

CHAPTER - ONE

INTRODUCTION

1.1 Background

Nepal is a landlocked country which covers 1, 47,181 square km area of the world. It is located in the central Himalayas between India and China. The country borders India in the East, South, West and China in the North. So, Nepal is defined as “Yam between two stones”, where above 80 percent people are living in rural areas. It is one of the least developed countries of the world with an annual per capita income of US \$ 418.6 (\$1= NRs.65) (NPC, 2007d). In the Human Development Index (HDI), Nepal is ranked as 138th (out of 175 countries ranked in the index). In the human development aggregates, According to the Global Human Development Report 2007/08, Nepal falls under the category of ‘low human development’ countries (with HDI 0.534) is the lowest for South Asia and less than the average for the developing countries.

All other countries in the region rank as having ‘medium human development’ with HDI between 0.500 - 0.799. But it is very rich in terms of resources and biodiversity. It is divided into the three ecological regions i.e. Terai, Hill and Mountain according to the ecological zones where Terai covers 17 percent, Hill covers 68 percent and Mountain covers 15 percent of the total land. Low fertile land, high population growth rate, low economic growth rate, subsistence farming system, fragile topographic structure etc are the main characteristics of this country which are the causes of poverty too. Lack of basic human needs, lack of development infrastructures, lack of participatory community development programs, and lack of inclusive and disadvantages groups oriented programs has raised the poverty level day by day in this country which is the main limitation and reality of our long term and short term development plans.

There is also an increasing trend of population. The total population and population growth rate is about 26.4 million and 2.25 percent per year where 86.1 percent of people live in the rural areas. There is a big disparity between rural and urban area in many context. The poverty situation of the country is remained about 31.8 percent after finished the Tenth five year plan period where large number of rural people suffered from this poverty. "Life expectancy of Nepal is 64.1 where females 64.5 years

and males 63.6 years. Literacy rate in Nepal is 54.1 percent. In rural areas particularly, Nepali girls and women work for more than boys and men. (CBS, 2008).

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 an important part of life in Hinduism, Buddhism, Christianity and Islam (Kunwar, 2006a).

Poverty means the state of one who lacks a usual or socially acceptable amount of money or material possessions. Poverty is said to exist when people lack the means to satisfy their basic needs. In this context, the identification of poor people first requires a determination of what constitutes basic needs. These may be defined as narrowly as "those necessary for survival" or as broadly as "those reflecting the prevailing standard of living in the community." Poverty has been associated, for example, with poor health, low levels of education or skills, an inability or an unwillingness to work, high rates of disruptive or disorderly behavior, and improvidence. While these attributes have often been found to exist with poverty, their inclusion in a definition of poverty would tend to obscure the relation between them and the inability to provide for one's basic needs. Whatever definition one uses, authorities and laypersons alike commonly assume that the effects of poverty are harmful to both individuals and society. Although poverty is a phenomenon as old as human history, its significance has changed over time. Under traditional (i.e. non-industrialized) modes of economic production, widespread poverty had been accepted as inevitable. The total output of goods and services, even if equally distributed, would still have been insufficient to give the entire population a comfortable standard of living by prevailing standards. With the economic productivity that resulted from industrialization, however, this

ceased to be the case especially in the world's most industrialized countries, where national outputs were sufficient to raise the entire population to a comfortable level if the necessary redistribution could be arranged without adversely affecting output.

From the above definition we can conclude that, poverty means having no sufficient amount of socially acceptable money, lack of basic needs i.e. health, education, and income employment etc for the human being. And in essence, these days poverty means lack of political, economical, social, cultural and religious rights and needs for the human being and their livelihood.

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. In order to carry on development work local government has formed two systems. The village development committee (VDC) in rural area and municipality in urban area and district development committee (DDC) in each of Nepal's seventy five districts. 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.

There are uncountable discrimination between men and woman. The constitution of Nepal, 1990 states that "no discrimination shall be made against any citizen in the application of general laws on grounds of religion race, sex, caste, tribe or ideological conviction or any of these" but in reality this has not been practiced. However, this discrimination exists in high degree in rural settlement compared to urban. So, these types of discriminations have support to increase poverty and social conflict.

As Hellen Hunt Jackson says, "A women who creates and sustains a home and through whose hands children grow up to the strong and pure men and women is a creator second only to god" (Sharma, 1998). This in the above statement women causes at second place in creation after god has very low status in Nepal as well as many countries of the world. Everybody agrees that a woman plays a very important role in setting up a good family. A woman can spoil a house as well as make it a heaven. In fact a woman has a very strong character in every household. But it is a bitter truth that woman in Nepal lag behind men in many areas of life.

Health can be defined as a state of complete physical, mental and social well being and merely the absence of disease improving. That man is healthy person who possesses the balance of body humours actual functioning of all the body elements about and sense organs. Nowadays, poverty is considered as the main imbalancing element of the human being and nature. It is therefore truly said, 'poverty anywhere is threat to everywhere'. Its effect is becoming at an alarming rate day by day. Not only the developing countries but also the developed ones cannot protect themselves from the negative effect of neighboring countries facing the problem of poverty and their own citizens who won't like to do work especially hippies, addict, street person etc. All the evils i.e. dissatisfaction, desperation, anger, anxiety, diseases, hunger etc. are the consequences of poverty.

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.

Public expenditure is one of the main factors to resolve poverty problem. However, the effectiveness of government expenditure is low because of weak prioritization, weak process of selecting projects and smaller amount of budget allocation in a number of projects. Poverty is not reduced as targeted because of ineffective public service delivery and lack of access of poor to the services delivered by the private sector. Lack of good governance is said to be the chief constraints to impair development efforts and proper utilization of government expenditure on poverty alleviation programme. Poverty alleviation programmes have been less effective due to the factors like over centralization of decision making process, good governance related problems such as no control over loopholes, leakages and irregularities, lack of responsibility and transparency along with the low capability of government to act as facilitated as demanded by the liberal economic system as there is lack of legal and institutional frameworks necessary to promote economy with the open and competitive market environment.

The failure of past efforts to rearrange 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 programmes 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 programme 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 programme was initiated under "Social Fund" concept in order to take poverty alleviation programme directly to hard core poor who lie down below poverty level in the country.

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 empowers the poor to become part of the mainstream of

development. It has followed five principles: namely (a) Targeted to Poor (Antyodaya) (b) Social Inclusion (Samabesi) (c) Demand Driven Approach (Maag Anusar) (d) Transparency (Paradarsita) and (e) Direct Payment to Community Organization of Poor (Prataksha Bhuktani). 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).

1.2 Statement of the problem

Poverty is a multidimensional concept comprising the notion exclusion, difficult or denied access to; information/resources, choice and services, deprivation of basic rights and security and powerlessness. In general, poor people whose great potential to contribute to progress and growth of the nation is not utilized. It is a situation where a population or selection of population is able to meet only its bare subsistence essentials of food, clothing and shelter in order to maintain minimum level of living. Poverty is a situation of lack of basic needs of the human beings. In other words, poverty means being poor that is, having little or no money. It is not a crime but it is the lack of own necessities and opportunities.

In Nepal 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 to employment rural areas are suffering by poverty more than urban. 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. In this stage, Nepal and its people are facing below the poverty line. Lacks of special development policy, increasing population, and low economic growth rate are considered as the main causes of increasing poverty. Nepal government is working for poverty alleviation but it is still not sufficient. In last few years the organization Poverty Alleviation Fund (PAF) is doing its activities on 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 Poverty Alleviation Fund (PAF) Program on the improvement of living standard of the people living in Sukajor VDC in Ramechhap district. The policy of PAF is considered as very good in

rhetorical perspective but in reality it seems that 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 programme is supposed to be a good programme. But it is not true whether it is good or not based on social survey reports. To be a good program it must be sustainable. Therefore, the first question is on its sustainability. Time frame has been started since April 2005/6 and it would be interesting to see if the essence of the programme would be sustained by the community after the project terminates. This programme is facilitated by Partner Organization to Community Organizations. Is the facilitation process of PO appropriate? Can community organization manage and sustain their programmes by themselves without any external supports? Nepal is facing bad political situation at present. In such condition, will this mechanism be fair to needy people? Can all the targeted groups get equal opportunity of development?

PAF programme is implemented in all 55 VDCs of this Ramechhap District. How people from these VDC's are participating to those PAF Programmes in this district? Conflict might arise in each case. There could be conflict among the some members of COs. So, it called elites in the community could take over all the power and benefited and neglect underprivileged people. In case of revolving fund, some of the members mobilize those huge amounts of budget within their own COs. They have some rules and regulations for members but some did not pay back and there is not applied any rules against this and to do legalization. In future, if somebody (who has taken loan) flees away from the village, who will be responsible for that and who will pay that money? There are huge amount of money in the Cos as a revolving funds. In what way, they can manage and invest it for the fruitful outcome, it is a remarkable question.

According to PAF, when sub-projects of income generation starts, the fund shall be revolved in each member of COs. PAF invests 90 percent in IG and 80 percent in INFRA sub-projects. Community must contribute 10 percent cash in IG and 20 percent cash/kind in INFRA sub-projects. This is for their ownership feeling to those sub-projects. There may various COs within each VDC and they should have regular meetings. About 95% of the household have food insufficiency all over the year and most of the members are poor in COs. Some of their time has spent in meeting. How

can they maintain their foodstuffs for survival? There are assigned social mobilizers in each VDC. So like, Other PO staffs such as programme co-ordinator, supervisor, accountant, Technical assistant and sub overseer also are visiting Cos for the effective implementation and good results. Despite these, COs are failing to given sufficient time to their sub-projects due to their high poverty level. How it can be get quality outcomes from members of COs? COs with good leader to accomplish their goal in time is necessary. It makes COs dynamic and after all fruitful results can be anticipated. When the leader changes, shall there find an alternate dynamic leader?

These are few problems which COs might be faced in the future. PAF has highly encouraged to Dalit, Janjati, Poor and women to participate in all programmes. COs have subcommittee, saving credit, user committee, Drinking water user 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, hotel business, micro enterprises, conservation of local resources, mobilizing volunteers and social welfare works.

This research was proposed to be studied at Sukajor VDC Ramechhap district in order to assess the overall impact of Poverty Alleviation Fund Programme 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 Sukajor VDC's people?
-) How far the people know about Poverty Alleviation Fund Programme (PAF)?
-) What is the participation level of people in every activities of Poverty Alleviation Fund Programme (PAF)?
-) Is Poverty Alleviation Fund Programme (PAF) supportive for income generating activities?
-) What are the development activities undertaken by PAF Programme?
-) What are the problems existing in Community Organization (CO)?

1.3 Objectives of the study

The main objective of this study is 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 Sukajor VDC, Ramechhap district people.
-) To measure the impact of Poverty alleviation Fund Program in Poverty Reduction in the Study area.
-) To examine the socio-cultural changes in study area.

1.4 Importance of the study

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 standard or it is not of any help them. We could find out the real problems and wants of the people concern. Impact evaluation can bring out several problems and weaknesses of the implementation phase and by knowing them the program can get opportunity to improve those weaknesses and increase its positive impact. If the program outcome is very good and satisfying, this program could be extent to other VDCs/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 VDC is important and how to benefit from demand driven programme being implemented to COs in this VDC. From this, we can find out the significant changes in socio-economic sectors in community level. This indicates that impact of the project become success and sustainability for future.

1.5 Limitations of the study

This study was based on “Sukajor VDC of Ramechhap 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 for the whole. 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 includes 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 Sukajor VDC. Chapter five deals the analysis and interprets all the data collected from the study area. And last chapter describes summary; conclusion and recommendation have been presented.



Figure, 1: Researcher, Facilitating a Focused group meeting in Sukajor VDC.

CHAPTER-TWO

LITERATURE REVIEW

On the procedure of socio-cultural change in local level various factors are working together other than the programs implemented for bringing desired change. For that reason, it is necessary to understand the factors for betterment of poverty alleviation fund program in the study area. There are many researchers and scholars who have dedicated their time to poverty issues of Nepal. Their efforts to find out the problems and solution are considered valuable contributions in poverty reduction sector. Here only some literatures of scholars and researchers have been reviewed in order to know about the socio-economic impact of PAF programme in Sukajor VDC's local development.

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, for poverty alleviation programs and projects in developing countries therefore the western understanding influenced on the concept and definition of poverty. (Maklund & Goneya, 1990).

As defined by WB 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 macro economic 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\$240 (UNDP, 2004). Economy and employment depend heavily on agriculture. Agriculture is the main source of economic activity where more than 80 percent of the nation's labor 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 2003/04 estimated that 31 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 labor 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.

Table: 2.1 Situation of Poor Structure in Nepal

Caste	Poverty in %
Chhetri	50
Bramhan	34
Magar	58
Tharu	48
Gurung	45
Limbu	71
Muslim	38
Newar	25
Tamang	59
Kami	68
Damai	67
Sarki	65
Rai	56
Yadav	40

Source: Human Development Report (1998).

The above data shows that the Limbus are in low rank 71 percent are in poverty line and Newar are in the minimum rank 25 percent are in poverty line. This data clears that the status of poverty is very poor in Nepal.



Figure, 2: A traditional healer is performing his skills.

Table: 2.2

Poverty Situation by geographical region (Nepal Living Standard Survey I & II Report)

Geographic Region	Poverty head count rate (%)		
	1995/96	2003/04	% Change
Sector			
Urban	21.6	9.6	-56
Rural	43.3	34.6	-20
NLSS regions			
Kathmandu	4.3	3.3	-23
Other urban	31.6	13.0	-59
Rural Western Hill	55.0	37.4	-32
Rural Eastern Hill	36.1	42.9	19
Rural Western Terai	46.1	38.1	-17
Rural Eastern Terai	37.2	24.9	-33
Development region			
Eastern	38.9	29.3	-25
Central	32.5	27.1	-17
Western	38.6	27.1	-30
Mid-Western	59.9	44.8	-25
Far Western	63.9	41.0	-36
Ecological belt			
Mountain	57.0	32.6	-43
Hill	40.7	34.5	-15
Terai	40.3	27.6	-32
Nepal	41.8	30.8	-26

Source: Poverty Trends in Nepal between 1995/96 and 2003/04, NPC

The above data shows that the poverty status of Mountain is 56 percent, Hill 41 percent and Terai 42 percent. In addition, urban poverty is 23 percent and rural 44 percent. As a whole country, the percent of poverty is 42 percent above. This data Present that the status of poverty in geographical region in Nepal.

Table: 2.3 Situations of Nepal living standard

Description	Nepal Living Standard Survey	
	1995/96	2003/04
Percent of population (0-14 years)	42.4	39.6
Percent of population (15-59 years)	50.8	52.8
Percent of population (60 years and over)	6.8	7.6
Dependency ratio	97.0	89.2
Percent of households with access to electricity	14.1	37.2
Percent of households having access to piped water	32.8	43.9
Percent of households with own toilet facility	21.6	38.7
Health post/hospital	44.8	61.8
Primary school	88.4	91.4
Paved road	24.2	37.2
Adult literacy rate, both sexes (15 years and above)	35.6	48.0
Males	53.5	64.5
Females	19.4	33.8
Agricultural households with land (percent of the total HHS)	83.1	77.5
Percentage of irrigated land area	39.6	54.3
Percentage of households borrowing loans	61.3	68.8
Percentage of household loans from banks	16.1	15.1
household loans from money lenders	39.7	26.0

Source: Nepal Living Standard Survey 2003/04 Vol. 1&2.NPC.

The above table shows that the Percent of population (15-59 years) is 53 and it is in increasing and dependency ratio is decreasing. Access in necessary facilities e.g. Road, electricity, toilet, Drinking water, irrigation etc are in very low range and gradually increased in these facilities. Percentage of households borrowing loans are

increasing but Percentage of households borrowing loans from money lenders is decreasing; it means attractions of financial institutions increasing among rural people.

**Table: 2.4 Income Poverty Indicators
(Poverty Line: Research. 4404/person/year)**

Ecological regions	Poverty incidence % of people living below poverty line	Poverty Gap/Intensity of poverty %	Sensitivity of Poverty %
Mountain	56	18.5	8.2
Hill	41	13.6	6.1
Terai	42	9.9	3.4
Urban	23	7.0	2.8
Rural	44	12.5	5.1
National	42	12.1	5.0

Source: NPC, Tenth Plan.

The above tabulated data presents that the poverty status of Mountain is 56 percent, Hill 41 percent and Terai 42 percent. In addition, urban poverty is 23 percent and rural 44 percent. As a whole country, the percent of poverty is 42 percent above. This data shows that the status of poverty is very poor in Nepal.

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. The PAF Ordinance reflects the conviction, support and commitment of the highest echelon of Nepal Government to the programmes and objectives of the Fund. The Executive Director of PAF works as the Secretary of the PAF Board. Poverty Alleviation Fund (PAF) is a targeted programme initiative to support the third pillar of the Tenth Plan, which is targeted programme. 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 PAF starts with the realization by HMG/N (NG) that ad-hoc efforts 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: (1)

Reaching out to the poor and excluded communities, (2) Plan implement demand - driven programme 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 (3) Finance directly to community organizations on cost sharing basis to implement and manage their programmes 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, 2004/05). Initially, in the Fiscal Year 2061/062, PAF started programme implementation in six districts (Siraha, Ramechhap, Pyuthan, Darchula, Kapilvastu and Mugu). Based on the experience gained in these six pilot districts, PAF has expanded programme coverage to all districts respectively.

2.4 The Strategy of Poverty Alleviation Fund (PAF)

To implement the programme, 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/programme.
- Use Partner Organizations (POs) to help facilitate poor vulnerable people and their community Groups or Organizations to implement the programme 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 programmes 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.

1. 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.

2. Social Inclusion: Seeking the participation of *Dalit*, *Janajati*, Women and other disadvantaged groups below poverty level.
3. Transparency: All the activities of PAF are transparent. Every Community organization displays its activities on a board in their community.
4. Demand Driven: Programmes are designed based on the needs and demands of the targeted people.
5. Direct Funding: Funding is made directly in the account of community organization to implement the programme. Every CO has opened a bank account in the nearest bank office as per the rule of PAF. This provides both empowerment and confidence in them.
6. 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.

2.6 Pillars of Poverty Alleviation Fund (PAF)

Four pillars of PAF are social mobilization, income generation, small community infrastructure development and capacity building (PAF, 2007/08).

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 Capacity building

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 Operation modality of Poverty Alleviation Fund (PAF)

2.7.1 Selection of District and VDC

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. VDCs prioritization follows the district social assessment and vulnerable community mapping. Prior consultation is done with District Development Committee and different stakeholders at district level for VDC selection.

2.7.2 Selection of Partner Organization and Partnership with it (POs)

Based on the eligibility criteria, PAF first selects Partner Organizations (PO) working its working districts. CBOs, NGOs, PSOs, DDC, VDC, 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.

2.7.3 Selection of Households/Settlements

PO is assigned in one or more VDCs 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.

2.7.4 Formation of Community Organization (CO)

Community Organization (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*.

2.7.5 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.

2.7.6 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.

2.7.7 Monitoring of the Programme

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.

2.8 Review of Tenth Plan and Goals of Interim Three Years Plan for Poverty Alleviation and Employment

The experiences have shown that the goal of poverty reduction cannot be achieved only by maintaining positive overall economic indicators. Therefore, in the Tenth Plan, an approach has been taken to achieve a broad based and poverty alleviation oriented economic growth rate and to bring positive changes in the overall human development indicators and poverty reduction through social inclusion and targeted programs. In this Plan, programs were implemented to reduce absolute poverty through the creation of employment under the broad economic growth.

2.8.1 Review of the current situation

2.8.1.1 Poverty

Out of the total population, 31 percent are living below the poverty line in Nepal. Although, absolute poverty has been reduced from 42 percent to 31 percent during the period from 1996/97 to 2003/04, 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.

2.8.1.2 Employment

According to the Population Census of 2001, there was 5.2 percent unemployment among the population of ten years and above, and according to the Nepal Living Standard Survey 2003/04, 2.9 percent were unemployed among the population of 15 years and above, 74.3 percent were employed and 22.8 percent were inactive. Among the unemployed population, 3.1 percent were males and 2.7 percent were females. Similarly, according to the national census of 2001, 11.43 percent are unemployed youth. In the total labor force 70.6 percent were involved in agriculture and 29.4 percent in the non-agriculture sector. It has been estimated that the total labor force will reach 11.4 million in 2008 and its growth rate will be 2.6 percent. It is estimated that each year 0.3 million, labor force will be added in the labor market of Nepal.

2.8.1.3 Problems, Challenges and Opportunities

The main challenge of this Plan is to reduce the gap between the poor and the rich while continuing efforts on poverty reduction. Disguised unemployment has been widespread in the agriculture sector due to lack of education, poverty, and malnutrition. Promotion of self-employment is limited due to limited access of the majority of the people to skill, capital, and technology. Although, the conflict has ended, the inability to ensure peace totally, has led to the erosion of the investment-

friendly environment and has created obstacles in the efforts towards the creation of new employment opportunities. As a result, people are getting more attracted towards foreign employment. The major challenges are given below:

- Reducing the ever-growing disguised unemployment, highly concentrated in the informal sectors.
- Gradually transferring the unnecessary population dependent on agriculture to non-agriculture sectors.
- Creating new employment opportunities.
- Promoting self-employment to those domestic entrepreneurs who have access to local skills, capital, and technology.
- Making employment opportunities available to skilled human resources through industries based on joint ventures of the informal and organized sectors.
- Promoting secured foreign employment based on competition.

2.9 Long Term Vision

The long-term vision is to reduce poverty by producing skilled human resources and creating competitive employment opportunities through programs, which create opportunities and enhance capacity development.

2.9.1 Objectives

1. To promote the living standard of the people living below the absolute poverty line through programs that creates of income generation opportunities and capacity development.
2. To promote self-employment by mobilizing skills, capital and technology of the domestic entrepreneurs.
3. To increase access of the economically deprived women, *Dalits*, and persons with disability, minorities, *Adibasi Janajatis*, *Madhesis* and backward communities, in domestic and foreign employment based on capacity/skills.
4. To create the development concept, capital and environment to generate maximum employment.

2.9.3 Quantitative Targets

- Reduce the proportion of the population living below the poverty line from the existing level of 31 percent to 24 percent.
- Increase the employment growth rate from the present rate of 3 percent to 3.5 percent over the plan period.

2.9.4 Strategies

- To create new employment opportunities by attracting private sector investments in cottage and small-scale industries as well as in the medium scale agro-based industries.
- To create additional employment opportunities by attracting foreign direct investment on the bases of comparative advantage, in the mega hydroelectricity projects, highways, irrigation, tourism, services (education and health), financial sector and bio-diversity promotion and development projects.
- To provide employment opportunities for a certain period through the construction of rural roads, drinking water, and irrigation projects in the rural areas, as well as through reconstruction programs.
- To create employment by implementing separate targeted programs based on micro-credit in all the three regions namely, Mountain, Hill and the Terai, for income generation of *Dalits*, low income women, people with disability, *Adibasi*, *Janajatis*, *Madhesis*, and the marginalized people.
- To commercialize agriculture and promote the Export Processing Zone, Special Economic Zone and Industrial Corridors, in the industry sector.
- To implement inclusive, targeted and special area specific programs based on both geographic region and social groups in different sectoral areas.
- To develop a system to identify the population living below the poverty line with the objective of targeted programs to reach the related groups effectively. After the identification of targeted groups, the State will deliver services and goods/incentives to these groups.
- Production oriented employment will be promoted to reduce unemployment and underemployment.
- To make employment more income oriented, skill development and soft loan will be provided to youths of the poor and targeted groups.

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 programme, 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 programme implementation, the condition of Sukajor VDC, people have increased name, fame and income which denote 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: 2.5

Framework of the study

PAF	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



Figure, 3: A Couple of Pig, from a pig raising member.

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, Mainly, the study explores the efforts 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, may be applicable to other areas as well.

3.2 Source of Data

These study goals to explore the socio-cultural change to understand socio-economic impact of PAF on poverty reduction in the study area. Thus, the primary data was collected from the Community Organizations 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 and rural development.

3.3 Sampling procedure

The universe of the study is the total number of Community Organizations of this VDC. The members of Community Organization and a team of staff of Community Development Society (CDS) a Partner organization of PAF from this VDC had been selected as respondents in this study. A Purposive Sampling technique had been employed for the selection of the study population. There are around 706 Households in Sukajor VDC. Among these households 479 households are included in PAF program, through 21 Community organizations. Within these households 19 are dalit, 366 are janajati and 94 are other casts households with 3334 benefited populations. However, due to time and resources constraints complete coverage was not possible. Hence, only 65 households and 65 individuals are included in the research sample from 21 Community organizations. The sampling population has been by taken at least three households/Individuals from each Community organization. And two staff from one partner organization. It is assumed that such sampling provides the real information of the universe.

3.3.1 Sampling Step

To carry out the field study effectively following sampling steps were used in study area.

The universe of the study in purposive sampling the key position holders e.g. Chairperson, Secretary and treasurer from each Community Organizations. As being leader of Community Organization they can explain the ground reality of community, household and individuals. And in other views that they are inclusive in caste and sex, because there are among marginalized cast group and one should women in three positions. So researcher has selected the key position holders from each Community Organizations. It is assumed that such sampling respondent provides the real and authentic information of the universe. Besides these, Local leader, teachers and social activists were selected for interview to get precise and cross reference information for the study. 65 households/individuals were those who were involved in the baseline survey done by CDS in 2004.

3.4 Data collection tools and technique

On the process of data collection tools and techniques are important. The collection of primary data had been generated, the structured questionnaire, semi or unstructured interviews; and observation as well as focus group discussion methods have been applied.

3.4.1 Household survey

Structured questionnaire had been prepared to generate the realistic and actual data from household's survey of the selected households. The respondents have requested to fill up the questionnaire by themselves.

3.4.2 Key informant interview

The primary data had been collected from key informants using the semi or unstructured interview. The interview had been taken as cross checking for data obtained from questionnaire. The informant had been interviewed on the impact of PAF Program on local activities, like development, living standard, income of Community Organizations. In this process information had been taken from PAF members, Local people, Politician, VDC Secretary, and Chair-person of user groups, Local teachers, and Social workers and so on.

3.4.3 Observation

Sixty Five households which were selected were visited personally to observation of their living condition and socio-cultural change and impact of PAF activities had been observed in various sectors with the help of observation guidelines. 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. The researcher observed of community in personal hygiene, vegetable farming, animal husbandry, kirana (retail) shop, entrepreneurship, hotel business, 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.

3.4.4 Focus group discussion

The focus group discussion had been located in the renowned place of VDC with active participation of all man, women, ethnic groups, *Dalit*, Children, Youths and Old persons using checklist. For the Focused group Discussion the key position holders e.g. Chairperson, Secretary and treasurer were selected from each Community Organizations. As being leader of Community Organization they can explain in ground reality of community, household and individuals. And in other views that they are inclusive in caste and sex, because there are among marginalized cast group and one should women in three positions. The discussion was started focusing the poverty related organizations activities in local area and its impact on developmental activities and on more issues.

3.5 Data Analysis and Interpretation

After concluding interview schedule from field observation collection of data had been preceded. Various computer programmes e.g. Excel, had been used and simple statistical tools like; table, graphs, charts 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.

3.6 Operational Definition

3.6.1 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.

3.6.2 Untouchable Caste

Untouchable caste are those caste, which are not allowed to touch other caste upper them in caste hierarchy according to Hindu Ideology.

3.6.3 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 programme.

3.6.4 Constitution

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

3.6.5 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.

3.6.6 Non Formal Education

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

3.6.7 Sanitation

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

3.6.8 Maternal Child health (MCH)

It is a programme of reducing maternal child mortality and morbidity rate that help to control and prevention diseases.

3.6.9 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 according to rules and regulation of them.

3.6.10 Outreach Clinic

Due to geographical condition, busy and ignorance, a clinic run as accessible places for providing health services to mother with children and health education, family planning devices, first aid services etc can be obtained.

3.6.11 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.

3.6.12 Partner organization

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

3.6.13 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, Treasurer and Secretary from female of *Dalit* and *Janjati*.



Figure, 4: A CO member take care his buffalo.

CHAPTER-FOUR

DESCRIPTION OF THE STUDY AREA

4.1 General Introduction of Ramechhap District

Ramechhap District, a district of Janakpur Zone, is one of the seventy-five districts of Nepal. The district, with *Manthali* as its district headquarters, covers an area of 1564.32 square km and has a population (2001) of 212408.

4.1.1 Location

Ramechhap is the midmost district of Nepal and lies in the hill. It borders *Dolakha* in the North, *Kavrepalanchok* and *Sindupalchok* districts in the West, the *Sindhuli* in the South and *Okhaldunga* and *Solukhumbu* in the East.

4.1.2 Administration

The district is divided into 55 Village Development Committees (VDCs). 11 Elaka committee and 2 electoral regions. Its major centers are *Manthali*, *Ramechhap*, *Dhobi*, *Gausara*, *Himganga*, *Gumdel*, *Bamti*, *Khimti*, *Doramba* and *Pakarbas*.

4.1.3 Demography

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

4.1.4 Climate and Geography

Ramechhap receives 250 to 300 cm 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 *Ranjor River*, *Thulo Pokhari*, *Likhu River*, *Nagthan River*, *Tamakosi River*, *Sunkosi River*, *Bhatauli*, and *Sukhajor River* etc provide water for irrigation. Due to its alluvial soil best suited for agriculture, Ramechhap has been the largest producer of rice and is therefore known as the Grain Grocery of Nepal. Besides cereal crops like rice, crown, Millet and wheat, it is also one of the largest producers of potato, tomato, mango, soybean, banana and other cash crops. The following table shows that the topographical distribution of land.

Table: 4.1

Topographical distribution of land in Ramechhap District

Physical Condition	Cultivated	Non Cultivated	Pasture	Forest	Others	Total
High Himalaya	0	0	0	7,249	11,478	18,486
High Mountain	2,088	1,704	1,110	18,501	0	24,797
Mid Mountain	37,962	17,426	304	44,902	1,955	106,914
Total	40,050	19,130	1,41	66,152	13,433	150,194

Source: District Profile of Ramechhap-2007/08

Ramechhap also has vast areas of forests; there were 353 numbers of forest user groups. As well as there were 393 academic institutions including Pre-Primary, Primary, L. Secondary and Secondary.

4.1.5 Attractions and Sites

Ramechhap also has several religious and historical sites of great importance like *Thulo Pokhari, Thanapati Mahadev Mandir, Bhagawati Mandir, Karki Kulayan Mandir, Kalika Mandir, Bhairabi Mandir, Khandadevi Mandir* and *Bhimsen Mandir*. There is also the historical fort of Manthali which gave its name to Manthali. Other sites too have their own religious and historical values.

4.1.6 Development

Ramechhap 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 of the district. There is also tele-communication, roads and a hospital. It has the overall composite index is 56 rank.

4.1.7 Agriculture and Industry

Ramechhap is also famous for microcredit development. There were Small Farmer, Saving and Credit, Multipurpose and Agriculture co-operative was resigered in local administration. The Rastra Banijya Bank was the first financial institution. In Ramechhap there were two branches of Rastra Banijya Bank. Below the table shows that the population, households, male and female are follows.

Table: 4.2 Population Statuses in Ramechhap District

Total Population	Male	Female	Sex Ratio	Total HHs	Average HHs	Literacy Rate %	Population Density Per Km.
212,408	100,853	111,555	90	40386	5.26	39.05	137

Source: District Profile of Ramechhap -2007/08

4.1.8 Poverty Status

The magazine “Poverty Outlook” 2008 stated that *Ramechhap* is one of the least developed and poor place, which rank is 56, the poverty incident rate is 0.48, poor HHs 19,385, poor population 101,956, literacy rate 39.40, female literacy rate is 26.60, and male literacy rate is above 53.80 respectively. It proves that the poor condition of *Ramechhap* district.

4.2 Introduction of Sukajor VDC

Sukajor is a Village Development Committee in Ramechhap District in the Janakpur Zone of North-eastern Nepal. At the time of the 2001 Nepal census it had a population of 3,334 people residing in 706 individual households. This area is geographically accessible, there is telephone and electricity facilities are just introduced. In this VDC, only sub-health post, post office and schools. So, health, sanitation and employment opportunities are very poor. After the emergence of PAF programme, the developmental activities are rapidly rising in the VDC. Extension of income generation activities, self-independent, cultural change, drinking water and irrigation facilities are some of the main works of PAF in this VDC. The main ethnic groups residing in this VDC are *Hayu, Magar, Tamang, Gharti, Newar*, etc. Among *Dalit* there are many categories such as *Damai, Kami, Sarki*, etc. The table-2.8 below shows the current Ramechhap VDC’s statistics like, total population, literacy rate, and telephone or electricity status clearly.

Table: 4.3 Sukajor VDC’s statistics

Total Population	Total HH	Male	Female	Literacy%	Tel.	Elect
3334	706	1679	1655	39.3		

Source: District Profile of Ramechhap-2007/08.

4.3 Description of PAF in Study Area

Community Development Society (CDS) a partner organization (PO) which was established or started its work from 2061 BS. According to the programme nature and contract, programme should be completed within five years. The main role of PO's is given below.

1. Identification of target, VDC, Ward, Settlement and member.
2. Sensitization to community.
3. Process facilitation of the social analysis.
4. Capacity building/social mobilization after formation.

PAF started its programme after Fiscal Year 2061/062 in six districts (Siraha, Ramechhap, 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 fourteen community development organizations under the poverty alleviation fund programme namely; *Kolbote, Laliguransh, Dovan, Prakash, Mahakali, janajyoti, sagar, Suryamukhi, Chandramukhi, Maineswari, Bhimeswar, Navaprabhat, Pragatishil, Setiguransh, Shirjana, Birta, Janahit, Navachautari, Kailashpati, Chambot* and Adarsa Community Development Organizations. In these organizations, there are above 450 total families are engaging.

The support of various organizations, PAF became popular in *Sukajor* VDC. In this VDC 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
-) It had supported the alternative energy
-) PAF made various schools
-) Changed the traditional agriculture system

-) Helped to establish Poultry form
-) Drinking water
-) Entrepreneur Loan / Agriculture Loan
-) Livestock farming etc.



Figure, 5: A CO Member Mr, Tek Bdr. Magar in his vegetable farm with Cemented irrigation tank.

CHAPTER-FIVE

DATA ANALYSIS AND INTERPRETATION

5.1 Socio-Economic Uniqueness

This chapter begins the information like caste/ethnicity, family size composition, Participation, occupation, educational status, age sex structure, land holding, Access/used of physical service and facilities and animal husbandry of the study compare with base line survey 2004, and Qualitative explain about universe status of the study area.

5.1.1 Caste/Ethnic Composition

Table: 5.1 Caste/Ethnic Compositions

Caste/Ethnic group	No. of HHS	Percentage%
Janajati	39	60
Brahmin/Chhetri	17	26
Dalit	7	11
Others	2	3
Total	65	100

Source: Field Survey, 2010.

There were diverse of ethnic representation. There was *Bramhin/Chhetri, Newar, Magar, Gharti, Tamang Dalit and others etc.* Among the sampled households under the study, *Janajati* represented the largest population 60 percent, followed by *Bramhin/Chhetri* 26 percent, *Dilit* 11 percent and *others* 3 percent. The table- 5.1 above describes the caste/ethnic composition of sampled households. Out of sampled 65 households, 97 percent peoples are *Hindu* and 3 percent are *Buddhist* religion.

5.1.2 Occupation

Table: 5.2 Occupational Distributions of Sampled Households

Occupation	No. of HHs	Percentage
Agriculture	62	95
Others	3	5
Total	65	100

Source: Base line survey report, CDS, 2004 and Field Survey, 2010.

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 95 percent, and others are 5 percent. The table-5.2 above shows the occupational division of sampled households.

5.1.3 Family Size

Table: 5.3 Distributions of Family Members

Family Size	No. of HHs	Percentage%
1-3	13	20
3-5	18	27
5-7	22	34
7-9	7	11
9-11	5	8
Total	65	100

Source: Field Survey, 2010.

Family unit size of the sampled HHs was found from 2 to 11 members. The family number between 1-3 represented 20 percent, the number between 3-5 represented 27 percent, 5-7 represented 34 percent, and 7-9 represented 11 percent. The table-5.3 above shows the family unit size in orderly.

5.1.4 Age-Sex Composition

Table: 5.4 Age-Sex Composition of Sampled HHs

Age group	Total PN.	Male	Female	Total Percentage
0-4	3	2	1	5
5-9	3	1	2	5
10-19	4	2	2	6
20-29	13	5	8	20
30-39	17	10	7	26
40-49	8	5	3	12
50-59	7	2	5	11
60-69	8	6	2	12
70- Above	2	1	1	3
Total	65	34	31	100

Source: Field Survey, 2010.

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 65, among them 34 were Male and 31 were Female. The table -5.4 above has illustrated age and sex composition of the sampled households. The study shows that population of male than female was little more. The age group in between 20-29 and 30-39 had dominated the total population, which covered 46 percent of the people and among them over 49 percent were female. There was one man and one woman who had crossed over 70 years.

5.1.5 Educational Status

Table: 5.5 Educational Statuses of Family Members

Level	Base line survey, 060/061		Impact study, 067/068		Changed %
	Respondent No.	Percentage%	Respondent No.	Percentage%	
I.A above	1	2	4	6	+4
S.L.C.	3	5	6	9	+4
Under SLC	5	8	9	14	+5
Primary	6	9	8	12	+3
Literate	21	32	25	39	+7
Illiterate	15	23	13	20	-3

Source: Base line survey report, CDS, 2004 and Field Survey, 2010.

Out of total respondents, majority of respondents 14 percent had lower secondary level education. The study shows that 15 percent were educated up to SLC level followed by only literate 39 percent and SLC 9 percent. But 20 percent respondents were illiterate. The study also shows that the average literacy rate per sampled HHs was 39 percent. The table -5.5 above illustrates the comparative educational pattern of sampled households in between base line survey, 2004 and impact study, 2010. Which is quite satisfactory is in progressive way of the study area.

5.1.6 Type of House

Table: 5.6 House Patterns of Sampled Households

Pattern of House	Base line survey, 060/061		Impact study, 067/068		Changed %
	No. of HHs	Percentage%	No. of HHs	Percentage%	
Kachhi	59	91	51	78	- 13
Pakki	6	9	14	22	+13
Total	65	100	65	100	

Source: Base line survey report, CDS, 2004 and Field Survey, 2010.

The study area is located in rural place. Out of the total sampled households, 78 percent had got *Kachhi* house made by mud and wood and 22 percent had got *Pakki* (Cement plastered) house. It is 13% positive changed towards *Pakki* house in between base line survey and impact study time period. The compared house model of sampled HHs has been shown in the table-5.6 above.

5.1.7 Animal Husbandry

Table: 5.7 Animal Husbandry

Animal	No.	Base line survey, 060/061		Impact study, 067/068		Changed %
		No. of HHs	Percentage%	No. of HHs	Percentage%	
Goat	1-3	31	48	16	24	-24
	3-6	19	29	29	45	+16
	6-10	10	15	13	20	+5
	10+	5	8	7	11	+3
Total		65	100	65	100	
Buff.	0	18	28	10	15	-13
	1-2	33	51	35	54	+3
	2+	14	21	20	31	+10
Total		65	100	65	100	
Pig	0	7	14	2	4	-10
	1-2	31	65	26	54	-11
	2+	10	21	20	42	+21
Total		48	100	48	100	
Poultry	Subsistent	65	100	61	94	- 6
	Commercial	0	0	4	6	+ 6
Total		65	100	65	100	

Source: Base line survey report, CDS, 2004 and Field Survey, 2010.

In rural area, animal husbandry is an important productive asset. Thus, most of the sampled HHs in the study area raised animal husbandry. After implementation of PAF

program in the study area increased the number of animal (Goat, Buffalo, pig and poultry). Commercial production of poultry is also running. So, It can be said it is the positive impact of PAF program. The above table-5.7 describes the Comparative status of animal husbandry within base line survey and impact study period.

5.1.8 Agricultural Land Holding

Table: 5.8 Agricultural Land Holding Status of Sampled HHs

Agricultural Holding HHs	No. of HHs	Percentage
Less than 1 <i>Ropani</i>	17	26
1-3 <i>Ropani</i>	27	41
4-6 <i>Ropani</i>	9	14
7-9 <i>Ropani</i>	5	8
9-11 <i>Ropani</i>	4	6
11-Above <i>Ropani</i>	3	5
Total	65	100

Source: Field Survey, 2010.

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 5 percent has got above 11 *Ropani*; over 41 percent has got 1-3 *Ropani*, 26 percent has got less than 1 *Ropani*. The table- 5.7 above illustrates the agricultural land holding of the sampled households.

5.1.9 Food Sufficiency

Table: 5.9 Food Sufficiency Status

Food Sufficiency months	Base line survey, 060/061		Impact study, 067/068		Changed %
	No. of HHs	Percentage%	No. of HHs	Percentage%	
Three-Six	25	38	16	25	+ 13
Six-Nine	21	32	21	32	=
Nine-Twelve	16	25	23	35	+ 10
Above- Twelve	3	5	5	8	+3
Total	65	100	65	100	

Source: Base line survey report, CDS, 2004 and Field Survey, 2010.

The main agriculture production in the study area was rice, potato, maize and vegetables etc. Among the sampled HHs more than 90 percent was found to be completely dependent in agriculture and among them more than 75 percent HHs had not sufficient food production for their livelihood. After PAF's intervention, it is gradually improving in food sufficiency. It is presented in above table-5.9.

5.1.10 Access/used of physical services and Facilities

Table: 5.10 Access/used of physical services and Facilities

physical services and Facilities	Base line survey, 060/061		Impact study, 067/068		Changed %
	No. of HHs	Percentage%	No. of HHs	Percentage%	
Piped water	25	38	29	45	+ 7
Irrigation	15	23	18	28	+5
Toilet	11	17	47	72	+55
Improved Cooking stove	7	11	52	80	+ 69
Borrowing loan from CO	3	5	63	97	+92

Source: Base line survey report, CDS, 2004 and Field Survey, 2010.

After the PAF programme launching this VDC, community people have been aware about use of physical services and facility in community development activities. This VDC is nearby District headquarter, and road facility is available. In case of communication means, local telephone and cell phone are available. The production of vegetables, fruits, seed grains etc. are easily sell to the local market. So, there is good provision of physical facility for the transportation of goods. Other services, e.g. Piped water, toilet, Irrigation and improved Cooking stove are increased largely. This shows above table. Specially borrowing loan from CO is main opportunities for all CO members. It creates more option and free from expensive interest rate of money lenders.

5.2 Socio-Cultural and Economic Improvement Initiated by PAF

PAF is eventually concerned with socio-economic transformation of the poor. While the short-run objective of PAF 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 collaborator in the development course. The target beneficiaries of PAF are the marginalized communities- the poor, women, *Dalit* and *Janajatis*. Using the four keys, PAF proved that reduction of poverty is not far from human society. In *Sukajor* VDC it had changed or transformed the VDC. The following paragraph shows the poverty reduction and community development activities after the emergence of PAF in the study area.

5.2.1 PAF Activities in the Study Area

Social

1. Education and Schools for disadvantage disable and marginalized group.
2. Establishment of social control
3. Social security
4. Social rights & justice
5. Community participation
6. Level of awareness
7. End of stratification
8. Self-esteem/self-respect
9. Social mobilization

Economic

1. Employment opportunity
2. Regular income source
3. Income generation activities
4. Cooperative development
5. Poor Loan system
6. Uses of local technology

Others

1. Infrastructure développement (temple, stupa, chaitya, etc.)
2. Capacity development (knowledge, skill, method, technique)
3. We feeling
4. Irrigation facilities
5. Drinking water
6. Communication
7. Women empowerment programs
8. Disadvantage, disable support programs
9. Livestock and poultry farming programs
10. Conflict management
11. Peoples participation

5.3 Participation of People

As we know that motivation and participation to the target group is very necessary. The vision without mission is not the perfect task of planning. Hence, as we compared with PAF entering before and after where there are significant changes in case of community unity and collective decision. So, to do social work, they are agreed with hard labor and contribute their roles. Similarly, social disorder activities such as playing cards, gambling, taking liquor, quarreling etc. have been stopped due to cooperation, co-ordination and unification of members in community Organization. To do any activities, in the community, they call meeting and clarify the role of individuals for how to do complete the task. More than 80 % women are now participating in meeting and other social works for their problems and right.

5.4 Capacity Building

It is most important 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 using their skills for their activities.

5.5 Income generation

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 programme is possible. According to climatic condition, geographical variation, setting of people that determine their exact activities. For this, demand driven and inform choice 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, bee keeping, pig rising, poultry, sewing and cutting, small cottage industry, repairing and maintenance of electricity shop, retail shop, retail business and so on. The economic status of the community has been changed and they have per month income sources.

5.6 Skill Development

After getting the training, target group has established as their business such as tailoring shop, improved sheds of livestock and raising of goats, buffaloes, pigs,

poultry etc, changes in traditional occupation of black smith, processing of Junar juice, weaving of clothes, fruit nursery management, use of improved seeds, conservation of local resources and improving their livelihoods.



Figure, 6: A goat raising CO member grazing her hybrid goats.

CHAPTER-SIX

SUMMARY, CONCLUSION AND RECOMMENDATION

6.1 Summary

The study has focused the PAF programme and the socio-cultural development of households of selected sample before and after handover and impact of PAF on the livelihood and local development activities. Out of 3,334 populations, 65 populations (purposive sampling) had been selected from *Sukajor* VDC of *Ramechhap* district. *Sukajor* VDC's people had been selected to examine the objectives which are related to the socio-economic condition of the HHs and the availability of PAF programme on quality and coverage which impacts compare with base line survey, 2004 in local development situation. In total 65 persons of the HHs had been examined during the study by using purposive sampling.

6.1.1 The Summary of the Study

- The main occupation of the sampled participant was agriculture and livestock-poultry. Among the sampled households, 95 percent of people were involved in agriculture occupation, and 5 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 39 percent, illiterate 20 percent, primary 14 percent, SLC 6 percent and I.A. above 9 percent respectively.
- Among the sampled households, the average agricultural land holding per households was 4-5 Ropanis. Many of the household (41 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.

- Among the sampled households, *Janajati* represented the largest population of 60 percent, *Brahmin/Chhetri* represented 26 percent, *Daliti* represented 11 percent and *others* represented 3 percent.
- On the study area capacity development, income generating activities, infrastructure development like *road, irrigation, drinking water, toilet, electricity, Improved Cooking Stove, Community building* and *telephone* facilities were used by households in present.
- In the local developmental activities PAF had played positive 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, 78 percent of them had got *Kachhi* house pattern but 22 percent were in the process of making *Pakki* house and it was growing orderly. After formation of COs in Settlement.
- Out of total respondents, majority of respondents reported that they used poverty related programmes 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 Sukajor VDC'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 programme "*Garibiko Pahichan*", which programme 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 *Sukajor VDC*.

- Some social conflicts are arising in the study area due to the program implementation issue.

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.

Expansion of PAF Programme in new districts: Now PAF is operating in 40 districts. It will Planned to cover all district gradually. This is highly ambitious and challenging targets. But PAF is committed to reach to all poor of Nepal directly through its programme as soon as possible.

1. Institutionalization of PAF programme in old districts where programme has been already been in progress for the last three and more years. Institutionalization will lead to sustainability of the programme. 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 sectoral 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 programme (PAF Annual Report, 2006/7).

Poverty Alleviation Fund (PAF) is a targeted programme initiative to support the third pillar of the 10th plan, which is a targeted programme. 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).

In my observation Sukajor VDC is improving as compared to other areas 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 was good. Because the PAF had 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 programmes or institutions management, protection and conservation practice. The ecological components had also been promoted due to the enactment of PAF. 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 *Sukajor VDC* in *Ramechhap* 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 situation and findings from the study area make the following recommendations have been suggested for the better working of PAF to get desired positive impact in Local Development in future also.

- 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-co-ordinator* and Portfolio manager 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, research programme. These types of programme should be concentrated in the aware, find out and search of community organizations.
- Common sentiment of the organization members should be taken into consideration rather than the little political interest.
- The implementation of the programme should be managed for the sustainable poverty reduction and community development.



Figure, 7: A CO member fetching water from new established water tap.

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ANNEX-1

Interview Schedule for Sampled Households Survey

QUESTIONNAIRES FOR INTERVIEW

1. The respondent:

Name: _____ Age: _____ Sex: _____
Address: _____
Ethnicity: _____
Religion: _____
Education: _____
Occupation: _____
VDC: _____ Ward No: _____
Name of CO: _____ Settlement: _____ Ward: _____

2. Family Background:

SN.	Name	Sex		Age	Marital Status	Relation To Head	Education	Occupation		Remarks
		M	F					Main	Others	

- 3. What do you mean by community organization?
- 4. How do you form community organization? Is it benefit for the community?
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 is the status in the organization according to the well being ranking?
Group- A _____ Group- B _____ Group- C _____ Group- D _____
- 9. What kind of activities did you launched in your community organization?
- 10. What kind of trainings did members receive in the organization?
- 11. Did you use those training skills in the community?

32. Do you have any trend to use traditional healer for illness?
Yes No
33. After phase out of project how to continue programmes?
34. Does the source of income change after project launched?
Yes No
35. What is your opinion on local social mobilization of Sukajor VDC of CDS staff?
36. Is social harmony increasing now than before?
Yes No
If yes, what is that?
37. How did you identify the priority of the project in the organization?
38. How the partner organization did organization facilitate to use of local resources?
39. What is your business being run?
40. How much money do you earn from your business per month?
41. Did the target members benefit from the PAF fund programmes?
Yes No
If no, give the reason.
42. Do you have skill of report writing, recording meeting minutes and planning of project?
Yes No
If no, illustrate the causes.
43. How did you prove that your project run as transparently?
44. Do you know your responsibility in your organization?
45. Did you start coordination with VDC, DDC, NGOs/INGOs and other line agencies?
Yes No
If yes, what is the purpose?
46. How did you monitor of your sub- project in organization and their roles?

ANNEX-2

Checklist

- Past and present PAF condition.
- About PAF programmes and practices.
- Contribution of the programmes.
- Role of local community organizations.
- Decision making process.
- Income and expenditure of the members of CO.
- Suggestion and comments about PAF programmes.
- 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 DDC, NGO, VDC and PAF.

ANNEX-3

Map of Nepal

ANNEX 4

Map of Ramechhap District

ANNEX 5

Map of Sukajor VDC

