspirations. After seeking necessary and relevant information, community organization identifies and prioritizes community sub-projects based on informed choice and participatory methods.

2.5.3 Monitoring and Evaluation

PAF directly support its target communities with ensured inclusion and increased access by supporting their demand based community infrastructure and income generating sub-projects to improve livelihood. While doing so, it is also adopting participatory regular monitoring system. Target communities are first involved in the monitoring CO sub-projects supported by PAF. Empowering the target community by organizing them into CO is the first milestone of PAF monitoring system as it forms its own monitoring sub-committee at the time of CO formation prior to participatory planning and demand based sub-project preparation. CO is fully responsible for implementation and monitoring including evaluation of the sub-project they have implemented such as public audit.

CO as an autonomous (target community) institution at grass roots level is given full responsibility to plan, implement, monitor and evaluate their sub-projects with collective effort and active participation of its members. Monitoring and evaluation sub-committee of CO is responsible for regular supervision and monitoring of their sub-project implementation progress.

POs carry out periodic monitoring of COs through its board executives and members. They also coordinate with local government bodies (DDC, RM) and organize monitoring field visits by the DDC/ RM in the working area. A quarterly review meeting at district level (DDC) is designed to strengthen and make effective involvement of DDC and other government agencies in coordination with DDC. Portfolio Manger (PM) is directly responsible to monitor and track the progress of all partner organizations working in their respective districts. POs are monitored and tracked against their proposal and ToR, which is the part of the agreement and work

progress based on PO report. PM frequently visit his/her assigned district for monitoring.

In spite of participatory regular monitoring, PAF professionals (ED, Department Heads and other officers) periodically visit field frequently for monitoring purposes, both sectoral and holistically. Such monitoring visits give insight about the sub-projects, sharing experiences, and generate valuable feedback to the management. It helps in strengthening strong linkages between CO/PO and PAF.

2.5.4 Research and Development in PAF

Research and development (R&D) is an inextricable and important part of PAF's mission, providing an analytical basis for programmatic decisions, allowing PAF to learn from its experiences, and share the impact and lessons with different stakeholders. R&D facilitates to/or undertake various research/studies under the guidance of MER division and in cooperation with other units of PAF, enriching organization's overall programs and strategy. The overall objective of the R&D is to provide a foundation for/or conduct various research activities to provide an analytical basis for programmatic decisions in achieving project objectives. It also aims to help in modifying and/or improving the strategies and identifying new programmatic issues, which are to be addressed.

2.5.5 Demand-driven and Direct Funding to Community Proposal

A total of 33,124 community organizations (COs) including CO federations were registered with the PAF (6,500 in Mountain, 14,564 in Hill, and 11,593 in Tarai districts, and 467 in Innovative Window Program (IWP) districts till the end of the reporting year.

Of the total COs registered, PAF has contract agreement with 29,671 COs: 5,823 in Mountain, 13,189 in the Hilly region, 10,272 in Tarai districts, and 388 in IWP districts to carry out the IG and community infrastructures-related subprojects.

The community demanded sub-projects includes agriculture, livestock, cottageindustries, trade and services in income generation category while micro-

irrigation, link road, culvert/bridges, micro-hydro, water supply, sanitation, school and health post buildings falls under community infrastructure category.

The most impressive achievement of PAF programs was made in social inclusion. Of total CO members, 78 percent are female and representation from Dalits, Janajatis and Muslims is 60% in the community organizations. As many as 825,765 CO members have benefitted from the PAF programs against the target of 589,000 and a total of 29,671 COs have made agreements with PAF against the target of 32,000 by the end of project duration.

In FY 2015/16, the achievement in income generation subprojects was far above the target (112%), for infrastructure-related projects 53%, and for innovative subprojects 28%. The overall progress in terms of project was 101% of the target. PAF expenditure was 65.00% against the annual target of Rs 3,568.67mn.

PAF invested Rs 1,286.24 mn in IG activities in FY 2015/16 whereas the cumulative investment in IG was Rs 12,477.14mn during FY 2003-16. The investment in IG increased by 11.49% in FY 2015/16. Similarly, the cumulative investment on community infrastructure was Rs 4,970.60 mn till FY 2014/15. This investment further increased by Rs 455.55mn (9.16%) in FY 2015/16 pushing up cumulative investment on infrastructure to Rs 5,426.15mn. Out of the cumulative investment in IG and infrastructure, 70% went to income generating activities and the remaining 30% to infrastructure-related subprojects.

2.5.6 Reaching Out to Excluded Poor Community

Among the total beneficiary of Community Organizations (COs), (29,671 No), 64 per cent were under hard core poor category (food sufficiency less than 3 months among other criteria fix by community), 26 per cent members falls under medium poor category (food sufficiency more than 3 months but less than 6 months among other criteria set by the community), 9 per cent members falls under poor category (food sufficiency more than 6 months but less than a year among other criteria set by the community) and 1 per cent members falls under marginal non-poor category with food sufficiency for a year. Till the end of the reporting year among the total 825,765 CO member households, the casteethnic share was 27% Dalit, 30% Janajati, 3%

Muslim, 5% Brahmin, 24% Chhetri, with 11% claimed by others. The relative coverage of Dalit by PAF projects is thus higher than the share of Dalit population in the country (approximately 13%). Here again positive discrimination for Dalit is higher.

Similarly, the key position holders in the community organization such as President, Treasurer, Secretary constitutes, 28 per cent Dalit, 30 per cent Janajati, 3 per cent Muslim and 28 per cent Bramhin/Chettri, and 11 per cent other ethnicity. Gender wise, 32 per cent male and 68 per cent are female key position holders in Community Organizations (COs).

During the reporting year, PAF reached out to 89,880 poor HHs organizing them as CO members to carry out activities aimed at improving their livelihood, and by the end of the year, a total of 825,765 CO household members benefited, implying a growth rate by 12.31 percent compared to the previous year.

The word Rural Development is a combination of two words 'Rural' and 'Development'. Rural means a remote or countryside area rather than a town i.e. lack of education, health, and basic infrastructural development area, where Development means, a process of change, changing or becoming larger, stronger or more impressive, successful, or advanced or of causing somebody or something to change in quantity and in quality. In the field of Economics development means growth + change. Growth means per capita income where change refers to the equity in income and distribution. So, rural development refers to the change or growth or advanced in quantity and quality of remote area by economically, socially, politically, culturally, environmentally, and technologically.

2.6 Pillars of Poverty Alleviation Fund (PAF)

Four pillars of PAF are social mobilization, income generation, small community infrastructure development and capacity building (PAF, 20015/16).

2.6.1 Social Mobilization/Empowerment

The target communities, particularly poor women, *Dalits* and *Janajatis* are sensitized, mobilized and encouraged to be organized into community organizations/groups by the Partner Organizations. Rigorous social mobilization process including

participatory social assessment ensures grouping of individual households of a settlement into hardcore poor, medium poor, poor and non-poor. Community organization is formed from among the hard core poor, medium poor and poor households excluding the households from the non-poor category.

2.6.2 Income Generation/Self-Employment

The CO members are encouraged to undertake income generation activities that fetch additional income to improve their livelihoods. Income generation may cover different types of activities based on local potential, interest, confidence and experience of an individual member of a CO. An individual CO member may take up any type of income generation activity-agriculture or non-agriculture-based, such as production enhancement, technology transfer, processing and marketing including service sector, best suited for their operating environment.

2.6.3 Community Infrastructure

PAF promotes access to the target communities by empowering and helping them to develop social and economic community infrastructures. Such infrastructures are implemented, managed and maintained by the beneficiaries themselves. Community infrastructures are linked with target communities livelihood improvement, and include rural roads, trails, mule tracks, culverts, suspension bridges, truss bridges, short distance gravity cable ways, river bed land reclamation, drinking water systems including sanitation, water management- plastic tanks, sprinkler/drip systems, and farmer-managed small irrigation systems, collection centers, rural energy technology and market management infrastructure.

2.6.4 CapacityBuilding

PAF emphasize on capacity building, skill enhancement and empowerment of target communities through trainings, exposure visits and technical assistance to enhance the capacity of communities implement community sub-project in a sustainable manner. It also includes capacity building of Pos, local bodies and micro-finance intermediaries, among others.

2.7 Review of the Current Situation

Poverty

Out of the total population, 21 percent are living below the poverty line in Nepal. Although, absolute poverty has been reduced from 42 percent to 25.5 percent during the period from 1996/97 to 2017/18, the gap has been widened between urban and rural as well as between different geographical regions and groups. During this period, 12 percentage points and rural poverty reduced urban poverty, only by 8 percentage points. Urban poverty was greatly reduced because of increasing urbanization and increasing opportunities in the urban areas of the country. In terms of geographical regions, poverty in the mountain region was reduced by 25 percentage points, while very small change was seen regarding poverty in the hill regions. Similarly, poverty in the Terai region has come down by 13 percentage points. In total, the main reason behind reduction of poverty by 11 percentage points were the faster growth in urbanization, increase in remittances from foreign employment, increase in wage rates in the agriculture sector, increase in employment and wage rates in the non-agricultural sector, and increase in the population of the economically active age group. According to the Nepal Living Standard Survey, among the poor people living below the poverty line, 67 percent were people employed in agriculture and 11 percent agriculture laborers. In this way, 78 percent of the poor were those for whom the agriculture sector is the main stay of employment. The disparity in distribution of poverty could be seen not only based on caste or ethnicity, but also on geographic/regional grounds. Among different castes or ethnicity, 46 percent of *Dalits*, 44 percent of *Janajatis* of Hills, 41 percent of Muslims, 31 percent *Janajatis* of the Terai and 31 percent of other minority groups are living below the poverty line. But 14 percent *Newars*, 18 percent Brahmins, 21 percent of middle level groups of the Terai are living below the poverty line.

Thus, it is clear that there are differences in the level of poverty among the *Janajatis* due to unequal availability of opportunities, access in the national development sectors and an unequal State system. On the one hand, it is a positive sign that per capita poverty has been reduced, but on the other hand, during the

same period the increase in disparities has increased the gap between the poor and the rich in the country. The Gini- coefficient, which indicates the sign of income disparity, has been increased from 0.34 to 0.41. This indicator is bigger in the case of different geographical regions, different caste, and ethnic groups. The main reasons behind the increase in income inequality were the access of limited groups to opportunities, low agriculture wage rate, internal conflict, increase in the number of displaced people, increasing urbanization, increase in foreign employment and remittances.

EMPLOYMENT

The total number of currently employed persons increased from 9463 thousand in 1998/99 to 11779 thousand in 2008. The employment-to-population ratio declined from 84.3 percent in 1998/99 to 81.7 percent in 2008. On the other hand the proportion of paid employees increased slightly from 16.0 percent in 1998/99 to 16.9 percent in 2008. Moreover based on the classification of industry 73.9 percent people work in the agriculture sector and 26.1 percent are engaged in non-agriculture sector. Total time spent at work by persons aged 15 and over has gone up to 517 million hours in 2008 from 413 million hours in 1998/99. Encouragingly, total time spent by children in economic activities has declined from 48 million hours in 1998/99 to 38 million hours in 2008. Among the employed persons, nearly 68 percent worked 40 hours and more, 20 percent 20-39 hours, 11 percent 1-19 hours and an insignificant proportion reported that they did not work in the reference week in 2007/8. While the proportion of the current employed working other hours was: 73, 17, 8 and 2 percent for 40 hours and more, 20-39, 1-19 and zero hours respectively in 1998/99. Among those working less than 40 hours in the reference week, the percentage of people who did not work more hours due to involuntary reasons increased from 15 percent to 21 percent in between 1998/99 and 2008, whereas due to voluntary reasons it decreased from 83 percent to 79 percent during the same period. Substantial increases between the two periods can be observed in average monthly earnings. Monthly average income in cash and kind from paid employment in nominal (current price) terms as compared to the previous survey has increased almost two and half times. The same pattern has also been seen in the

monthly average earnings of males and females as well. However, the discrepancy in earnings between the males (higher) and females (lower) still remains as before.

UNEMPLOYMENT

NLFS I estimated that 178.0 thousand people aged 15 years and above were classified as currently unemployed. This corresponded to an unemployment rate of 1.8 percent. The NLFS-2008 has estimated a total of 252.8 thousand persons aged 15 years and above to be currently unemployed in Nepal, an increase of 42 percent over the decade. The current unemployment rate increased slightly from 1.8 percent in 1998/99 to 2.1 percent in 2008, mainly for females aged 15 years and above (changing from 1.7 percent to 2.0 percent). Urban and rural unemployment rates were unchanged over the decade. The male unemployment rate (2.2 percent) was slightly higher than the female unemployment rate (2.0 percent). The unemployed rate in the urban areas was 7.5 percent and that in the rural areas was just over 1.2 percent. The youth (15-24 years) unemployment rate was 3.5 percent for those aged 15-24 years. The comparable rates for those aged 15-24 years in urban and rural areas were 13.0 percent and 2.1 percent respectively.

2.8 Working Modality of Poverty Alleviation Fund (PAF)

2.8.1 Partnership with POs

District selection is done on the basis of district level poverty monitoring indicators developed by the Central Bureau of Statistics of the National Planning Commission. CBS has categorized all 75 districts of Nepal into three groups, each group consisting of 25 districts, based on value of overall composite indices computed considering 28 relevant socio-economic indicators. PAF works in all 25 districts belonging to Group C-categorized as most deprived districts. RMs prioritization follows the district social assessment and vulnerable community mapping. Prior consultation is done with former District Development Committee and different stakeholders at district level for RM selection.

2.8.2 Selection of District and RM(Former VCDs)

Based on the eligibility criteria, PAF first selects Pos working its working districts. CBOs, NGOs, PSOs, RM, and Municipality are the potential Pos for PAF. PO helps in

social mobilization, facilitation, capacity building and technical assistance to CO. They facilitate COs to identify, plan, design, execute, operate and maintain the community sub-projects. It also provides necessary technical support for successful completion of the sub-project, and carries out monitoring of the sub-projects.

2.8.3 Selection of Households/Settlements

PO is assigned in one or more RMs to identify the settlements with higher concentration of PAF's target communities. Participatory social assessment is done at selected settlement. All households of a settlement are categorized into hardcore poor, poor and non-poor based on participatory well-being ranking.

2.8.4 Community Organization (CO)

CO is formed with membership from the defined household during social assessment. Only hardcore poor, middle poor and poor are organized into CO to ensure "poor take decision" for them. At least, 80 percent of the CO members are to be poor women, *Dalits* and *Janajati*. It is also mandatory that 50 percent members of a CO should be women, and key position-chairman, treasurer and secretary- must be fulfilled by poor women, *Dalits* and *Janajati*.

2.8.5 Community Sub-Project Preparation and Funding

CO with active participation of each member enlists problems, interest, needs and aspiration. After acquiring necessary and relevant information, CO identifies prioritized community sub-projects based on informed choice through a participatory manner. CO also seeks necessary help and facilitation from PO for technical assistance, particularly in survey, design, market study, pre-feasibility and feasibility studies. Economically, socially and environmentally viable community sub-projects, prepared with participatory Community Action Planning (CAP) process, are selected and developed into the community people.

2.8.6 Community Sub-Project Implementation

CO or beneficiary community is wholly responsible for implementation of an agreed community sub-project. If required, CO revises community action plan and ensures community contribution by developing community contribution plan, purchasing plan and revised implementation schedule.

2.8.7 Monitoring of the Program

Participatory monitoring and supervision is adopted to monitor PAF activities and ensure and valuable implementation of the community sub-projects. PAF monitoring system monitors frequently and periodically at COs, Pos and PAF levels. It adopts participatory planning, monitoring and evaluation system.

2.9 Annual Achievements Against Targets

PAF had set target in relation to its key program mechanism- social mobilization, income generation, community infrastructure activities, capacity building and innovative sub-projects.

In FY 2015/16, the achievement in income generation subprojects was far above the target (112%), for infrastructure-related projects 53%, and for innovative subprojects 28%. The overall progress in terms of project was 101% of the target. PAF expenditure was 65.00% against the annual target of Rs 3,568.67mn.

2.10 Conceptual Framework of Research

This study has a conceptual framework to identify the impact of PAF in social, economic, and cultural sectors as well as income generation opportunities and local development of the study area. The opportunities mainly focused to the PAF program, employment, lifestyle, occupation, farm land, livestock, human resources, and other resources and activities in that area. It has found the existing status and gaps in resources use that are the major research issues. Issues related to the socio-economic, technology, socio-cultural change and equity are the major identified research issues.

After selection of these issues, we have to find out the local developmental activities and income generation of focus areas people. Support of relevant stakeholders to implement it first, then people imitates it themselves. After the PAF program implementation, the condition of Manebhanjyang RM people have increased name, fame and income which denotes a positive socio-cultural change that is called improvement. Below the table shows that the progress activities which PAF had done in the study area.

Table: 2.2 Framework of the Study

| | |
|--|--|
| | Socio-cultural Measurements <ul style="list-style-type: none">) Level of awareness/empowerment) Discrimination status) Social participation) Social mobilization |
| | Economic Measurements <ul style="list-style-type: none">) Employment status) Income generation) Daily expenditure |
| | Others Measurements <ul style="list-style-type: none">) Capacity development) Infrastructure development |

CHAPTER-THREE

RESEARCH METHODOLOGY

3.1 Research Design

This study is based on descriptive as well as exploratory research designs. Descriptive research design has been used to gather round qualitative information about the research area and exploratory design is used for collecting information about respondent's views and ideas about the programs, their problems, their participation etc.

3.1.1 Rationale of the Selection to Study Area

The study an impact of PAF program in Manebhanjyang RM, Okhaldhunga District is very important because how many community organizations are formed there and how they are working in the community and what types of knowledge, attitude and behaviour change in development. This RM is near by District Headquarter Okhaldhunga Bazaar. There is a PAF partner organization i.e Shayogi Haat haruko Samuha (SAHASA) NepaL, Gramin Bikash Manch (FORD) Nepal,working in Manebhanjyang RM. Different types of income generation, infrastructure, social mobilization and capacity building programs and target members of community organizations are benefited from the programs. The study explores the activities done by PAF and the impact of PAF in local communities, which provides us a reliable representation to other parts of the country and the recommendation made by the study, had been applicable to other areas as well.

3.2 Sampling Procedure

The sampling universe is the total number of COs of ManebhanjyangRM ward no 9. The members of COs from this RM had been selected randomly by lottery in this study. Members of COs meeting in which interviews are practiced by Research teams. Similarly, observation of community in personal hygiene, vegetable farming, animal husbandry, kirana shop, entrepreneurship, hotel business, bee keeping, tailoring, leadership, gender participation, enrollment of children, fruit cultivation, revolving fund management, regular meeting, saving and credit status, management of leaders, group composition of dalit, janjati, hard core poor and women, bank bearers, use of toilet, fruit trees growing, environmental sanitation, gender equity, practice of food habit and kitchen garden etc are a must for observation in visit communities.

A total 50 respondents where as 35 members from 6 COs and 5 from a tem staff from SAHAS Nepal. Similarly 17 household have been taken for observation within Magar community were for enumeration and observation.

3.3 Nature of Data

This study is based on primary data inducting cross section information of Magar community respondents of Manebhanjyang RM ward NO. 9. Purposive Sampling technique has been employed for the selection of COs and random sample was employed for the selection of respondent the studypopulation.

3.4 Sources of Data Collection

These study goals to explore the main role of socio-cultural change, socio-economic impact of PAFand related groups in Manebhanjyang RM ward No. 9. Thus, the cross section data was collected from the user group's households. Similarly, the secondary data were used for the deep study which was collected from published or unpublished written documents from individuals, experts and organization related to poverty.

3.5 Data Collection Techniques and Tools

On the data collection tools and techniques are important. The collection of cross section information and data had been collected through the semi-structured questionnaire, semi or unstructured interviews; and observation as well as focus group discussion methods.

3.5.1 Household Survey

Semi-structured questionnaire had been prepared to generate the realistic and actual data from household's survey of the affected households. The respondents have requested to fill up the questionnaire. In addition to the questionnaire administration, the following tools and techniques had been used to collect data and current information during the course of this study. The house hold survey is annex I

3.5.2 Key Informant Interview

Data had been collected from key informants using the interview guide with semi or unstructured questions. The interview had been taken as cross checking for data obtained from questionnaire.

The informant had been interviewed on the impact of community forestry on local activities, like development, living standard, income of user groups. In this process information had been taken from 10 PAF members, Local people, Politician, RM Secretary, Chairperson of user groups, Local teachers, and Social workers and so on.

3.5.3 Field Visit Observation

Fifty persons which were selected by purposive sampling had been visited and socio-economic change and impact of PAF activities had been observed in various sectors with the help of observation guide. And it has been recorded in file. This was very useful to know that what was recently happening in the study area. It also helped to prove the Quotations made by the respondents during interview schedule.

3.5.4 Focus Group Discussion

Three focus group discussion had been located in the ward no 9 of RM with active participation of Magar community man, women, Children, Youths and Old persons using checklist. The discussion was started focusing the poverty related organizations activities in local area and its impact on developmental activities and on more issues.

3.6 Data Analysis and Interpretation

After concluding interview schedule from field observation collection of data had been preceded. Various computer programs had been taken and simple statistical tools like; table, graphs, etc has been used for data analysis. In this stage, descriptive methods were used for qualitative data. The data has been presented on the tables and graphs/ figures according to the study. And also maps and photographs have been presented wherever they are useful.

3.7 Glossary

3.7.1 Literacy Rate

Literacy rate is a key and enabling basic learning needs. But basic learning needs go for beyond basic literacy and numeric. They comprise knowledge, information, skills, values and attitudes necessary for personal, family and community awareness and development.

3.7.2 People's Participation

Peoples participation refers to the active participation of all the user and Volunteers in all Phases of Community planning, Reporting and hard work. That means they can do Identification of resource to the benefit sharing as well as monitoring and evaluation of the program.

3.7.3 Constitution

Constitution refers in the study is as constitution of Groups which registration in PAF for legalization.

3.7.4 User Committee

User Committee is an executive committee such as Drinking water, forestry and Health Committee where members are selected by community on the basis of CO.

3.7.5 Education

It is a kind of education which is used especially for a adult of that course is upto 3 years they are all motivated to do functional activities and awareness raising on different activities.

3.7.6 Sanitation

To increase awareness raising, build and use of toilet for control the disease transmission from one place to another.

3.7.7 Revolving Fund

It is saving fund of community provided Grants by PAF to COs for Income generation sub projects which can be mobilized as loan in target members on reasonable interest

3.7.8 Target Groups

That is well defined as *Dalit, Janjati*, Poor and Women. A prioritized as well as disadvantaged member of community and need to improve their economic status through introducing Holistic approaches.

3.7.9 Partner Organization

The potential NGOs/INGOS/GOs/Private Sectors which can be worked with PAF for the poverty alleviation of target community.

3.7.10 Community Organization

The organization registered with PAF to be eligible for launch of sub projects in the community. The norms are at least 80% of poor, 50% Female and Office bearers i.e. Chairperson, Treasure and Secretary from female of *Magar*.

CHAPTER-FOUR

DESCRIPTION OF THE STUDY AREA

4. General Introduction of Okhaldhunga District

Okhaldhunga District, a district of Province No. 1, is one of the seventy-seven districts of Nepal. The district, with Okhaldhung as its district headquarters, covers an area of 1074 square km and has a population (2011) of 1,47,984.

4.1 Location

Okhaldhunga is one of the hilly districts in Province No. 1 of Nepal. It borders Solukhumbu in the north, Udayapur and Sindhuli districts in the south, Ramechhap in the west and Khotang in the east.

4.2 Administration

The district is divided into 7 Rural Municipality (RMs) and 1 Municipality, namely Manebhangyang, Sunkoshi, Champadevi, Likhu, Khijidemwa, Molung and Chisankhugadi and Siddhicharan respectively.

4.3 Development

Okhaldhunga is one of the less developed districts of the country. Almost all the villages and towns are not linked by roads. There are less schools in the district. There is also tele-communication, roads and a hospital. Its overall composite index is 56 rank.

4.4 Demography

Okhaldhunga is home to many indigenous ethnic nationalities such as the *Newar*, *Tamang*, *Magar*, *Sunuwar*, *Kami*, *Sarki*, *Majhi*, *Sherpa*, *Damai*, and *Gharti*. The population of Brahmin Hill and Chhetri percent is high than other casts

Okhaldhunga is diverse and rich in culture and traditions due to the influences of its different tribes. All the tribes/ethnic groups have their own languages, customs and traditions, and they celebrate their festivals every year.

4.5 Climate and Geography

Okhaldhunga receives an average 2930.4 mm of rainfall a year, and mostly during the monsoon season in the summer and its hilly northern area receives more rainfall than the south. Its major rivers, like the *Molung, Sisnekhola, Likhu River, Sunkosi River, Dudhakoshi, and Lipekhola River* etc provide water for irrigation. Besides cereal crops like rice, crown, and wheat, it is also one of the largest producers of tomato, mango, soybean, banana and other cash crops. The following table shows that the topographical distribution of land.

Okhaldhunga also has vast areas of forests; there were 348 numbers of forest user groups. As well as there were 364 academic institutions including Pre-Primary, Primary, L. Secondary and Secondary.

4.6 Introduction of Manebhanjyang RM, Ward 9

Manebhanjyang is a Rural Municipality Okhaldhunga District in the Province no. 1 of Eastern Nepal. At the time of the 2011 Nepal census it had a population of 2,467 people residing in 500 individual households.

This area is geographically very inaccessible, there are no telephone, electricity facilities. In this Ward, only sub-health post, post office and schools. So, health, sanitation and employment opportunities are very poor. After the emergence of PAF program, the developmental activities are rapidly rising in the Ward. Extension of electricity, road, income generation activities, self-independent, cultural change and irrigation facilities are some of the main works of PAF in this Ward.

The main ethnic groups residing in this RM are *Magar, Tamang, Gharti, Newar*, etc. Among *Dalit* there are many categories such as *Damai, Kami, Biswakarma, Sarki*, etc. The table-2.8 below shows the current Okhaldhunga RM's statistics like, total population, literacy rate, and telephone or electricity status clearly.

Table: 4.1 Manebhanjyang RM, Ward No; 9 Statistics

| Total Population | T.N. of HHs | Male | Female | Literacy % |
|------------------|-------------|------|--------|------------|
| 2467 | 500 | 1108 | 1359 | 47.4 |

Source: District Profile of Nepal-2016/17.

4.7 Description of PAF in Study Area

Sahayogi Haat Haruko Samuha (SAHAS) Nepal, a partner organization (PO) which was established or started its work from 2061 BS. According to the program nature and contract, program should be completed within five years. The main role of PO's is given below.

- i. Identification of target, RM, Ward, Settlement and member.
- ii. Sensitization to community.
- iii. Process facilitation of the social analysis.
- iv. Capacity building/social mobilization after formation community organization.

PAF started its program after Fiscal Year 2061/062 in six districts (Siraha, Okhaldhunga, Pyuthan, Darchula, Kapilvastu and Mugu) aiming to enable poor women, *Dalit*, *Janajati*, and vulnerable groups to gain access to resources for their productive self-employment, to encourage them to undertake income generating activities for poverty alleviation and improved quality of life. There are five community development organizations under the poverty alleviation fund program namely; *Milijuli*, *Kopila*, *Makhamali*, *Rachana* and *Babari*. In these organizations, there are above 115 total families are engaging.

The support of various organizations, PAF became popular in ManebhanjyangRM. After the emergence of this branch, it helped the two or more local institutions/organizations for the development of that area. Using the national objectives, it launched the various community development or human development activities in this area such as income generating activities, social mobilization, capacity building, and infrastructure development for the reduction the mass poverty. In short period, various programs have launched and get extreme support from the local people. In this Manebhanjyang RM it had changed the traditional style

of development and made people self-dependent. In this study area PAF had done the following activities.

-) Transform the traditional irrigation system
-) Self dependent for Disable, women and marginalized people
-) Transport and Communication facilities
-) It ended the selfness
-) It provided the awareness for local poor
-) Roads for transport
-) It had supported the alternative energy
-) Changed the traditional agriculture system
-) Helped to establish Poultry form
-) Forest management
-) Drinking water
-) Entrepreneur Loan / Agriculture Loan
-) Livestock farming etc.

4.8 Attractions and Sites

Okhaldhunga also has several religious and historical sites of great importance like *Pokali Jharana, ChampadeviMandir, Demwa Dada, Chisankhugadi, Narmadwshore Mahadev mandir, KakaniMandir, BhairabiMandir* and *BhimsenMandir*. There is also the historical fort of Okhaldhunga which gave its name to Okhaldhunga. Other sites too have their own religious and historical values.

4.9 Agriculture and Industry

Okhaldhunga is also famous for micro credit development. There are Small Farmer, Saving and Credit, Multipurpose and Agriculture co-operative which was registered in local administration. The Rastra Banijya Bank was the first financial institution. In Okhaldhunga there are one branches of Rastra Banijya Bank. The table shows total population, total households, male, female and literacy rate.

Table: 4.2 Population Status in Okhaldhunga District

| Total Population | Male | Female | Sex Ratio | Total HHs | Average HHs | Literacy Rate % | Population Density Per |
|------------------|------|--------|-----------|-----------|-------------|-----------------|------------------------|
| | | | | | | | |

| | | | | | | | |
|----------|--------|--------|-------|--------|------|------|----------------|
| | | | | | | | Sq. Km. |
| 1,47,984 | 68,687 | 79,297 | 86.62 | 32,502 | 4.55 | 64.4 | 137 |

Source: CBS-2011

CHAPTER-FIVE

DATA ANALYSIS AND INTERPRETATION

5.1 Socio-Economic Condition of Manebhanjyang RM

This chapter begins the information like caste/ethnicity, family size composition, gender, occupation, educational status, age sex structure, land holding and animal husbandry of the study.

5.1.1 Caste/Ethnic Composition

There were diverse of ethnic representation. There was *Bramhin/Chhetri, Newar, Gharti, Tamang, Dalit and others etc.* But this study is related with only Magar .

5.1.2 Occupation

Generally Nepalese rural people are always holding the rural sources like agriculture, livestock etc. The main occupation of the total sampled households was almost agriculture and all of them worked as farmer in the field. On the other hand, non-farming occupations like wage worker, service, and other profession were also there but it was very low than agriculture occupation. This study shows that most of households are involved in agriculture 80 percent, and others are 20 percent. The table-5.1 below shows the occupational division of sampled households.

Table: 5.1 Sampled Households Occupational Distributions

| Occupation | No. of HHs | Percentage |
|------------|------------|------------|
|------------|------------|------------|

| | | |
|-------------|----|-----|
| Agriculture | 40 | 80 |
| Others | 10 | 20 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.1.3 Family Size

Family unit size of the sampled HHs was found from 2 to 11 members. The members between 1-3 represented over 30 percent, the member between 3-5 represented over 28 percent, 5-7 represented over 18 percent, 7-9 represented over 16 percent and 9-above represented 8 percent. The table-5.3 below shows the family unit size in orderly.

Table: 5.2 Family Members Distributions

| Family Size | No. of HHs | Percentage |
|-------------|------------|------------|
| 1-3 | 15 | 30 |
| 3-5 | 14 | 28 |
| 5-7 | 9 | 18 |
| 7-9 | 8 | 16 |
| 9-above | 4 | 8 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.1.4 Age-Sex Composition

The respondents of the sample area were diverse in term of caste/ethnic groups, sex, users and different age group. The total population of sampled HHs was 50, among them 24 were Female and 26 were Male. The table-5.4 below has illustrated age and sex composition of the sampled households. The study shows that population of male and female was little less. The age group in between 10-19 and 30-39 had dominated the total population, which covered 42 percent of the people

and among them over 48 percent were female. There was only one woman who had crossed over 70 years.

Table: 5.3 Age-Sex Composition of Sampled HHs

| Age group | Total PN. | Male | Female | Total Percentage |
|-----------|-----------|------|--------|------------------|
| 0-4 | 2 | 2 | 0 | 4 |
| 5-9 | 2 | 0 | 2 | 4 |
| 10-19 | 3 | 1 | 2 | 6 |
| 20-29 | 8 | 3 | 5 | 16 |
| 30-39 | 13 | 8 | 5 | 26 |
| 40-49 | 7 | 4 | 3 | 14 |
| 50-59 | 6 | 2 | 4 | 12 |
| 60-69 | 7 | 5 | 1 | 14 |
| 70- Above | 2 | 1 | 1 | 4 |
| Total | 50 | 26 | 24 | 100 |

Source: Field Survey, 2019.

5.1.5 Educational Status

Out of total respondents, majority of respondents 14 percent had lower secondary level education. The study shows that 10 percent were educated up to SLC level followed by only literate 40 percent and SLC 8 percent. But 18 percent respondents were illiterate. The study also shows that the average literacy rate per sampled HHs was 40 percent. The table -5.5 below illustrates the literacy pattern of sampled households of the study area.

Table: 5.4 Educational Statuses of Family Members

| Level | No. | Male | Female | Percentage |
|--------------|-----|------|--------|------------|
| I.A above | 4 | 5 | 2 | 8 |
| S.L.C. | 5 | 6 | 4 | 10 |
| L. Secondary | 7 | 4 | 4 | 14 |
| Primary | 5 | 2 | 4 | 10 |
| Literate | 20 | 6 | 3 | 40 |
| Illiterate | 9 | 1 | 2 | 18 |
| Total | 50 | 31 | 19 | 100 |

Source: Field Survey, 2019.

5.1.6 Type of House

The study area is located in rural place. Out of the total sampled households, 66 percent had got *Kachhi* house made by mud and wood and 34 percent had got *Pakki* (Cemented) house. The house model of sampled HHs has been shown in the table-5.6 below.

Table: 5.5 House Patterns of Sampled Households

| Level | No. of HHs | Percentage |
|--------|------------|------------|
| Kachhi | 33 | 66 |
| Pakki | 12 | 34 |
| Total | 45 | 100 |

Source: Field Survey, 2019.

5.1.7 Agricultural Land Holding

The study found out that the maximum agricultural land holding of the sampled households was above 11 *Ropani* and minimum was less than 1 *Ropani*. Out of the total households, the average agricultural land holding was 4 percent has got above

11 *Ropani*; over 44 percent has got 1-3 *Ropani*, 28 percent has got 1-3 *Ropani*. The table-5.7 below illustrates the agricultural land holding of the sampled households.

Table: 5.6 Agricultural Land Holding

| Agricultural Holding HHs | No. of HHs | Percentage |
|---------------------------------|-------------------|-------------------|
| Less than 1 <i>Ropani</i> | 14 | 28 |
| 1-3 | 20 | 44 |
| 4-6 | 6 | 12 |
| 7-9 | 3 | 6 |
| 9-Above | 2 | 6 |
| Total | 45 | 100 |

Source: Field Survey, 2019.

5.1.8 Animal Husbandry

In rural area, animal husbandry is an important productive asset. Thus, most of the sampled HHs in the study area raised animal husbandry. Among them 62 percent HHs had raised livestock only, Poultry 18 percent, 16 percent had raised both livestock and poultry and over 4 percent had none. The following table-5.8 describes the current status of animal husbandry.

Table: 5.7 Animal Husbandry

| Animal | No. of HHs | Percentage |
|-------------------|-------------------|-------------------|
| Livestock | 31 | 62 |
| Poultry | 9 | 18 |
| Livestock-Poultry | 8 | 16 |
| No any | 2 | 4 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.1.9 Food Sufficiency

The main agriculture production in the study area was rice, potato, crown, maize and vegetables etc. Among the sampled HHs 42 percent was found to be completely dependent in agriculture and had sufficient production for their livelihood. Many of the HHs 18 percent survives only for 3 months from their agriculture production. The following table-5.9 shows the food sufficiency pattern of sampled households.

Table: 5.8 Food Sufficiency

| Food Sufficiency months | No. of HHs | Percentage |
|-------------------------|------------|------------|
| Three-Six | 9 | 18 |
| Six-Nine | 16 | 32 |
| Nine-Twelve | 21 | 42 |
| Above- | 4 | 8 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.2. Role of PAF in Changing Social Status

5.2.1 Education and Schools for Disadvantage Disable and Marginalized Group

Now the target group has been aware to enroll their children in school. The importance of education is known by target community. They have access of school for their children. Most of the respondents are illiterate. The following table 5.10 shows that the access of education in the study area orderly; Male 56 percent and Female were 44 percent respectively. It shows that the level of awareness Male are higher than the Female.

Table: 5.9 Access of Education

| Group | No. of HHs | Percentage |
|-------|------------|------------|
| male | 28 | 56 |

| | | |
|--------|----|-----|
| female | 22 | 44 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.2.2 End of Social Maladies

Before entering the PAF program in that RM, some of the people were playing cards, gambling and disintegration in participation. Now those things have been completely stopped and community organization has their revolving fund and use in their own purposes with reasonable rate of interest. Below the table 5.11 deals about the status of the social maladies clearly where trafficking is higher than the other sectors.

Table: 5.10 Social Maladies

| Sectors | No. of HHs | Percentage |
|-------------|------------|------------|
| Quarrelling | 8 | 16 |
| Trafficking | 18 | 36 |
| Violence | 16 | 32 |
| Others | 8 | 16 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.2.3. Establishment of Social Control

It is practiced by the members of community organization and social integration has been set up. If there is something wrong, they decide the significant decision in the community. Thus, there is changed their attitudes for the social welfare. Table 5.11 shows the attitude level of the study area where positive 84 percent and negative attitude is 16 percent respectively.

Table: 5.11 Establishment of Social Control

| Attitude Level | No. of HHs | Percentage |
|-----------------------|-------------------|-------------------|
| Positive | 42 | 84 |
| Negative | 8 | 16 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.2.4. Social Security

They are engaged in group. During the meeting, they share their common interest and follow social norms and values. Following table 5.12 deals about the social security level of the study area where social aspects is higher than economic, political and others sectors.

Table: 5.12 Social Security

| Sectors | No. of HHs | Percentage |
|----------------|-------------------|-------------------|
| Social | 21 | 42 |
| Economic | 15 | 30 |
| Political | 9 | 18 |
| Others | 5 | 10 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.2.5. Social Rights and Justice

Generally, law and order is ruled by the state and public follow its all process. Society has made different caste, ethnicity, religion and culture however they respect to all and conserve their culture. When the people are outside the boundary of norms and values, they punish to respect live persons as legally. Below table 5.13 describes the justice level of the study area where various topics but social consciousness is more than others sectors.

Table: 5.13 Social Right and Justice

| Rights | No. of HHs | Percentage |
|---------------|-------------------|-------------------|
| Social | 18 | 36 |
| Economic | 7 | 14 |
| Political | 13 | 26 |
| Others | 12 | 24 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.2.6. Community Participation

For the lack of budget to do development activities, community has contributed their cash and kinds. Target people were participating in meeting. Women were participating in each and every activity. Thus, analysis of their need, planning, implementation, monitoring & supervision, evaluation and share the benefit with them. They were actively participated in their social and development activities. The following table 5.14 deals about the participation level clearly, where inclusive participation 52 percent, social 24 percent, political 18 percent and others 6 percent respectively.

Table: 5.14 Community Participation

| Status | No. of HHs | Percentage |
|---------------|-------------------|-------------------|
| Social | 12 | 24 |
| Political | 9 | 18 |
| Inclusive | 26 | 52 |
| Others | 3 | 6 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.2.7. Level of Awareness

Target group has changed their level of thinking in case of using improved seeds, commercial vegetables farming use of improved technology livestock raising and traditional beliefs have been changed now. Below the table 5.15 shows the awareness level of the community sample members where aware people were 54 percent, middle 32 percent and non-aware sample 14 percent respectively.

Table: 5.15 Level of Awareness

| Level | No. of HHs | Percentage |
|-----------|------------|------------|
| Aware | 27 | 54 |
| Middle | 16 | 32 |
| Non-aware | 7 | 14 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.2.8. End of Stratification

Mainly, social stratification plays the separation of people such as rich and poor, higher and lower caste and most of our target groups were exploited before PAF entering into the RM. Now this misleading behavior has been changed and they have a common goal and interest for the community development. The following table 5.16 shows that the level of stratification is found to be the lowest in maintaining hierarchies with 10 percent while 48 percent of the people have very low stratification.

Table: 5.16 End of Stratification

| Level | No. of HHs | Percentage |
|--------|------------|------------|
| High | 5 | 10 |
| Middle | 16 | 32 |
| Low | 29 | 48 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.2.9 Self-esteem/Self-respect

Due to the increasing of economic status of community members, the environment of personal hygiene and respect to each other has been increased. As the same way members of community organization are actively participated in meeting. Below table 5.17 denotes the self-respect level where best rank was higher than good and others.

Table: 5.17 Self-esteem Status

| Status | No. of HHs | Percentage |
|--------|------------|------------|
| Best | 25 | 50 |
| Good | 17 | 34 |
| Others | 8 | 16 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.2.10. Social Mobilization

To bring change in the community, social mobilization is a must. Community has maximum utilization of local resources. For community mobilization, facilitation is necessary. The table 5.18 describes the mobilization sector; inclusive 44 percent, social 28 percent, political 24 percent and others 4 percent respectively.

Table: 5.18 Social Mobilization

| Sectors | No. of HHs | Percentage |
|-----------|------------|------------|
| Social | 14 | 28 |
| Inclusive | 22 | 44 |
| Political | 12 | 24 |
| Others | 2 | 4 |

| | | |
|-------|----|-----|
| Total | 50 | 100 |
|-------|----|-----|

Source: Field Survey, 2019.

5.3. Role of PAF in Changing Economic Status

5.3.1. Employment Opportunity

Within the respondents, some of them are engaged in their agriculture occupation such as vegetable farming, fruit farming, milk collection and selling, poultry farming, retail shop and others. These occupations have supported to them for the maintaining their livelihood now. Below table 5.19 shows the employment status of the study area. There agriculture has dominant role (70 percent) and non-agricultural sector has (30 percent).

Table: 5.19 Employment Status

| Sector | No. of HHs | Percentage |
|-----------------|------------|------------|
| Agriculture | 35 | 70 |
| Non-agriculture | 15 | 30 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.3.2. Regular Income Sources

Most of the sources of Income are seasonal in community members. Because of the facilities of Irrigation, Seasonal vegetable farming is more profitable to them and there is high demand of consumers at the local market. The respondents have regular income sources from the vegetable farming, livestock raising, tailoring, retail shop, milk selling, etc.

Table: 5.20 Regular Income Sources

| Income sources | No. of HHs | Percentage |
|----------------|------------|------------|
| Agriculture | 37 | 74 |

| | | |
|-----------------|----|-----|
| Non-agriculture | 13 | 16 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.3.3 Income Generation Activities

The members of community organization has different types of activities such as vegetable farming, livestock raising, retail shop, cottage industry, dairy milk etc are the main sources of income generation activities. They apply improved technical information to get more production from farming system.

Without income generation activities, we could not think to uplift the economic status of the people. So, utilization of the local resources to implement the program is possible. According to climatic condition, geographical variation, setting of people that determine their exact activities. For this, demand driven and inform choices are major things to launch the activities. Now according to capacity of them, they have been done organic and commercial vegetable farming, fruit farming (citrus and deciduous trees), goat raising, buffalo rising, pig rising, poultry, small cottage industry, shop, retail shop, retail business and so on. The economic status of the community has been changed and they have per month income sources. The following table shows the agriculture sources has dominant (74 percent), and others sectors has less dominant for income generating activities of the study area.

Table: 5.21 Income Generating Activities

| Sources | No. of HHs | Percentage |
|-------------|------------|------------|
| Agriculture | 37 | 74 |
| Services | 5 | 10 |
| Wage labor | 6 | 12 |
| Others | 2 | 4 |
| Total | 50 | 100 |

Source: Field Survey, 2019

5.3.4. Cooperative Development

A huge amount of money is mobilizing within their community organization. For the sustainable manner, it has to be developed as Institution and authorize from Nepal government. So, there are aware about concept of cooperative. Now there is formed of cooperative group. It is going to be registered in district cooperative. This cooperative will be done the transaction of saving and credit which is one of the main functions of cooperative and basically it is used in productive schemes. Now all the process for the management of revolving using has been developed and it is being used as sustainable way. Below the table deals the cooperation development where before launching PAF 32 percent and after launching PAF 68 percent which shows the realities of the development.

Table: 5.22 Cooperative Development

| Status | No. of HHs | Percentage |
|--------|------------|------------|
| Before | 16 | 32 |
| After | 34 | 68 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.3.5. Poor Loan System

The previous history of HHs were very poor because most of them went to rich person for getting loan in 5% to 10% interest per month of NRs 100.00 amount and they were suffered from this system. For the time being, it was accepted hardly and after PAF entered in Okhaldhunga district, such type of system has been stopped and a lot of fund is in their own organization. According to their demand and participatory decision, all the members are responsible to manage their revolving funds and there is 1% to 2% interest per month of NRs 100.00 amount. They have rules and regulations for loan mobilization. In the table 5.23 Jamindars give the highest percentage of loans with 16 percent while the relatives give 14 percent of the loan with the second highest and the lowest percentage of loan is provided by the business persons.

Table: 5.23 Loan System

| Scheme | No. of HHs | Percentage |
|-----------------|-------------------|-------------------|
| Jimindar | 16 | 32 |
| Business person | 9 | 18 |
| Relatives | 14 | 28 |
| Others | 11 | 22 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.3.6. Use of Local Technology

The local and improved technologies are vital for the community development. In order to sustainable development, local resources identification and mobilization tasks play major roles. Now they have been used maximum local resources such as human resource, physical resource and improved skills in program. So, they have improved vegetables, well sanitation, improved livestock farming, and small cottage industry etc. The following table 5.24 shows the technology use of the sample households where rural technologies 78 percent and modern use 12 percent. It shows that the use of rural technology has dominant role in the study area.

Table: 5.24 Use of Technology

| Technology | No. of HHs | Percentage |
|-------------------|-------------------|-------------------|
| Rural | 39 | 78 |
| Modern | 11 | 12 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.4 Other Sector

5.4.1 Capacity Development (Knowledge, Skill, Method, Technique)

Now, the thinking level of them is very high for the implementation as well as sustainable of program. So, it is obviously that they are capable to use of different types of resources within their own organizations. Most of the members of community organization have been linked to other organization to use of resources for their sub projects. In the table 5.25 the highest numbers of the people are semi-skilled with 44 percent of the people surveyed and only 18 percent of people are found to be unskilled while skilled manpower is with 38 percent.

Table: 5.25 Capacity Building

| Rank | No. of HHs | Percentage |
|--------------|------------|------------|
| Skilled | 19 | 38 |
| Semi-skilled | 22 | 44 |
| Un-skilled | 9 | 18 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.4.2 Community Perception

Target people are compulsorily affiliated in group and they have a plan for how to prioritize, implementation, monitoring and evaluation of their sub project activities. They have sufficient revolving funds which had provided by PAF as a grant. They take loan from their community organizations in very low rate of interest. It is fact that loan taking from landlord, rich person and microfinance sector have been cut off. Due to use of revolving fund in income generation activities such as livestock, vegetable farming, retail shop, business, repair and maintenance, tailoring, dairy, micro-enterprise etc, the economic status of them has been changed now. Particularly Social justice, unity, benefits sharing, participation, transparency, empowerment, right base approach planning and maximum resource mobilization has been increased. It clear that PAF is better than other development agencies. Because it provides grant to the community organization and community organization has been reused that funds again in proper their individual scheme. The main identity of PAF program is direct funding to community, support target people,

transparent and so no. The table 5.26 deals about the perception status of the sample where medium 48 percent, high 34 percent and low 12 percent respectively.

Table: 5.26 Community Perception

| Level | No. of HHs | Percentage |
|--------|------------|------------|
| High | 17 | 34 |
| Medium | 24 | 48 |
| Low | 9 | 12 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.4.3 Irrigation Facilities

For the vegetable farming and increasing production of crops and fruits, water is very necessary. Now each and every member those who are professionally engaged in farming, they have an irrigation facilities. Most of the irrigation sub projects were provided by PAF and joint venture with other agencies. Some farmers earn more than NRs. 50,000.00 – 1, 00,000.00 amounts per year from vegetables. Similarly, fruit production also increased due to irrigation facilities. In scarcity of water resources, they use micro irrigations such as sprinkler and drip irrigation to the crop zones.

Table: 5.27 Irrigation Facilities

| Availability | No. of HHs | Percentage |
|-----------------|------------|------------|
| Pipeline system | 39 | 62 |
| Pound system | 11 | 22 |
| Others system | 8 | 16 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.4.3 Drinking Water

The safe and pure water has used by members of community. Single as well as federated community organization has been managed drinking water system and they have a rules and regulation to mange sources, collection of repair and maintenance fund and regular meeting of water user community at the village level. Using fresh water, they are healthy and seem like clean, neat and fresh also. Sanitation and personal hygiene are improved in the community. So, there is no any dirty in walking route and around the home yards. Toilet construction with households is about 90% because of awareness built in community. Below 5.28 table shows the drinking water facilities where uses of natural sources 78 percent and man-made resources have been used 22 percent in study area.

Table: 5.28 Drinking Water

| Facilities | No. of HHs | Percentage |
|------------------|------------|------------|
| Natural Sources | 39 | 78 |
| Man-made sources | 11 | 22 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.4.4 Communication

It is backbone of the program. During the meeting, they decided to conduct the next month meeting date. Generally, the date of meeting for the next month as well as emergency, they inform to members of community organization and share its purpose and necessity. Particularly, they use verbal communication to the members in group. The key person of group such as chairperson, treasure and secretary has informed to members for meeting call. Another way is that when the fund is necessary withdraw from their account, the meeting decides to withdraw budget from the bank. If there is necessary social mobilization, unclear group policy, procedure, revolving fund management and so on, they write letter to SM for his/her availability and for final advice. The following table 5.29 shows the communication system of the study area where verbal 94 percent and 6 percent non-verbal respectively.

Table: 5.29 Communication Within the Organization

| Communication | No. of HHs | Percentage |
|----------------------|-------------------|-------------------|
| Verbal | 47 | 94 |
| Non verbal | 3 | 6 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.4.5 Women Empowerment Programs

Before entering the program in Okhaldhunga district, gender biasness was very high. But time being, holistic program has been focused in the side of women development i.e. Literacy rate, participation in meeting, decision making, benefit sharing, holding of key position, micro entrepreneurship, members of women in community organization, women participation in development, social justice, equity, property right, affiliated in political party, gender ratio in social sectors and employment opportunity. The entire program has been responsible to women development sectors. Similarly, it is PAF mandatory that more than 50% women must be in group formation.

The pioneer matter is that while literate women can do better than general women and as the same way, household and children become better with the educating of mother.

The PAF program focused to them for PRA/RRA, social mapping/ assessment, well being ranking, need identification, sub project proposal development, user committee formation, account/book keeping, leadership development, livestock management, vegetable farming, fruit farming, repair and maintenance training, monitoring and supervision, account management, planning, reporting, revolving fund management, saving and credit mobilization, coordination with respective groups and agencies.

Now, women in group are very active and they share all the outcomes of their program to visitor during field visit to there. Ownership taking and authority delegating by women are very practical and very success of program.

5.4.6. Livestock and Poultry Farming Programs

Livestock is backbone of farmers. They have improved sheds for rearing goats, buffaloes, cows, poultry and pigs. Every community organization has a trained animal health worker to treat animals. For getting more profit from livestock, there is a required improved breed, care & management of livestock, fodder management, timely administering of medicine, cure of diseases.

They have a network of community organization. They coordinate district livestock development office to get services. The livestock farming is responsible to increase of agriculture production and direct relation to each other.

Each HH has involved to rise of livestock. Some of them are doing enterprise/farming and earning more profits. So, the economic status of them has been improved. Below the table 5.30 shows the raising of the livestock clearly where yes represent 96, no 4 percent and others 0 percent orderly. It clears the yes has important role.

Table: 5.30 Livestock Raising

| Livestock raising | No. of HHs | Percentage |
|-------------------|------------|------------|
| Yes | 48 | 96 |
| No | 2 | 4 |
| Unknown | 0 | 0 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.4.7. Conflict Management

Conflict is obviously existed to all human being but finding out best solution of issues is very important. Some of the issues are internal and external. Internal issues are cause of information gapping in between two individuals. When presentation on

certain subject is not understood then there will be created some issues. During the beginning stage it is very general and after the time span, it will be developed as serious issues and eventually it would be very disaster and harm existing resources.

Most of members of organization are affiliated with political parties and their case also concerned with the same parties. The decision is made based on favour of politics. Now critical issues such as criminal cases, social disintegration and justice etc. are totally controlled. In the table 5.31 the conflict management is categorized into two groups: within the group and outside the group. Almost 95 percent of the conflicts were managed with 96 percent within the groups.

Table: 5.31 Conflict Management

| Conflict management | No. of HHs | Percentage |
|----------------------------|-------------------|-------------------|
| Within group | 48 | 96 |
| Outside group | 2 | 4 |
| Total | 50 | 100 |

Source: Field Survey, 2019.

5.4.8. CapacityBuilding

It is most important point that without capacity development of target group, the sustainable development is impossible. Thus, for the change the knowledge, skill, attitude and aspiration of the people, relevant trainings are required to them and accordingly, They have got vegetable cultivation, livestock management, leadership development, account and book keeping, saving and credit, revolving fund management, micro enterprise development and cooperative trainings etc. They have been used their skills own their activities.

Table: 5.32CapacityBuilding Activities

| Received trainings by respondents | No. of HHs | Percentage |
|--|-------------------|-------------------|
| Goat Raising | 8 | 9.75 |
| Revolving Fund | 15 | 18.29 |

| | | |
|----------------------------|----|-------|
| Book Keeping | 19 | 23.16 |
| Leadership development | 21 | 25.61 |
| Plumbing | 3 | 3.67 |
| Poultry farming | 2 | 2.48 |
| Vegetable farming | 6 | 7.31 |
| Organizational Development | 6 | 7.31 |
| Women empowerment | 2 | 2.49 |
| Total | 82 | 100 |

Source: Field Survey, 2019

5.4.9 Skill Development

Skill development is the main productive returns of the development. In the study area the emergence of the PAF the skill development level have been increased. The table 5.33 deals about the develop trainings of the Manebhanjyang RM. There animal husbandry 54 percent, vegetable farming 40 percent, plumbing 6 percent respectively. The following table shows it clearly.

Table: 5.33 Skill Development Trainings

| Skill Development Trainings | No. of HHs | Percentage |
|-----------------------------|------------|------------|
| Animal Husbandry | 27 | 54 |
| Vegetable farming | 20 | 40 |
| Plumbing | 3 | 6 |
| Total | 50 | 100 |

Source: Field Survey, 2019

CHAPTER-SIX

SUMMARY, CONCLUSION AND RECOMMENDATION

6.1 Summary

The study has focused the role of PAF program in changing socio-economic status of Magar community before and after the intervention of PAF on the livelihood and local development activities. Out of 2467 population, 50 populations (purposive and random sampling) had been selected from *Manebhanjyang RM* Ward No; 9 of *Okhaldhunga* district. *Manebhanjyang RM*, Ward No ;9 people had been selected to examine the objectives which are related to the socio-economic condition of the Magar Communities HHs and the availability of PAF program on quality and coverage which impacts in local development situation. In total 50 persons of the HHs had been examined during the study by using purposive sampling.

The Summary of the Study

- The main occupation of the sampled participant was agriculture and livestock-poultry. Among the sampled households, 94 percent of people were involved in agriculture occupation, and 6 percent are related to others profession. All of them were fully dependent on forest resources because it was accessible for livelihood with short distance.
- Lying on the study area education status or level was in-between. Most of them were literate, only few were illiterate and less was higher educator. In the percent; literate 40 percent, illiterate 18 percent, primary 10 percent, SLC 10 percent and I.A. above 8 percent respectively.
- Among the sampled households, the average agricultural land holding per households was 9-12 *Ropanis*. Many of the household (18 percent) were survived only for three months from agricultural production. So, they needed to do secondary service and wage-labour for their livelihood.
- Participation of all the peoples was equal in community development management activities as well as benefit sharing also.
- On the study area capacity development, income generating activities, infrastructure development like *road, irrigation, drinking water, bridge, electricity* and *telephone* facilities were used by households in present.
- In the process of community organization management *Helper* were sharing their time on the promotion of organization programs.

- In the local developmental activities PAF had played vital role in management and conservation of the community based organizations.
- Directly the PAF and its activities were helping in income generating activities as well as capacity development and social mobilization also.
- Among the sampled households, 66 percent of them had got *Kachhi* house pattern but 34 percent were in the process of making Pakki house and it was growing orderly. After formation of COs and Pos, majority households were changed slowly.
- Out of total respondents, majority of respondents reported that they used poverty related programs as mouth talk before PAF. After PAF formation; this types of thinkers were decreased and organized for the community affairs for poverty reduction.
- Only few of the respondents gave the negative attitude of PAF but mass respondents told the positive attitude and works done by PAF in the study area. Nevertheless, the condition after PAF is being increased and improved and numerous benefits have been gifted to socio-cultural change of Manebhanjyang RM's households and local environment.
- After the emergence of PAF, total developmental outcomes achieved by local communities were as social, economic, infrastructure, capacity building and ecological respectively.
- Sufficient management and protection of PAF is for sustainable development and poverty reduction, which shows the program "*GaribikoPahichan*", which program had helped to empower the local people in income generation.
- In conclusion, PAF was trying to change the rural poverty with urban facilities. This example you have seen also in *Manebhanjyang RM*.

6.2 Conclusion

The Poverty Alleviation Fund first phase (PAF I) began with US\$15 m in 2004, and during the project period another fund of US\$ 25 m was added. Thus under PAF I the total fund support from the World Bank was US\$ 40 m. Under the PAF II, the World Bank has committed US\$ 100 m and the International Fund for Agriculture Development (IFAD) to US\$ 4 m for four years from the year 2008-2012. This phase is equally and evens more challenging to Poverty Alleviation Fund under PAF II, Poverty Alleviation Fund will move simultaneously on five fronts.

1. Institutionalization of PAF program in old districts where program has been already been in progress for the last three and more years. Institutionalization will lead to sustainability of the program. COs will be organized into cooperative or other such organization with their decision and linked with financial and institution marketing.
2. Capacity Building i.e. improvement in the quality services by social mobilizer. Partner Organization and Portfolio Manager is extremely important for the success of PAF. The CO's capacity also needs to be improved.
3. Coordination with other sectorial line agency, donors, INGOs and NGOs in its activities. PAF doesn't want to walk alone. It will promote the partnership with other agencies in the field and finally;
4. Advocacy of PAF in order to spread its knowledge and working modalities. PAF is not understood in many agencies, governmental and non-governmental. It is here that the role of media is extremely important. Media should be used extensively for advocacy of PAF program.

Poverty Alleviation Fund (PAF) is a targeted program initiative to support the third pillar of the 10th plan, which is a targeted program. Broad based and sustainable economic development, social development and good governance have been enunciated as the other three major pillars of the plan, which is also known as Poverty Reduction Strategy Paper (PRSP).

The socio-economic status of the sample area is improving as compared to their past status because of increased ownership feeling and various sound forests management strategies. Various improvements like employment generation, reduction in poverty level, increasing level of awareness, Self-confidence, community development, capacity development, social-mobilization etc.

The relation between PAF executive committee and local people is good. Because the PAF has positive impact on gender equity and indirect impact on socio-culture change, employment and poverty reduction that were limiting factors of socio-economic change of rural people. It is forwarding towards sustainable basis and local development oriented. The poverty reduction program was very high

speed in the way. The ecological, social, economical, and other sector it has a vital role to change the current situation. The main example is PAF oriented programs or institutions management, protection and conservation practice. The ecological components had also been promoted due to the enactment of PAF. Supply of rural people subsistence needs availability of forest products, utilization of forest products in home stead, management of forest, rehabilitation the degraded lands, conservation and maintenance of the soil fertility, facilitation to be the sound forest ecosystem and major ecological benefits. The level of awareness had risen after PAF and its benefits. Participation had increased in the use, management and conservation of poverty related organizations. It was the way of equitable achieving both long-term sustainability and local development.

To sum up, it has provided several income generating activities thus, the individual income level and PAF fund have also increased in *Manebhanjyang RM* in *Okhaldhunga* district. The generated community organization fund has been used to develop community infrastructure, human skill trainings, social awareness and very less amount to out of higher class people.

6.3 Recommendation

Above mentioned statement and findings of the study area has the following recommendations and suggestions to get significant impact of PAF program.

- For the betterment of community organization members, close co-ordination between the DDC, village leader and local members is essential.
- Members need to encourage and promote others developmental practice.
- Continue and regular visits by *Supervisor*, *Co-coordinator* and *Organizer* should be increased.
- People should be encouraged to use improved cooking stove, biogas, and solar energy to reduce the consumption of extra expenditure.
- The co-ordination between local government and local political body should be increased.
- Organization members should keep their relation with INGOs to get support in poverty reduction activities.

- In decision making process equity and inclusiveness should be increased to participate all caste/ethnic representation.
- Local people should be made aware about the importance of PAF to human being and socio-economic balance.
- PAF should provide extra training, seminar, workshop, tour, visual program and research program. These types of program should be concentrated in the aware and sustainable tocommunity organizations.
- Common sentiment of the organization members should be taken into consideration rather than the little political interest.
- The implementation of the program should be managed for the sustainable poverty reduction and community development.

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3. Do you know about the PAF program?

Yes

No

4. If yes, are you the member of CBO under PAF program?

Yes

No

5. What is your position in the organization?

Key position

General position

6. If the key position, what is the status?

Chairperson

Treasure

Secretary

7. What is the reason for you to join in the organization?

8. What kind of activities did you launched in your community organization?

9. What kind of trainings did members receive in the organization?

10. Did you use those training skills in the community?

Yes No

If no, give the reason.

27. Are you satisfied from PAF activities?

Yes No

If not, give the reason.

28. Do have a plan for revolving fund management?

Yes No

29. What type of changes did you feel before and after project implement?

30. Does the source of income change after project launched?

Yes No

31. What is your opinion on local social mobilization of PAF program ?

Not that good Fair good better
Excellent

32. How do you feel when you are a member of your organization?

Not that good Fair good better
Excellent

33. Is social harmony increasing now than before?

Yes No

If yes, what is that?

34. Did your community group start coordination with other line agencies?

Yes

No

If yes, what is the purpose?

35. Have community peoples` attitude changed?

Yes

No

36. Do have any advice and recommend making the project work effective?

Yes

No

If yes, give the advice and recommendation.

ANNEX-II

Checklist

- Past and present PAF condition.
- About PAF programs and practices.
- Contribution of the programs.
- Role of local community organizations.
- Decision making process.
- Income and expenditure of the members of CO.
- Suggestion and comments about PAF programs.
- Do you agree that PAF is for Socio-cultural change?
- Social mobilization and capacity building of members.
- Impact of PAF in study area.
- Relation between NGO, RM and PAF.

ANNEX-III

Key Information Chick list

-) What kind of activities did you launched in your community organization?
-) What kind of trainings did members receive in the organization?
-) Did you use those training skills in the community?
-) In your organization, what types of trained persons are available?
-) What services and facilities could you get from these trainings?
-) What are the main sources of income?
-) In what ways did your income support in household management. Rank them in priority.
 - o Child education
 - o Purchase of daily Food items
 - o Purchase of clothes, cosmetics and jewelries
 - o Purchase of electronic items (TV, Mobile, Camera, computer etc)
 - o Health facilities
-) Entertainment
-) How does the PAF facilitate to use local resources?
-) Did the target members benefit from the PAF fund programs?
-) Are you satisfied from PAF activities?
-) What type of changes did you feel before and after project implement?
-) What is your opinion on local social mobilization of PAF program ?
-) Is social harmony increasing now than before?

-) Did your community group start coordination with other line agencies?
-) Have community peoples` attitude changed?
-) Do have any advice and recommend making the project work effective?