

**IMPACT ASSESSMENT OF POVERTY ALLEVIATION FUND
(PAF) PROGRAM: A Case Study of Kapilvastu District**

**A Thesis Submitted to
Central Department of Rural Development
Tribhuvan University,
in partial fulfillment of the requirements for the
Degree of the Master of Arts (MA)
in
Rural Development**

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May, 2016

Declaration

I hereby declare that the thesis entitled **IMPACT ASSESSMENT OF POVERTY ALLEVIATION FUND (PAF) PROGRAM: A Case Study of Kapilvastu District** submitted to the Central Department of Rural Development, Tribhuvan University, is entirely my original work prepared under the guidance and supervision of my supervisor. I have made due acknowledgements to all ideas and information borrowed from different sources in the course of preparing this thesis. The results of this thesis have not been presented or submitted anywhere else for the award of any degree or for any other purposes, I assure that no part of the content of this thesis has been published in any form before.

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Recommendation Letter

The thesis entitled **IMPACT ASSESSMENT OF POVERTY ALLEVIATION FUND (PAF) PROGRAM: A Case Study of Kapilvastu District** has been prepared by **Madhu Ram Maharjan** under my guidance and supervision. I hereby forward this thesis to the evaluation committee for final evaluation and approval.

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The thesis entitled **IMPACT ASSESSMENT OF POVERTY ALLEVIATION FUND (PAF) PROGRAM: A Case Study of Kapilvastu District** submitted by **Madhu Ram Maharjan** in partial fulfillment of the requirements for the Master's Degree (MA) in Rural Development has been approved by the evaluation committee.

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Abstract

Poverty is one of the major factors that bring obstacles in any kind of growth and development in any part of the world. The problem of poverty is complex in our country. One fourth of Nepal's population is under the poverty line which is an alarming issue to national development. They are living with quite miserable conditions in terms of basic needs such as food, cloth, shelter that require just for the survival of human beings. Poverty is a relationship between the essential needs of the people for survival and physical efficiently and their ability of satisfying them. Those who can not satisfying basic needs such as food, clothing and shelter are called poor. Poverty reduction has been one of the most prioritized agenda of the nation since poverty was officially noticed in 1976.

Even though, poverty laid emphasis in most of the five year periodic plans such as first, third, fifth and ninth five year plan categorically to the poverty reduction program, while the very tenth plan was developed as the poverty reduction strategy paper (PRSP). In view with considerable figures of poor population in the country, the Tenth Plan (2002-2007) has made its single objective to alleviate poverty. To meet the national objective of poverty alleviation, there is a need of appropriate modalities and approaches to reduce poverty in downtrodden societies of Nepal. There are so many poverty alleviation models adopted in Nepal but not significantly decrease the level of poverty. But attempts to reduce poverty by formulating the clear strategic interventions too did not succeed as the government failed to reach out the extreme poor. Realizing these lacking, the government had set up the PAF program for involving the extreme poor categorically in most inclusive manner.

The central bureau of statistics revealed that there is widespread prevalence of poverty among Dalits, Janjatis, Muslims and Women in the country. Hence PAF has taken them as target groups and has implemented poverty reduction program for them. Not, just in rural areas, poverty has risen in urban areas as well in recent year. Amid growing urbanization and lack of employment opportunities, many people have fallen in vicious cycle of poverty. Likewise, poverty is rampant among and Brahmin communities as well. In this context, this study focuses on the existing modality and approaches to reduce the poor in the community and how the resource poor and disadvantaged section of the society were empowered and the

strategy of social policies that really helped on poverty reduction and alleviation efforts in downtrodden community.

Key words: poverty, social policy, approaches, strategy, poverty alleviation

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Acronyms

ADB	Asian Development Bank
ARP	Action Research Program
CBS	Central Bureau of Statistics
CO	Community Organization
DDC	District Development Committee
HDI	Human Development Index
HDR	Human Development Report
IIDS	Institute for Integrated Development Studies
INGOs	International Non Governmental Organizations
LDC	Least Developed Countries
LSMS	Living Standard Measurement Survey
MDGs	Millennium Development Goals
NGOs	Non Governmental Organizations
NLSS	Nepal Living Standard Survey
NRB	Nepal Rastra Bank
PAF	Poverty Alleviation Fund
PO	Partner Organization
PRSP	Poverty Reduction Strategy Paper
UNDP	United Nations Development Fund
VDC	Village Development Committee
WB	World Bank