AN ANALYSIS



OF NGO SERVICE DELIVERY CAPACITIES IN NEPAL DURING TIMES OF CONFLICT AND UNCERTAINTY



TECHNICAL REPORT

The Mountain Institute

An Analysis of NGO Service Delivery Capacities in Nepal During Times of Conflict and Uncertainty

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December, 2006
Kathmandu, Nepal

Funded by:
FY 2005 Research Options for DCHA/PVC-ASHA

Executive Summary

The traditional models of country project implementation and service delivery are changing rapidly throughout the world, sometimes to address conflict or uncertain situations. Adapting and responding to these situations, based on a solid understanding of their root causes and their prospective solutions, is critical to the success of future poverty reduction and development programs throughout the world.

The Mountain Institute (TMI) has conducted conservation and development programs in Nepal over the past fifteen years. Starting in 1988, TMI began to shift its implementation modality in response to changing situations, institutional priorities, and lessons learned regarding more effective means of service delivery. In 2002, TMI was already well into the process of making the shift to a greater use of local non-government organizations (NGOs) as project implementation and monitoring partners when the Maoist insurgency began to impose new challenges to traditional implementation modalities. The conflict, however, seems to have accelerated this shift, and the purpose of the present study is to determine exactly how effective NGOs have been under contemporary situations of conflict; what new challenges have impacted their ability to implement projects; and how their service delivery and monitoring capacities can be strengthened in spite of violence and uncertain times.

Methods included literature reviews, field visits, and key informant interviews involving TMI staff, local NGOs, and international non-governmental organizations (INGOs). Topics covered include the background and historical context of the Maoist insurgency in Nepal; the evolution of TMI and other INGO implementation models over time; results of the focus group discussions and interviews; analysis of key findings; and lessons learned and recommendations.

The study documents how INGOs and NGOs have used a variety of techniques to continue field activities, safeguard their field staff, and maintain workable relationships with the conflicting parties, even within a situation of civil war. These include lowering their field profiles; developing flexible implementation plans; promoting transparency, impartiality, neutrality, and community ownership; strengthening the capacity of carefully chosen local partners; using local staff; strengthening cooperation/collaboration among stakeholders; and focusing on poor and marginalized groups. Several NGOs, INGOs, and donors interviewed suggested that given in the current situation, development activities must first address people's immediate needs by providing quick, tangible results, such as bridges, buildings, or other infrastructure activities.

The findings show that working through NGOs is indeed an effective means of building the local capacity and sustainability of program activities, and it was for this reason that many international organizations started working through local NGO partners well before the current conflict. The conflict itself, however, was found to have been a catalyst for encouraging INGOs to become truly focused on strengthening in-country NGO capacity, and for local NGOs to focus more on the strengthening of their diagnostic, participatory planning, implementation, monitoring, and reporting skills.

Additionally, it was found that whether or not an INGO works through local NGOs is less important than the details of how the programs are carried out. Key features of effective project design and implementation under situations of conflict included:

- the degree of community participation and ownership
- the degree of transparency
- the maintenance of neutrality and impartiality
- the careful selection of partners and associates
- the delegation, transparency, and inclusiveness of decision-making,
- social inclusion, and
- the conduct, behavior, and dedication of staff members, regardless of who employs them.

Following more than two years' of training and counseling, the capacity of TMI's NGO partners was found to have increased significantly, but the cost-effectiveness of this strategy remains unknown and in need of further analysis. Regardless, the study suggests that it is essential to assess the skills and developmental stage before hiring NGOs in order to develop a suitable plan for concurrently strengthening their skills, effectiveness, and capacity. As NGO capacity increases, their ability to determine their own additional training needs also tends to

increase. When examining the experiences and practices of other international organizations, the key factors linked to trust building, credibility, and project success appear to have been the personal conduct and behavior of project staff and field personnel.

While NGOs represent the most promising means of service delivery in conflict situations, the study suggests that, at present, most local NGOs are weak in their technical, analytical, and management capacities. For continued progress in Nepal's overall sustainable development, particularly given the current atmosphere of uncertainty, significant and accelerated investment in NGO capacity building should be anticipated.

At the same time, the importance of community participation, transparency, neutrality, partner selection, and other key features mentioned previously should be emphasized. Study results conclude that these features are

- fundamental components of project success whether a project is implemented by a PVO, local NGO, or local CBO;
- critical to the continuation of service delivery during times of conflict and uncertainty; and
- instrumental to the improvement of development practices during times of peace.

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Acronyms and Definitions

AAC	American Alpine Club
AI	Appreciative Inquiry
APPA	Appreciative Participatory Planning Analysis
Bandh	Forced closure or strike
BOGs	Basic Operating Guidelines
CBO	Community Based Organizations
CFUG	Community Forest User Group
CPN(M)	Communist Party of Nepal (Maoist)
CPP	Community Partnerships Project
DDC	District Development Committee
DFID	Department of International Development
DFO	District Forest Office
DHQ	District headquarters
DIMP	Detailed Implementation Monitoring Plan
DNPWC	Department of National Parks and Wildlife Conservation
GMC	Gomba Management Committee
Gompa	Buddhist temple
GON	Government of Nepal
HDI	Human Development Index
HMG	His Majesty's Government of Nepal
INGO	International non-government organization
IUCN	International Union for Conservation of Nature
KACC	Khumbu Alpine Conservation Council
LFP	Livelihoods and Forestry Programme
M&E	Monitoring and Evaluation
MAPs	Medicinal and Aromatic Plants
MBCP	Makalu-Barun Conservation Project
MS	Mountain Spirit
MSC	Manekor Social Club
NANRMP	Nepal Australia Natural Resource Management Programme
NC	Nepali Congress Party
NGO	Non-government organization
NPC	National Planning Commission
PPYC	Paldor Peak Youth Club
PRA	Participatory Rural Appraisal
PUG	Pasture User Group
PVC	Private Volunteer Cooperation
RNA	Royal Nepal Army (now Nepal Army)
Sagarmatha	Nepali name for Mount Everest
SCSDC	Silichong Club Social Development Centre
SDJYC	Shree Deep Jyoti Youth Club
SHAHGG	Shree High Altitude Herbal Growers Group
SOE	State of Emergency
TEF	The East Foundation
TMI	The Mountain Institute
ToT	training of trainers
UG	User Group
UNDP	United Nations Development Program
VDC	Village Development Committee
VIP	Village Infrastructure Project
WWF Nepal	World Wildlife Fund

Foreword

Strengthening the capacities of in-country NGOs is an intuitively obvious recipe for developmental success and sustainability, whether during times of peace or times of conflict. Like many PVOs in Nepal and elsewhere, The Mountain Institute (TMI) began its shift towards a greater use of, and reliance on, local NGOs in the late 1990s, well before the Maoist insurgency began to affect traditional implementation methods and approaches in its working area. In the interests of furthering field effectiveness and development learning, however, the purpose of the following research paper was to determine exactly *how* effective TMI's partner NGOs have been in their delivery of services during this period, and especially since the escalation of violence and uncertainty of the past three years.

"An Analysis of NGO Service Delivery Capacities in Times of Conflict and Uncertainty" is the product of a very capable research team led by Ms. Frances Klatzel, a development specialist with decades of experience living and working in Nepal. Co-researcher Mr. Brian Peniston has been director of TMI's Nepal Program for the past 10 years, and has been a leader in the development of new and innovative approaches during the entire conflict period. Research assistants Ms. Sarah Subba and Mr. Tsedar Bhutia provided invaluable insights and services during the investigation and data analysis phases of the project, and sharpened their own research skills in the process.

PVOs are in a unique, and not yet fully explored nor exploited, position to undertake and conduct applied research projects that can provide particularly meaningful and important contributions to the both the development and academic sectors. They bring years of hands-on, field-based experience to the research project; and they are staffed by professionals of unusual dedication and commitment, who are fluent in the cultures and environments of the places in which they work. The following paper is testimony to these attributes, and we would like to extend our sincere thanks to USAID's FY 2005 Research Options for DCHA/PVC-ASHA program for providing us with the opportunity to conduct the study.

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Acknowledgements

On behalf of the study team, I would like to thank the personnel of (I)NGOs and bilateral programs who gave so generously of their time and insights to be interviewed for this study.

Among the representatives of the NGOs, these individuals include Kagendra Sangam, The East Foundation; Nor Bhupal, Rai Silichong Club; Himan Sing Tamang, Paldor Peak; Kaisang Nurbu Tamang, Manekor Socity Nepal; Ang Chiri Sherpa, Khumbu Alpine Conservation Council; and Mr. Krishna Kumar Rai, SHAGG.

We would like to thank the following individual representatives of other programs: Mr. Jay Shankar Lal, Program Coordinator CARE Nepal; Mr. Peter Scheuch, Program Coordinator; and Mr. Bhawani Karel, Senior Program Officer, International Union for the Conservation of Nature/ Nepal; Mr. Peter Neil, Program Coordinator, Livelihoods and Forestry Programme; Dr. Anthony Willet, Social Development Advisor, Nepal-Australia Natural Resource Management Project; and Dr. Sarala Khaling, Director of Development, Research, and Monitoring; and Mr. Ang Phuri Sherpa, Program Officer (KCAP), World Wildlife Fund Nepal.

We would also like to thank the following TMI past and present staff members for sharing their observations and insights: Sushila Thing, Assistant Technical Officer, Rasuwa; Sarah Subba, Program Development Officer; Ang Rita Sherpa, Senior Program Manager; Dambar Bahadhur Thapa, Senior Program Coordinator, Sankhuwsabha; Chiranjibi Dahal, Program Coordinator; Bheem Raj Rai, Technical Officer; Karma Bhutia, Program Coordinator, MacArthur Program; Purusottam Bhattarai, Regional Finance Officer; Tsedar Bhutia, Planning, Monitoring and Evaluation Officer; and Chet Kumar Khatri, former TMI Staff.

As well, I would like to thank the TMI team of Brian Peniston, Sara Subba, and Tsedar Bhotia for continuing our work on the report despite the rather difficult circumstances during April 2006. I'd also like to thank Dr. Alton Byers for his on-going support in the undertaking and completion of this report.

Frances Klatzel
Kathmandu, Nepal
August 23, 2006

ONE

Introduction

Over the past fifteen years that The Mountain Institute (TMI) has conducted conservation and development programs in Nepal, it has shifted its implementation modality several times in response to changing situations, institutional priorities, and lessons learned regarding more effective means of service delivery. The most recent change, beginning in 1998, involved the greater use of local non-government organizations (NGOs) as project implementation and monitoring partners.

This approach was related partly to contemporary development trends; and partly to TMI's own hypothesis that the approach was less expensive, more sustainable, and more effective than traditional top-down approaches. Later, adoption of the approach was partly due to the escalation of conflict and uncertainty in Nepal that demanded new and creative service delivery mechanisms. Determining exactly *how* effective TMI's partner NGOs have been during the past ten years, and especially during the acceleration of hostilities that commenced in 2003, is the purpose of the following paper.

1.1 Statement of the Hypothesis and Relevant Definitions

In the following study, we test the hypothesis that ***"local NGOs have proven to be an effective means of TMI program implementation in the uncertain situation in Nepal"*** by examining the relevant experiences of TMI, other INGO, and NGOs during the past decade. Definitions of key terms used throughout the study include:

Local, defined as district or community-based NGOs, whose board members and staff are from the district.

Effective, defined by the variables of having or promoting:
- Participation
- Transparency
- Budgeting - cost / benefit
- Staffing and types (social inclusion)
- User Groups (UGs)
- Social inclusion in activities
- Decision-making
- Security and risk management
- Quality of services delivered
- Number of beneficiaries
- Self-reliance of UGs, and

Implement, defined as including:
- Planning
- Implementation cycle:
- NGO selection process
- Community consultation
- Four-year planning and budgeting
- Baseline survey and data collection on specific interventions
- Implement annual work plan
- Annual reporting
- Monitoring
- Evaluation
- Reporting

Based on these definitions, the team prepared a questionnaire for use in the semi-structured interviews conducted with the participant NGO representatives.

1.2 Methods Used

A literature review was first conducted that included TMI in-house documents (annual, technical, and project completion reports), reports regarding the conflict and government actions, and studies on similar themes by other agencies, INGOs, and donors. The literature was examined specifically for factors that could have an effect on the implementation modality of development activities in uncertain situations.

Given the uncertain situation in the rural districts of Nepal at the time the study was conducted in the spring of 2006, the study team decided not to conduct

multiple-choice questionnaires since these might have attracted unwanted attention to community members. As well, multiple-choice answers could have discouraged the receipt of candid responses, even in a supposedly secure venue such as Kathmandu. Instead, the team spent considerable time and effort refining interview questions relevant to field work, methods, and project implementation, recognizing that the nature of the information communicated would be more qualitative than quantitative.

The study commenced with a focus group discussion with current TMI staff based in Kathmandu. Besides offering their insights, the discussion helped the team to refine the interview questions.

The team conducted semi-structured interviews with key informants from the following NGOs, stakeholders, and former staff:

- The East Foundation – Kagendra Sangam
- Silichong Club – Nor Bhupal Rai
- Paldor Peak – Himan Sing Tamang
- Manekor Socity Nepal – Kaisang Nurbu Tamang
- Khumbu Alpine Conservation Council - Ang Chiri Sherpa
- Former TMI staff – Chet Kumar Khatri

The questions asked of the informants from the NGO partners focused on assessing the capability of the NGO to implement services effectively. The questions covered a range of topics, including the background of the NGO with TMI, participatory processes for activity identification, transparency in budgets and decision-making, implementation of activities, monitoring systems, organizational development, lessons learned, challenges, and realizations (see Annex 1 for the detailed list of questions).

During the study, TMI staff members visiting the field and interviewed community members in the project sites. These individuals included former Village Development Committee (VDC) chairpersons, members of women's groups, Community Forest User Groups (CFUGs), and income generation groups. The staff endeavored to be discreet in order not to place the informants at risk.

The questions asked of community members covered their opinions regarding the quality of services delivered by the NGO, the advantages and disadvantages of working through an NGO, and their sense of the sustainability of the interventions.

The study team also interviewed and discussed the use of NGOs as implementing agents with key informants from other INGOs, donors, and development programs to learn what their experiences had been. The questions addressed the implementation modalities of the organization, the reasons for changes made in the modalities, and the reasons for and advantages/disadvantages of working with a variety of local partners at the district and community levels. These questions had to be relatively flexible to adapt to the varying modalities of the various respondents who kindly gave of their time.

The team used a content analysis to identify common themes from each interview and from the overall responses of each kind of interviewee. The content analysis of the information collected was based on the variables that the team had determined would define effective implementation. For instance, given that transparency was a variable, we examined how the NGO worked with the communities to maintain transparent activities, whether the community was made aware of the budget allocation or not, and whether public audits were conducted. Although the sample size was not statistically verifiable, we did endeavor to note the proportion of NGOs that operated according to a particular variable, such as transparency.

Limitations of the methodology and the study:

The precision of the study may be limited by various factors that include:

- the small sample size of the organizations surveyed,
- the relative lack of access to rural communities because of the conflict and safety issues,
- inconsistencies in the various semi-structured interviews and focus group discussions held related to possible team member biases and past relationships with the stakeholders being interviewed, and
- the short-time frame for the completion of the study that was interrupted by several strikes, closures, and curfews.

Additionally, the information collected may be biased from a gender perspective because all the representatives of local NGOs consulted were men. The information could also be biased by the fact that the interviews of NGO representatives were conducted at the TMI office in Kathmandu, with at least one TMI staff member present. Hence, the informants may have presented a more positive interpretation of recent events than that which is actually happening in the field.

Another limitation to the literature review was the fact that the team could not find, despite extensive searching, any papers or prior research regarding the effectiveness of implementing development programs through local NGOs. The only relevant paper was the 'Partnership Strategy' of CARE Nepal, which describes in detail how to select and work with NGOs. This experience is perhaps indicative of the timeliness and importance of the present study.

TWO

Current Methodologies of Development Programs in Nepal

During the past several years, there has been a growing realization among donors of the need to promote conflict mitigation, and to support the Government of Nepal's (GON) efforts for a negotiated settlement of the conflict. Donors have also seen the need to foster flexibility that can allow projects to respond quickly to changing circumstances brought about by the conflict.

Projects that have been able to continue in conflict-affected areas have several characteristics in common. One has been the particular organization's knowledge of the community, and its flexibility to adapt or create programs to tackle emerging needs. As suggested by papers on working in conflict[1] or 'conflict resiliency'[2], the features that appear to be most critical include:

- the degree of community participation and ownership,
- the degree of transparency,
- the maintenance of neutrality and impartiality,
- the careful selection of partners and associates,
- the delegation, transparency, and inclusiveness of decision-making, and
- social inclusion.

Successful development outside the areas of government control in the District Headquarters (DHQ) towns has generally taken place without government linkages using local staff, since 'outsiders,' such as NGO staff or government staff, have encountered difficulties traveling to remote areas controlled by the rebels. These local staff members have received training and capacity building to operate independently outside the areas of the DHQ towns.[3] Given the current security climate, most programs have been concentrated in areas and districts that have been less affected by the conflict or in the government-controlled DHQ towns.[4]

Several development organizations are suggesting that, in the current situation, development activities must have a quick impact by addressing the immediate needs of the people, and by producing tangible results. Many development workers have reported that peace is the primary concern of most villagers, and that appropriate activities to support peace might be welcome. Ideas for such activities have been under discussion among donors. One example of such activities underway is the 'Children as a Zone of Peace Campaign' launched by activist groups and UNICEF, a project designed to address the specific and immediate education, health, shelter and food needs of children in 140 VDCs in 22 of the worst-hit districts.

With more evaluation and reflection, NGOs, INGOs, and donors have devised and refined means to be more participatory, accountable, and transparent in order to serve the local communities better and continue working in the conflict situation. Most agree that they must lower or eliminate their profile in the field and work more through local NGOs or CBOs; be flexible in their implementation plans; and encourage interested development target communities to speak on their behalf with the Maoists.

[1] Kopek and Thapa, INGOs and NGOs in Nepal: Status and Areas of Work during the Conflict, Dec. 2004.
[2] Bennet, L., 2006. Searching for Conflict Resilient Implementation Mechanisms: Can Increased Ownership and Inclusive Governance Help to Increase the "Development Space"? The World Bank: Unpublished discussion note.
[3] Huntington, September 2002
[4] Martinez and Koirala

THREE

Findings of Focus Group Discussion and Interviews

3.1 Information from TMI Staff

Several of TMI's staff members have been with the organization since its first program to establish a new national park and conservation area in the Makalu-Barun area of eastern Nepal (Figures 1 and 2). They were thus directly involved in the process of shifting from TMI- managed to NGO-managed field programs that has evolved over the past 10 years, and shared their experiences and observations with the study team.

3.1.1 Focus Group Discussion with Present TMI Staff

The consultant conducted a Focus Group Discussion with nine current TMI staff members that included:
Sushila Thing, Assistant Technical Officer, Rasuwa,
Sarah Subba, Program Development Officer,
Ang Rita Sherpa, Senior Program Manager,
Dambar Bahadhur Thapa, Senior Program Coordinator, Sankhuwsabha,
Chiranjibi Dahal, Program Coordinator,
Bheem Raj Rai, Technical Officer,
Karma Bhutia, Program Coordinator, MacArthur Program,
Purusottam Bhattarai, Regional Finance Officer, and
Tsedar Bhutia, Planning, Monitoring and Evaluation Officer.

The main question asked of the group was:

Have local NGOs proven to be an effective means to implement TMI programs in uncertain situations?

The group first examined how and why TMI switched from direct implementation to working through NGOs between 1996 and the present. A summary of the discussion is shown below:

The Makalu-Barun Conservation Project (MBCP; 1988-1998) employed its own staff of project implementers, many of whom were from the local area. TMI's agreement was with the Department of National Parks and Wildlife Conservation (DNPWC) to co-manage the establishment of the national park and conservation area. As the project ended and Community Partnership Program (CPP) was starting in 1998, personality conflicts between government staff and the newly hired TMI personnel caused the relationship to become more difficult. As a result, newly appointed DNPWC staff challenged the authority of TMI staff to carry out community planning in the Makalu-Barun Conservation Area in Sankhuwasabha.

However, several former staff members of the MBCP from the local area had already established a local NGO, The East Foundation (TEF). TEF had a meeting with senior staff at the DNPWC in Kathmandu and obtained approval to work in the conservation area. TEF staff carried out the planning activities, and the CPP project changed its strategy from implementation by TMI staff members to implementation by its NGO partner, TEF. TEF was thus contracted to work in all the 12 VDCs of Makalu-Barun region.

Planning: Staff mentioned that during the MBCP period, the Makalu-Barun Management Plan was used as the basis for project planning. During CPP, TMI changed its planning strategy to incorporate more community involvement within the entire project cycle, and to increasing the amount of work to be done through NGO partners. Participatory Rural Appraisal (PRA), and TMI's own blend of planning approaches entitled "Appreciative Participatory Planning and Action" (APPA—see Annex 2), were used as the primary planning tools.

In CPP, a multi-year plan was developed with the communities. Planning workshops were conducted in





each hamlet, with activities based on the community's needs and resources. An attempt to link community development activities with conservation impacts was made, but several years were to pass before enough experience was gained to do this more systematically.

Monitoring: The staff felt that if NGOs can implement activities in a conflict situation, they could monitor in a conflict situation. However, often the NGO staff members lacked the technical and analytical skills to monitor their projects, and suggested that TMI needed to give them a monitoring plan with clear instructions and process indicators. However, monitoring is a relatively nascent part of NGO implementation modalities in Nepal and, for the most part, TMI staff monitored the activities themselves.

Hiring of NGOs: Criteria for hiring NGOs were only developed more recently, and TMI staff have not been involved in the hiring process.

Advantages to working through NGOs: Staff discussed the various advantages in working through local NGOs that included the following:

- Fewer TMI staff
- Strengthens local capacity for service delivery
- Local staff can move easily and motivate local people better in the project region, creating more trust
- NGOs can visit and monitor project activities more frequently
- NGO partners know local languages
- NGOs know local officials and how to approach them

- More sustainability in supporting income-generating activities
- Better ownership of activities by local communities
- NGOs are assumed to be more cost effective compared to INGOs (although detailed cost studies are needed to verify this)
- NGOs have a proven record of motivating local communities
- NGOs are able to implement, supervise, and monitor programs even in uncertain and conflict-affected situations.
- NGOs know a variety of individuals in the communities who can verify information obtained from CBOs regarding project activity progress.

Challenges to working through NGOs include:

- More trust is needed since larger sums of money are being transferred to, and are the responsibility of, the NGO
- Monitoring the work of the NGO is difficult if TMI staff cannot go to the district.
- Government officials question how TMI (or other organizations) can continue to work in areas controlled by the insurgents.

Disadvantages to working through NGOs:

- Difficult to build the capacity of local NGO staff members, who might not have the same education and experience as people recruited from urban areas. So far, TMI staff members have had to teach their NGO partners everything—e.g., organizational skills, letter writing, reports—and this is time consuming.
- NGOs have little data collection and analysis skills and knowledge and are unfamiliar with the principles of monitoring and evaluation
- Most of the NGOs do not have good reporting skills, especially when the reports are to be written in English
- Quality control of the NGO outputs requires on the job training by TMI staff, which is time consuming
- If an NGO has funds from several donors, staff might be pulled in multiple directions and have insufficient time for TMI projects.
- More demands and pressures for services are placed on local NGOs from communities who might have family members working for the NGO
- TMI staff have to be more diplomatic when the NGO staff make mistakes, since they are not the direct employers of the NGO staff members
- NGOs might be tempted to hire their own people instead of hiring on the basis of ability
- Political alliances or involvement of NGO staff, members, or the community can cause problems
- Most NGOs working in mountain areas are young and inexperienced
- INGOs are 100 percent dependent on NGOs for program implementation, supervision, and monitoring because of the present political situation.

TMI might need to develop clear guidelines for NGOs about:

- Hiring staff
- Political alliances or involvement
- Training, capacity building, and on-the-job mentoring
- Managing accounts when the NGO has projects with several donors
- Managing demands from the community

Lessons Learned by TMI staff

- Understand what stage of development an NGO is at, and plan to increase their effectiveness and capacity in areas of weakness
- Use the same NGO for planning and implementation of a project
- Replicate the CPP experience which had a clear budget ceiling and clear planning outcomes
- Planning should be based on the funding available, not what the INGO expects or hopes to raise

3.1.2 Interview with Director of TMI's Himal Programs

Brian Peniston started as the Co-Manager of the Makalu-Barun Conservation Project, and has since worked as the Director of TMI's Himal Programs to oversee all of the TMI programs in Nepal. His comments included the following.

Changes in TMI programs:

TMI has evolved from the Makalu-Barun Conservation Project that TMI implemented directly and had a master plan designed by experts and activity monitoring, to CPP that partner NGOs implemented and had more participatory planning at the hamlet level to create four-year plans and activity monitoring. Due to budget constraints in the PVC program, the planning could only be done with representatives of hamlets rather than on-site with the whole community. In the MacArthur Program in Ilam district, both NGO and TMI staff have been active in the field during the conflict. During the planning processes of the PVC and MacArthur programs, TMI learned only to reveal funds that have actually been committed and not those funds that are anticipated, because the latter can raise expectations, which the program might not be able to meet later.

Some of the shifts in TMI programs were adaptations to changing relationships as staff and personnel

changed with the programs, stakeholders, and partners. The issue of changing personnel is important because in Nepal, there are few institutionalized principles for operating – the accomplishment of many activities depends on personal relationships, and the personal attitude and interpretation of anyone who is 'in-charge.'

Working in uncertain situations:
Whether the staff worked for TMI or an NGO, their behavior towards the local people was a determinant in whether or not they could work in the field during the uncertain and conflict situations. In uncertain situations, due to either difficulties with partners or the insurgency, it has been necessary to do more negotiation to initiate and implement the programs. Unfortunately, some government partners have not been acknowledging the reality on the ground. Although more "up front" investments are necessary, the programs have more potential to last because they tend to be more carefully planned, designed, and have broader ownership.

In a conflict situation or during uncertain times, implementing programs requires more time, effort, and money, because most development is capacity building. Before, an NGO could organize a training session by letter; now it needs time to ensure that no security operations are going on and to obtain permission to gather people for a training and workshop. The conflict situation has removed the pretense that the center can provide development, so people are going back to being more self-reliant.

TMI uses the Basic Operating Guidelines (BOGs) of the Association of INGOs in Nepal, which gives unified strength so that TMI is a part of a larger whole – following the same guidelines strengthens all the parts. Donors might need to be prepared to pull out the programs if people or organizations go against the guidelines.

TMI's evolution
TMI was already evolving organizationally, but the conflict presented an opportunity that forced TMI to evolve more quickly. Although it is not direct cause and effect, the conflict gave new incentives to refine how programs are conducted — sometimes it takes a catalyst to make an organization actually innovate beyond their comfort zone.

At first, these changes were reactive to the conflict and uncertain situations; now the evolution is becoming a proactive process that strengthens participation and monitoring. TMI's programs are improving because they are more community driven and have more stakeholder ownership.

However, TMI needs to continue refining its approaches. For instance, while TMI assumes that its programs are inclusive and that the staff members are being inclusive, it needs stronger systems to verify and institutionalize this characteristic. If TMI's working areas were increased, it would need more systems to ensure that its programs did not exclude poor and disadvantaged people. TMI needs to continue working to ensure good monitoring systems that can be independently and systematic verified – this adds to the cost of the program, but is necessary. There often also needs to be monitoring by TMI staff of the field monitoring by its local partners.

3.1.3 Interview with Former TMI Staff

Name of the informant: Mr. Chet Kumar Khatri, Former TMI Staff

Benefit of using an NGO (TEF)
TEF staff members were from the project area itself, and knew the local people and their needs. As well, they had already acquired knowledge and experiences in project planning, implementation, and monitoring from working for TMI. TEF knew TMI's working approaches and were familiar with the project goals and objectives.

Disadvantages
TMI staff sometimes found it difficult to supervise TEF staff, especially those who had already worked for TMI in senior positions previously. It took some time to clarify the division of the work and changing roles and responsibilities.

Sustainability
Theoretically, it is more sustainable to implement projects through NGOs. However, it is important to consider the sustainability of the NGO itself, especially after projects and donor support are completed. The question is, will the NGO continue to work once the funding ends, and how will it raise the necessary funds. Hence, it is important to consider the areas need to be improved to build the capacity of NGO partners, which is the most important variable for long-term sustainability.

In the conflict situation
Since local NGOs have closer relationships with the local communities, they can implement activities even during a conflict situation. INGOs and their staff members are usually from outside, so their relationship with local communities is limited. The lesson learned was the need to build and maintain relationships to both stakeholders and local people.

3.2 Information from NGO Personnel

All the NGOs interviewed indicated that while they implemented programs with TMI, their capacity has increased to conduct and monitor trainings, manage infrastructure construction, manage their organization and programs, plan activities, and monitor outputs. However, even the most experienced NGO indicated that they still lacked the capacity for monitoring impact, which is a relatively new component for most development organizations and activities.

The following NGOs were interviewed:

- The East Foundation – Kagendra Sangam
- Silichong Club – Nor Bhupal Rai
- Paldor Peak – Himan Sing Tamang
- Manekor Socity Nepal – Kaisang Nurbu Tamang
- Khumbu Alpine Conservation Council - Ang Chiri Sherpa
- SHAGG – Mr. Krishna Kumar Rai, Accountant

The NGOs implemented the following types of activities for TMI:

- Institutional development training activities for CFUGs
- Material supports distribution for CFUGs
- Forest management training activities
- Mini-kit nursery establishment comprising different fodder and tree species
- Plantation in CF areas
- Medicinal and aromatic plants cultivation with special focus on chiraita plants
- MAP user groups formation and training their members on MAPs cultivation techniques and other institutional trainings

3.2.1 TMI Partner NGO Profiles

Shree Deep Jyoti Youth Club (SDJYC)

SDJYC was established in 2004 in Panchthar, Nepal. Its mission is to improve the livelihoods of indigenous Limbu, Rai, and Gurung disadvantaged youth, in Panchthar district of Eastern Nepal. It implements enterprise development, literacy, and biodiversity conservation programs that promote and ensure the integrity of their cultural values.

Shree High Altitude Herbal Growers Group (SHAHGG)

Established in 2002 in Ilam, Nepal, SHAHGG's mission is to create a platform for high altitude herbal growers of eastern Nepal and promote sustainable herbal cultivation that ensures the conservation of wild herbal stocks. It has already started forming herbal growers groups in Taplejung, Panchthar, and Ilam districts. They emphasize strengthening of capacity of these groups to manage private, national, and community forest cultivation and harvesting through extensive trainings and awareness programs.

Silichong Club Social Development Centre (SCSDC)

SCSDC was established in 1984 in Tamku, Sankhuwasabha District of Eastern Nepal, and was legally recognized in 1994 by the Social Welfare Council.

Differences in Direct Implementation and NGO Implementation.

MBCP/TMI	NGO
■ More involvement of TMI staff in planning, implementation and monitoring	■ More involvement of local in planning, implementation and monitoring
■ People's participation was there but not adequate	■ More participation from the local at all levels
■ Most of the senior level staff were from outside	■ 100 percent of staff are local
■ Less involvement of local at all levels – planning, implementation and monitoring	■ Ensures continuity of the initiated activities
■ Not very equitable in project distribution	■ More cost effective and were able to face problems more efficiently
■ Master plan was done with interests from Kathmandu and outside Nepal.	■ More equitable distribution
■ Activities were prioritized by TMI staff	■ Activities were identified by the locals and identified by the local themselves in consultations at the hamlets
	■ Local staff members have the opportunity to increase their capacity.
	■ Local NGOs could more easily resolve disputes.

For the past decade, it has carried out programs and activities pertaining to public awareness of social development issues in the remotest villages of Sankhuwasabha District, with a focus on women's empowerment. Through its various gender sensitization programs over the years, SCSDC has gained significant amount of experience in the implementation of programs at the local level.

The East Foundation (TEF)
Established in 1998 in Sankhuwasabha District by young local professionals, TEF works toward equitable social and economic development and environment conservation. Guided by a seven-member board, TEF works mostly with socially excluded communities in natural resource management, income generation, education and research, cultural preservation, and gender sensitization.

Paldor Peak Youth Club (PPYC)
PPYC was established in 2001 in Rasuwa District of central Nepal. Since its inception, PPYC has been implementing programs and activities focused on (a) building public awareness for social development, and (b) natural resource management activities, and (c) women's empowerment, working in the remotest villages of Rasuwa District. It is registered as a non-profit organization in the District Administrative Office and currently has 39 members.

Manekor Social Club (MSC)
MSC was established in 1996 in Rasuwa District of Nepal. Since its inception, MSC has been implementing programs focusing on women's empowerment, environment awareness, community development, natural resource management, ecotourism, and literacy programs. It currently has 16 members and is legally registered as a non-profit organization in the District Administrative Office.

Khumbu Alpine Conservation Council (KACC)
KACC is a Sherpa-led non-government organization established in 2003 that is committed to the conservation and restoration of the Sagarmatha (Everest) National Park's fragile alpine ecosystems. It has a board of seven trustees and inclusive membership of all the households in three high settlements of the upper Khumbu valley.

3.2.2 Compilation of Interview Findings

1. Four of six NGOs were involved in TMI's PVC project. SCSDC and Paldor Peak are implementing gender programs in Sankhuwasabha and Rasuwa, respectively. The East Foundation carried out the community planning program in Sankhuwasabha, with Mountain Spirit conducting the planning in Rasuwa.
2. Four of six NGOs had the information on the budget ceiling during the community planning, but in two of six cases different NGOs did the planning, and other NGO partners were contracted to implement the programs.
3. Four of six NGOs shared information on the total budget during planning meetings, but two NGOs only learned the budget information only after being selected for the project's implementation.
4. All NGOs implement their programs and activities in close coordination with district-based government and non-governmental organizations.
5. All the NGOs interviewed reported that they have criteria for selecting training participants. The NGOs inform the UGs of criteria, based on the nature of training activities, in a cover letter. The UGs then select the participants in a public meeting based on the selection criteria.
6. In order to monitor the effectiveness of training, the NGOs use questionnaires to measure the participants' level of understanding of the subject matter before and after the training.
7. All the NGOs now have established a reasonable level of activity monitoring in their organizations with the support of TMI staff.
8. The monitoring of impact is a relatively new phenomenon in development practice, hence, very few NGOs or even INGOs have fully developed this technique.

1. None of the NGOs interviewed have their own resource person to conduct forestry related training. They depend on the District Forest Office (DFO) whenever they are conducting forestry related training because they do not have staff with forestry background, and the DFO does not recognize any forestry training conducted by anyone other than DFO staff. However, since the conflict, the DFO has started training local people on forest inventory techniques for the renewal of CFUG Operational Plans.
2. NGOs said they have the required knowledge and skills for training CBOs in record and bookkeeping, forest nursery management, medicinal and aromatic plants cultivation.
3. Two of the NGOs have trained staff members in community planning techniques whereas four NGOs are inexperienced in community participatory planning and have not yet trained their staff members.
4. Four out of six NGOs have received general training of trainers (ToT) programs and two NGOs are conducting ToT programs for their staff.
5. Although these NGOs are relatively new, they have the capacity to mobilize the communities. They also have the required reporting skills and keep transparent books and accounts in their respective offices.

6. All the NGOs have staff training plans for which they will invest their own resources. They will also seek and use opportunities from training from other INGOs and development organizations.

3.2.3 Common themes in interview findings

3.2.3.1 Participatory Planning - Activity identification

Three of six NGOs suggested that they would have liked to have been more involved in the project planning process. The two Rasuwa-based NGO partners were not involved in the planning process because TMI had selected a Kathmandu-based NGO, with several staff members from the district, to conduct planning with the expectation that they would proceed on to implementing the program. However, it was soon found that the NGO's planning skills were inadequate; and that it had neither the local connections nor the ability to implement activities in the program area. Hence, TMI contracted two district-based NGOs for the work. When interviewed for the present study, they responded that because they had not been involved in the project planning process, implementation had been more difficult.

In TMI's other program and activities, planning was conducted on two levels, according to the kind of program, using the Appreciative Participatory, Planning, and Action (APPA) process (see Annex 2). For activities on specific topics, planning was conducted with specialized resource User Groups. For geographically based programs, planning was conducted at ward level meetings and finalized at VDC level meetings, in which representatives from each ward participated. The other three NGOs were fully involved in these planning processes and in the implementation of the programs.

Most NGOs commented that each donor requires a different planning and monitoring process. Often, the NGOs are hired to implement specific activities selected by the donor. Some donors would offer a broad activity guidelines and a budgetary ceiling, but leave the detailed planning to the NGO. As well, the NGOs sometimes made decisions on planning by prioritizing activities themselves. After funding had been secured, the NGO contacted the community groups or local representatives with information about the project.

Budget Transparency: During the past several years, TMI has been operating on the assumption that sharing information about the budget would set clear limitations about what programs could be conducted. Although NGOs understood the importance of informing the communities of the budget available for them, two of the NGOs mentioned that too much budget information could nevertheless raise the expectations of the community, especially given the

Table 1: **Summary of NGO Responses to Interview Questions**

Indicators of Effectiveness	NGOs Working in Four Districts						Remarks
	Sankhuwasabha		Rasuwa		Ilam	Panchthar	
	TEF	SCSDC	MSN	PPYC	SHAHGG	DJYC	
Involvement in TMI's community planning activities	Yes	No	Yes	No	Yes	Yes	
Received information on the budget ceiling before implementation	Yes	Yes	Yes	Yes	Yes	Yes	
Informing the community about the budget ceiling	Yes	No	Yes	Yes	Yes	Yes	
Coordination with other governmental and non-governmental organizations at the district and local levels	Yes	Yes	Yes	Yes	Yes	Yes	
Participant selection criteria for training activities	Yes	Yes	Yes	Yes	Yes	Yes	
Measurement of the level of participants' knowledge before and after trainings	Yes	Yes	Yes	Yes	Yes	Yes	Pre-and-post test
Establishes UGs for activities	Yes	Yes	Yes	Yes	Yes	Yes	
Monitoring the activities	Yes	Yes	Yes	Yes	Yes	Yes	
Monitoring impact of outputs	No	No	No	No	No	No	
Captured lessons learned	Yes	Yes	Yes	Yes	Yes	Yes	

fact that local people might not realize the real costs involved in conducting the program. Another challenge created by transparency is that either side in the conflict might ask for contributions from the budget.

3.2.3.2 Activity implementation

As mentioned, for the past several years NGOs have been responsible for project implementation, while TMI has provided financial support and technical guidance. Most NGOs endeavored to work with an existing community group in each ward to avoid creating a new group— local people in many areas have complained that often each development program expects them to form a new group, which then requires more time to organize and hold meetings. The NGOs were especially aware of the problems created by having too many saving-and-credit groups formed by different projects, since an individual might be expected to contribute to all.

Most of the NGOs mentioned that they found 'hardware' activities, i.e., those that provided tangible benefits, served as the best entry point for the projects. This approach made it easier to then initiate 'software' social activities because local people and the rebels tend to associate development with infrastructure.

Most NGOs indicated that they have learned to coordinate all the programs and activities in collaboration with other agencies, programs, and organizations that have similar purposes. They included the DDC, District Agriculture Office, Veterinary Office, Womens Development Office, and other NGOs working in the district.

Decision-making transparency: All of the NGOs have started using transparent processes with criteria and public meetings, to select participants for training sessions and income generation activities. Hence, the NGOs share the criteria with the community members, who make the decisions publicly.

Implementation of Training Workshops:

Resource persons: In the beginning, all the NGOs indicated that they provided logistic management for training sessions but had to hire resource persons from outside as the trainers. Now, they may still have to bring in a resource person for training on some technical topics, but during the time that they have worked for TMI, they have acquired the skills necessary to conduct their own general training.

The main types of training that have been offered include skills for subsistence income generation, account keeping, nursery management, medicinal and aromatic plants cultivation, user group formation; and sewing, cutting, and knitting. The technical trainings for which an outside resource person is still needed include legal awareness training, business development training, silviculture, forest management, and other technical subjects.

Table 2: **Summary of NGO Responses to Questions about their Capacity to Implement Programs**

Capacity	NGOs Working in 4 Different Districts						Remarks
	Sankhuwasabha		Rasuwa		Ilam	Panchthar	
	TEF	SCSDC	MSN	PP	SHAHGG	DJYC	
Own resource person for forest management training (silviculture, protection, utilization)	No	No	No	No	No	No	
Own resource person for forest inventory	No	No	No	No	No	No	
Own resource person for forest measurement	No	No	No	No	No	No	
Own resource person for record and bookkeeping training	Yes	Yes	Yes	Yes	Yes	Yes	
Own resource person for forest nursery management training	Yes	Yes	Yes	Yes	Yes	Yes	
Own resource person for medicinal and aromatic plants cultivation training	Yes	Yes	Yes	Yes	Yes	Yes	
Trained and experience staff in project planning	Yes	Yes	No	No	No	No	
ToT	Yes	Yes	Yes	Yes	No	No	
Social mobilization	Yes	Yes	Yes	Yes	Yes	Yes	
Reporting skill	Yes	Yes	Yes	Yes	Yes	Yes	
Proper books and account keeping	Yes	Yes	Yes	Yes	Yes	Yes	
Follow ups activities	Yes	Yes	Yes	Yes	Yes	Yes	
Staff training plan	Yes	Yes	Yes	Yes	Yes	Yes	

Selection of trainees/participants for skill development training: In the past, most NGOs would select the individual participants of each training course, which led to potential exclusion or perceptions of favoritism. Since working with the TMI programs, they now write an invitation letter to UGs with criteria for the participant selection depending on the nature of the training course or workshop. Committee members in the UGs are then responsible for selecting trainees, and sending a letter of certification with each participant trainee.

Other services and support after the training: Most NGOs now conduct pre- and post-training tests to determine if the participants actually learned the intended content of the training courses; and if they in fact followed up on their individual commitments made at the end of the training session. Another lesson learned was the importance of helping the participants to find ways of marketing their products. Depending on the nature of training, the NGOs also provided participants with seed kits, veterinary medical kits, and further technical information.

Infrastructure:

About half of the NGOs have been involved in activities to construct or implement minor trail improvements, solar power installation, and community water supply maintenance. All have been supporting the establishment of UGs for each infrastructure activity to promote self-reliance in the future. One of the NGOs had been involved in a major trail construction project, which they had handed over to the UG. The NGOs did not establish self-financing maintenance committees for completed projects. However, they encouraged the UGs to raise funds from group members to maintain the particular type of infrastructure.

Income generating programs:

Four of the NGOs are implementing activities related to generating income from natural resources, such as improved livestock management and cultivation of medicinal and aromatic plants. They reported that they are now beginning to make linkages to markets.

Two NGOs are implementing women's business literacy programs linked to small-scale income generating activities. These activities include chicken, pig, and goat raising, and kitchen gardening. The NGOs reported that there was more interest among the community members than could be supported by the project resources. They also said that it was difficult to sell the products since the program areas were far from markets in populated areas.

Problems mentioned by NGOs:

- Reduction in financial assistance from TMI for nurseries has been a major problem in paying for the salaries of nursery supervisors.
- Lack of adequate knowledge and skills of enterprise development, and skills to plan and adopt more reliable and sustainable income generating activities for local communities
- A lack of knowledge of business development, and of how to find markets for the income generation products.
- Traditional farmers were often reticent to explore new, diverse options for livelihood improvement because they are afraid of the risk of changing traditional occupations.

3.2.3.3 Monitoring and reporting

The NGOs mostly indicated that in the past they had weak monitoring systems that recorded only whether or not the activities had been completed. One NGO reported that at one time they used diaries to submit as a report to the donor organization. During the USAID-funded PVC program, TMI staff trained them to prepare more professional progress reports in a standard reporting format.

The NGOs found the TMI monitoring form helpful, although two of them suggested that it would be more useful if it was in Nepali rather than English. The most experienced NGO explained that their monitoring was focused primarily on activities and outputs, because they lacked training and budgets to conduct impact studies.

The NGOs all said that, as a result of the PVC project, they now use pre-and post-training tests to measure the level of the participants' knowledge and skills gained. They also started collecting written commitments from participants at the end of the training course as a basis for follow-up activities. The NGO staff members are also responsible monitoring UG activities and progress, and whether they have adopted the learned knowledge and skills.

NGO staff members prepare and submit a field report after monitoring a project. Some NGOs suggested that staff still face problems in assessing and analyzing the findings—for example, they might have found that 40 percent

of the seedlings in a plantation were dead but could not explain why because of their lack of technical knowledge and experience.

Some NGOs reported that for activities implemented under other donors, they were responsible only for supervisory work, with the staff of the donor organizations performing the technical monitoring.

3.2.3.4 Organizational Development

All of the NGOs interviewed said that their capacity had increased through working with TMI and the training it had provided for their staff members. Most of the NGO personnel now work as staff rather than as volunteers. Each NGO now had improved financial and administrative systems in place with more advanced means of accounting.

However, they all said that they needed more technical knowledge and skills to be able to implement the programs and deliver services better. One NGO mentioned that although the experience gained from fieldwork was an asset, always being based in remote areas made it harder to gain advanced technical expertise. Training courses are usually available only in regional centers, and NGOs can rarely afford to send staff members to distant urban areas.

TEF's representative said that although the staff had started with higher technical skills as former staff of TMI, they had to learn all aspects of running an organization. Before, as staff of an INGO, they had only specific tasks to carry out as project implementers, not administrators. Another NGO mentioned that using 'rights-based approaches' to social inclusion in their hiring could present challenges to finding competent staff members, since people from excluded groups often do not have the required education and skills to implement development activities.

Five of the NGOs were now working for more than one international donor or program, and learned that they could consolidate the programs to offer a wider range of services to one community group. They also learned to keep their accounts separate to show what funds were used for which activities.

Half of the NGOs reported that they proactively sought opportunities to train their staff. Others seemed to wait and take what donors might offer. One NGO sends its staff to participate in training programs organized by other organizations and agencies by actively coordinating, communicating, and building networks with these other organizations. Other NGOs have just started to plan for the training of their staff members, and send staff to participate whenever there are training programs offered.

3.2.3.5 Challenges and lessons learned by NGOs

CHALLENGES

At government level

Although most NGOs said that although they have had positive responses and support from government organizations, their relationship with government organizations always seems unpredictable because of frequent changes in personnel. Coordination with government organizations is often limited to information sharing.

At the organizational level

The government's new NGO ordinance will require that each NGO have two individuals, one as volunteer chairperson, and one as the hired executive director. The NGOs suggested that finding two people to fulfill these roles could be difficult in rural areas where there is a lack of educated people.

The executive director of one NGO mentioned that after having successfully built the capacity of his staff, the individuals were hired by INGOs, which again reduced the capacity and available expertise of the NGO. He mentioned that it was hard to retain skilled staff when competing with programs and organizations that could offer better salaries and benefits.

At the community level

The NGOs also faced the challenge of receiving increased demands by communities following a successful project. Other wards that had not been included in the program also made demands regarding their share of the activities.

Two NGOs mentioned that the political affiliations of community members could present problems, especially from local bodies with other political affiliations.

One NGO said that if the staff did not speak all the local languages there could be problems, especially if communities speak only their own language or dialect. They found that language fluency was particularly important in resolving differences between communities.

Two NGOs mentioned that traditions, such as the *kipat* system of land ownership in eastern Nepal, might

keep communities from participating in development activities, such as CFUGs, which they perceive as being contrary to their own systems.

Staff security

Staff members have had to undergo long interviews with armed members of both the government forces and the insurgents. Similarly, they face a risk when conducting public meetings and workshops in the field despite the fact that they constantly inform security forces about their field programs.

Several NGOs mentioned that they were pressured to obtain permission from the insurgents. They also mentioned that both sides (state and rebel) had asked for donations. For instance, an NGO was asked for Rs 80,000 by a newly appointed royalist DDC chairperson. At the same time, the insurgents had asked them to contribute 10 percent of the total project funds.

However, one of the NGOs admitted that they could not visit certain villages given a local Maoist commander's attitude regarding the source of their funding (U.S. government funds). The NGO representative said that instead of visiting the particular villages, the NGO worked with CBOs of community members, who were accepted by the Maoist commander. The CBO members could come to the district headquarters for skills training and then instruct the local people in the particular forestry or technical skills.

Lessons NGOs learned about their work

The NGOs realized the need to:

- develop adequate technical knowledge and skills among their staff members to be able to implement and monitor programs, and to assess the results of monitoring exercises.
- be responsive, and provide services to stakeholders within a reasonable timeframe.
- ensure that all board members are active in the organization. Additionally, they realized the need to become more democratic within their own organizations.
- ensure that the executive committee members of all UGs are also active.
- disseminate any decision or action made by an organization to all its members.
- be more transparent so that the members of the UGs know about the funding support and how decisions are made.
- clarify the purpose of group formation and facilitate the selection of active members.
- do planning with local communities based on local interests, which ensures maximum cooperation and people's participation to implement programs.
- obtain more training on community participatory planning methods (except TEF).
- go beyond awareness raising to offer tangible activities to fulfill the community needs.
- consider both short-term and long-term benefits for the communities. The planning should not focus only on long-term benefits because people are more interested in activities that meet their immediate needs.
- coordinate with other organizations to increase the effectiveness of all the activities.
- provide income-generating activities to improve the community members' livelihoods, which can be linked to the conservation of their environment. One means mentioned was providing improved breeds of livestock to community members who would have greater production from fewer animals, thus reducing the pressure on pasture by livestock and supporting the community to generate more income.
- prepare a sustainability plan at the start of each program.
- orient staff members to build their dedication and sense of responsibility.

Suggestions for TMI:

The NGOs suggested that TMI could:

- expand the projects to other VDCs and wards for greater livelihood improvement, natural resource conservation, and conflict sensitivity since they are presently excluded.
- continue the projects for at least five more years in the same areas so that the NGO partners and communities become more self confident.
- provide adequate financial and technical assistance to carryout activities including pasture management, medicinal and aromatic plant (MAP) cultivation, and product processing.
- give some priority to those activities that yield more immediate results.
- increase the capacity of the NGOs in every aspect so that they can continue all the initiatives even after the project.
- make all the planning, reporting, and monitoring forms in Nepali so that it is easier for them to complete these reports.
- form and strengthen Project Coordinating Committees so the coordination function continues after the project ends.
- encourage other INGOs/NGOs coming from different regions to implement programs and activities to coordinate with local NGOs that exist in the area so that their programs and activities will be more effective.

- encourage other INGOs, NGOs, or governmental organizations to implement activities through the same existing groups in these areas, since the formation of new groups in the same community not only consumes people's time but also creates hardship, especially if communities are expected to contribute to more than one savings and credit fund.

3.3 Information from other programs and INGOs

The study team selected five other organizations to interview regarding their experiences implementing development activities under situations of conflict. The common denominator among the organizations was their work in natural resource management and/or conservation.

3.3.1 Profiles of International Organizations and Programs

CARE Nepal
Working currently in 35 districts through fifteen community development programs, CARE initiated its work in Nepal in 1978 and implements a wide range of activities primarily through partners, to promote equitable and sustainable development; greater gender and caste equity; and for improved livelihoods of the most disadvantaged groups of the society. It currently works in partnership with more than 200 local NGOs, 226 community groups, 16 cooperatives, and 10 different networks to implement on-going programs. Its capacity building of local partners and communities has been an efficient and effective means of ensuring sustainable development. Based on its lessons learned from working through partners, CARE Nepal developed a partnership strategy in 1997, which focuses on building capacity of local partners to carry on development work in perpetuity.

International Union for Conservation of Nature (IUCN)
IUCN began work in Nepal in the 1960s, assisting early government efforts in biodiversity conservation. Nepal became a state member of IUCN in 1973, and the Nepal Country Office was established in 1995. Based on the three broad approaches of knowledge, empowerment, and governance, IUCN assists HMG in formulating conservation policies and action plans. It is committed to assisting Nepal in its endeavor to alleviate poverty and promote equity and social justice through the sustainable use of natural resources with various local partners. Currently, IUCN works in eight districts of Nepal in the fields of biodiversity conservation and improved local livelihoods.

Livelihoods and Forestry Programme (LFP)
This ten-year DFID program started in April 2001 and currently operates in four districts in the eastern Koshi hills; three in the western Dhaulagiri zone; three in Terai Lumbini zone; and five in the mid-western Rapti zone. Its goal is to reduce the vulnerability of poor rural people by improving their livelihoods; and enhancing the assets of rural communities by promoting more equitable, efficient, and sustainable use of forest resources. LFP operates an animation program in each district through local district-based NGOs.

Nepal Australia Natural Resource Management Programme (NANRMP)
The bilateral assistance program has operated for thirty years to assist DFOs to establish and support CFUGs. It directly implements activities through 60-70 staff who worked with community groups in two districts. It has only recently developed linkages to district organizations that could carry on the activities after the forthcoming closure of the program.

World Wildlife Fund Nepal (WWF Nepal)
WWF Nepal addresses conservation issues with a mission to stop environmental degradation and create a future in which humans live in accord with nature. It works in three mountain districts of Nepal and has an extensive wildlife conservation and livelihood program in the Terai Arc Landscape of Nepal. In implementing programs and activities, WWF considers forming partnerships with government, NGOs, and CBOs an essential means for sustainable conservation.

3.3.2 Findings from Interviews

Although all five organizations work through local organizations, only one had switched to working through NGOs specifically because of the conflict situation. CARE and LFP, for example, began placing a greater emphasis on the use of local NGOs several years ago as part of their respective central office policies and learning from experiences within the country. Since the 1990s, in fact, many donors and organizations have promoted partnership strategies with a focus on promoting more local capacity building, sustainability, local ownership, and cost-effectiveness, whether or not the working situation was uncertain or constrained by conflict. CARE Nepal, for example, developed a detailed partnership strategy to guide its relationships and work with NGOs in June 2003. Given the unavailability of trained personnel in specific technical subjects in remote areas of Nepal, CARE sometimes supports partners by assigning or providing technical personnel to their districts. However, they still found that the work of the local NGOs was more effective and sustainable.

Two of the other international organizations interviewed suggested that working through local NGOs might be creating extra layers between them and the intended beneficiaries. They both preferred to work with networks of community groups, such as CFUGs. However, they also acknowledged that their coverage might be lower than if they worked through a local NGO that could mobilize more staff to cover more areas.

WWF has an ongoing debate on implementing programs and activities through local NGOs. On one hand, while many people intuitively think that a shift from direct implementation to NGO implementation is the "right step" toward more sustainable development, it can also create an additional layer that may be more time consuming in the long term. Therefore, whether to implement programs and activities directly through its staff or NGOs is still not yet decided. In the case of WWF's Kanchenjunga program, its local staff members were laid off after an incident with the insurgents, whereupon WWF encouraged the former staff to start their own NGO to continue implementing the activities.

IUCN and NANRMP said that they have staff members work directly with CBOs to create or support networks of CBOs rather than working through NGOs. IUCN said that the district-based NGO might not have strong local connections to work in remote areas of a district and might add an extra layer of administration and budget control. They added that local people seemed to prefer having assistance coming from an INGO. The trade off between more control of the program versus building local institutions was mentioned. NANRMP realized that despite working directly for thirty years, they needed to investigate forming partnerships with local NGOs to make the activities more sustainable and build local capacity.

Three of the organizations were working to link and form networks of community based groups, whether women's groups or CFUGs, that would be federations of representatives. WWF was doing the work either directly through its own staff or through local NGOs in different situations in different parts of the country. IUCN, on the other hand, worked through its own staff, and LFP was linking CFUGs as part of its social mobilization program operated by local NGOs.

Issues raised about working through NGOs included whether or not the NGO staff have the managerial and technical capacity, links to political parties, skills, and motivation to work in areas away from the district headquarters, and awareness of how to be more socially inclusive in their work. The issue of whether the NGO was donor-driven or member-driven was also raised as a critical factor about the governance of the NGOs.

In the conflict situation, two of the organizations mentioned the importance of finding ways to manage risk for staff members, especially those who go to the field. All but one of the organizations mentioned that they expect their staff to work according to the Basic Operating Guidelines (BOGs) for working in the conflict situation. They also use the 'Do No Harm' and 'Safe and Effective Development in Conflict' (SEDC) approaches.

To prepare NGOs to manage risk, especially by managing their image and acceptance, one program interviewed has prepared a training manual and conducted a Training of Trainers program to generate more awareness and preparedness among their NGO partners. Part of having a better image in the conflict situation includes addressing issues of equity in the organization; encouraging any changes in their constitution to be more inclusive; and in their management of staff to build trust so that the staff will be more open and confident. The training is also designed to help the NGOs and their staff better understand and analyze situations that could be becoming more risky, to prepare for a variety of risky scenarios, and to know when to ask for support from the international organization.

The organizations and individuals interviewed included:

CARE Nepal	Mr. Jay Shankar Lal, Program Coordinator
International Union for the Conservation of Nature/ Nepal	Mr. Peter Scheuch, Program Coordinator; and Mr. Bhawani Karel, Senior Program Officer
Livelihoods and Forestry Programme	Mr. Peter Neil, Program Coordinator
Nepal-Australia Natural Resource Management Project	Dr. Anthony Willet, Social Development Advisor
World Wildlife Fund Nepal	Dr. Sarala Khaling, Director of Development, Research, and Monitoring; and Mr. Ang Phuri Sherpa, Program Officer (KCAP)

Most programs found that if the staff (whether directly hired or through an NGO) can convince the local people, who might also include some rebel representatives, that the program benefits them; and that if the community expresses a desire for the activities, then the NGO can usually continue their work. There was, however, an instance mentioned by another international program where a higher-level rebel punished a community for not having obtained 'permission' to implement project activities. The ethical issue of increasing the risk to community members, by expecting them to defend planned development activities, was also raised. However, the importance of addressing the communities' hopes for development activities to continue despite the conflict situation was also mentioned.

Although the interviewees suggested several advantages of having local staff, there were also disadvantages. Being known locally meant that all the parties – political, local government, or insurgent – sometimes could exert greater pressure on the local staff members for donations, services, or contracts.

FOUR

Analysis of Findings

The team used a content analysis of common themes from each interview and the overall responses of each kind of interviewee, whether staff, NGO, or other program. The content analysis of the information collected was based on the variables that we had determined would define effective implementation (see Section 1.1).

4.1 Analysis of Information regarding TMI programs

Common themes revealed in the analysis of the findings showed that a variety of factors influenced the effectiveness of TMI's programs.

Changes within TMI

By the late 1990s, TMI had already realized the need to achieve more local support for its projects and began to shift toward a greater use of NGOs as project implementers. The conflict itself, beginning around 2001, played a role to accelerate, but not determine, the implementation of this change.

Regardless, while TMI was making this transition, international approaches to development were also evolving. The importance and definition of 'local participation', for example, was changing through new approaches that included 'Participatory Rural Appraisal' (PRA) and Case Western University's 'Appreciative Inquiry' (AI). When TMI started increasing its work and partnerships with NGOs, it had already started testing this approach under the hypothesis that greater community participation in the planning programs would result. Although TMI's planning might appear to have become more participatory by working through NGOs, it was actually the conscious adoption of more participatory methods and approaches that increased community participation in its programs.

Similarly, TMI's ideas about monitoring have evolved, from simple activity recording to a greater focus on impact, impact analysis, and cross-sectoral linkages (e.g., the relationships between livelihood improvement and quantifiable conservation). TMI's mid-term evaluation concluded that it still needed "… additional support and training….. in obtaining quality baseline data in a timely fashion, developing a comprehensive [Performance Monitoring Plan] containing data collection methods and [Detailed Implementation Plan] indicator benchmarks, and improving TMI and NGO skills in impact (rather than activity) monitoring"[5].

In fact, impact monitoring is a relatively recent phenomenon in development practice in general. Ideas, techniques, and methods for monitoring are constantly evolving, but the conflict has pushed TMI toward the development of more effective ways to monitor and evaluate its projects. While NGOs are capable of keeping track of outputs, they will still require more investment in training and experience to complete their own analytical study of their project's impacts.

Working with NGOs

Several other factors suggest that NGOs had been effective in implementing programs, but questions have been raised about whether or not the effort

[5] Roziewski, D. 2005. Mid-Term Evaluation: Building Sustainable Livelihoods in Uncertain Times. Evaluation prepared for the PVC Matching Grant Program.

required to train, supervise, and monitor their staff and activities is the most cost-effective means of implementation. Additionally, when examining the field work by staff members of TMI and its partner NGOs outside of their home districts and the use of local staff by other development and conservation organizations, it became apparent that implementation by local NGOs is not the factor determining whether or not programs could be implemented in uncertain situations. The main factor seems to be the *personal conduct and behavior of the staff person in charge of the project*.

Furthermore, when working with NGOs, there is a need to ensure that expectations are clear from the beginning. Hence, TMI has therefore been developing guidelines and criteria that are more detailed regarding the selection of NGOs; hiring staff members; and training participants and beneficiaries in income generating activities. TMI had also learned that it is best to have one NGO carry out all phases of community planning, implementation, and monitoring than to involve different NGOs for different components.

Selecting NGOs and building their capacity to work effectively

All of the NGOs interviewed said that their capacity had greatly increased while working with TMI. Besides training workshops, the increase in skills and knowledge often came through interaction and mentoring by TMI staff members.

The critical factor for selecting NGOs is determining whether or not they can carry out all phases of planning, implementation, and monitoring. As well, it is essential that they be committed to doing the work and to serving the communities. It is also essential to assess the skills and developmental stage of NGOs before hiring them, so that identified areas of weakness can be corrected or strengthened. As the NGOs increase their capacity, they tend to develop a greater realization of what additional training is needed to continue building their skills.

After considerable effort by the TMI staff, the capacity of the NGOs partners is felt to have increased; however, not having completed a cost-benefit analysis of the time and funds required to build their capacity, questions regarding the actual cost-effectiveness of this strategy remain.

4.2 Analysis of Information from other INGOs and bilateral programs

Each INGO or international program interviewed had different ways of working with user and community groups. However, several common themes emerged from the interviews.

A common theme among all five organizations interviewed was that the behavior of the staff was an essential variable regarding to what degree they will be accepted by the communities. Behavior in a manner that is respectful, inclusive, fair (impartial), unbiased (neutral), and maintains a low profile were seen as the essential variables for working in communities, especially in a conflict situations. The employer of the staff person seemed to be less important than the person's behavior.

The second theme that the organizations had in common was the importance of offering small infrastructure, income-generating activities, or services that the communities have requested for immediate physical benefits ("hardware"), thus creating an opening and incentives for important, but less tangible, activities that the communities may not have requested, such as conservation, natural resource, or social activities ("software").

The third common theme was the NGO and INGO contribution to peace building by helping communities see that development can and will take place despite the conflict. One interviewee suggested that the essential outcome of continuing development work under situations of conflict is keeping alive the communities' hope for better lives and livelihoods.

Lastly, working in a conflict situation is very complex. As a result, most organizations have re-examined and reconsidered their working modalities, and tried to make improvements in their relationships with communities, transparency in decision-making, targeting of the poor and excluded groups, and capacity building of local staff and institutions. The process will nevertheless continue to evolve as more is understood about service delivery and project implementation during times of conflict, civil society disruption, and uncertainty.

FIVE

Lessons Learned and Recommendations

Promoting community participation

TMI has learned the importance of promoting local participation within the project design, implementation, and monitoring phases, where communities are more in charge and empowered. While TMI will continue to determine overall project goals, it will support local communities to play a greater role in the detailed planning, priorities, and specific budget decisions of future projects.

Consolidating development activities into one group per village

Local NGOs can consolidate the interests and programs of various donors and work with one 'user group' in each community. Community members often do not have the time or money to work and contribute to more than one group. Consolidating the activities so that they are integrated into one group can promote a more holistic approach to development that meets the needs of the majority of community members.

Promoting sustainability

In theory, it is more effective and sustainable to implement projects through local NGOs and community groups. However, it is important to consider the sustainability of the NGO itself, especially when donor support is finished. The question is whether the NGO can continue to work once the funding ends. Thus, it is important to consider which skill areas need improvement to build the capacity of an NGO partner before contracting it to implement programs and investing in its capacity.

Reconsidering cost-efficiency

Although TMI staff assumed that it was more cost-effective to work through local NGOs, the cost of actually building their capacity is unknown, and it would be useful to conduct a detailed cost-benefit analysis to determine the validity of this assumption. Nevertheless, the building of local capacity is an important consideration regardless of cost, especially when considering long-term sustainability issues.

In the conflict situation

Since local NGOs usually have closer relationships with the local communities, they can usually implement project activities even during periods of conflict. However, one of the NGOs admitted that they could not visit certain villages because they were viewed as outsiders. Local representatives of the rebels also questioned the source of their funding, i.e., whether it was from the U.S. Government, which was perceived as not being neutral because it had supplied arms to the Royal Nepal Army.

The NGO representative said that they worked with CBOs consisting of community members, and that those people would come to the district headquarters for training; whereas INGOs and their staff members are usually from the outside and their relationships with local communities are limited. The lesson learned was the need to build and maintain relationships to both stakeholders and local people. As well, it is important for development assistance organizations to maintain neutrality in the uncertain situation.

Promoting transparency

Although TMI has promoted a high degree of transparency in the planning and implementation of its programs with communities, it has not yet incorporated specific requirements for transparency in its activity monitoring, such as public audits about budgets and decision-making. There is a need to strengthen processes and procedures that encourage transparency within the community; and between the executive committees of UGs and the assemblies. The

findings show that such requirements could increase the ability of the programs to work in conflict, while increasing the effectiveness of the programs.

While transparency has been acknowledged as a positive means of operating, the degree of transparency about budgets requires careful consideration. Revealing the details of program budgets can lead to demands from various factions in an uncertain situation. Limits may be needed regarding what level of budget is revealed to reduce the risk of both sides making unacceptable requests for donations.

Assessing and managing risk

Although TMI has not yet had any direct problems with insurgency and counter-insurgency security related issues, the findings show the importance of proactively developing simple assessment tools for risk management, as well as guidelines for use by TMI staff and its NGO partners. The importance of provisions for medical, life, and disability insurance and other compensation has also been noted.

Selecting program activities

In some parts of the country, reports suggest that the insurgents object to activities called "social mobilization." In the working areas of TMI and some other organizations, this objection has not been reported, except in mid-western districts. However, this might relate more to how the program is presented to the community and the level of community involvement in the program design.

Paying personnel and operational costs

Using project resources to pay operational costs and salaries to employ community members can create dependencies that lead to the activity becoming unsustainable. It is better to start carrying out activities in ways that communities can sustain after the project closes. It is also better to invest in activities that are self-reliant than to invest in recurrent operational costs.

Having local staff members and staff behavior

Various interviewees, whether from NGOs, INGOs, or bilateral programs, stressed the importance of having local staff. They usually have a greater sense of responsibility for the success of the activities. However, as two informants suggested, they may be under more pressure and demands from community members than outside staff would be.

Whether staff members are local people or not, an essential factor was whether or not they show their commitment and sense of responsibility to build the trust of the communities, stakeholders, and of the NGO to build trust as an institution. The motivation and dedication of the development workers can be seen in their behavior with community members. Another important factor was whether they were aware of how to work in a conflict situation and whether they were open to negotiation and discussion.

Linking community development and conservation

Although quick impact infrastructure activities are often now seen as a necessity to gain acceptance in a community, they do not ensure a link to conservation. TMI now makes 'conservation contracts' as incentives for conservation, although it is still working on ways to strengthen these linkages.

SIX

Conclusions

The purpose of the study was to test the hypothesis that NGOs are an effective means of delivering services in conflict and uncertain situations by examining their efficiency, effectiveness, impacts, and problems. Interviews with NGO partners were conducted to assess their capacities to implement services effectively, and to document their challenges and lessons learned. Interviews with representatives of other international organizations provided insights regarding their approaches to working in uncertain situations and conflict.

In examining TMI's programs and those of other organizations, it appears that working in conflict can often be a catalyst for encouraging organizations to become more effective, efficient, and truly focused on strengthening in-country NGO capacity. These lessons can apply even in situations where there is no political instability or armed conflict.

INGOs and NGOs have used a variety of techniques to continue field activities, safeguard their field staff, and maintain workable relationships with both conflicting parties. They include lowering field profiles; having flexible implementation plans; promoting community ownership, transparency, impartiality, and neutrality; strengthening the capacity of carefully chosen local partners, using local staff, strengthening cooperation/collaboration and monitoring, and focusing on poor and marginalized groups. Several NGOs, INGOs, and donors suggest that in the current situation, development activities must also quickly address people's immediate needs with quick, tangible results.

After considerable effort by TMI, the capacity of its NGO partners was found to have increased. However, questions regarding the cost-effectiveness of this strategy remain. Nevertheless, it is essential to assess the skills and developmental stage before hiring NGOs, in order to plan to increase their skills, effectiveness, and capacity. As the NGOs increase their capacity, they tend to develop a greater realization of what additional training they need to build their skills.

Each international organization interviewed, however, had different ways of working with user and community groups. Several of the common themes that nevertheless emerged from the interviews included:

- ensuring that staff behavior is respectful, inclusive, fair (impartial), unbiased (neutral), and low profile,
- providing small infrastructure, income generating activities, or services that bring immediate benefits to the community.
- contributing to peace-building by helping communities to see that development can and will take place despite the conflict.
- improving relationships with communities, transparency in decision-making, targeting of the poor and excluded groups, and capacity building of local staff and institutions.

Through the course of TMI's work in Nepal and this study, several lessons have been learned from which the following recommendations were derived.

- Although in theory it is more sustainable to implement projects through NGOs, it is equally important to consider the sustainability of the NGO itself, especially when the donor support is finished.
- Working through local NGOs was assumed to be more cost-effective, but the actual costs involved for their training, mentoring, monitoring, and follow up remains unknown
- Local NGOs have closer relationships with the communities, so they can implement activities even during conflict situations as long as they endeavor to maintain neutrality.
- TMI has promoted transparency in planning and

implementing programs, but needs to strengthen procedures to encourage transparency within the communities, executive committees, and UGs. However, revealing the details of program budgets can lead to the risk of both sides making unacceptable requests for donations.
- TMI has not had direct problems with insurgency and counter-insurgency security issues, but needs to develop simple assessment tools and guidelines for risk management and provisions for medical, life, and disability insurance and other compensation.
- Paying operational costs and salaries to community members can create dependencies, so activities should be started in ways that communities can sustain after the assistance ends.
- Quick impact infrastructure activities help gain acceptance in a community, but they do not necessarily ensure a link to conservation. Developing 'conservation contracts' with local communities, i.e., their active participation in conservation activities (e.g., afforestation) in exchange for infrastructure or livelihood improvement benefits, is often an effective means of achieving these linkages.

The findings show that working through NGOs is indeed an effective means of building the local capacity and sustainability of program activities, and it was for this reason that many international organizations started working through local NGO partners well before the current conflict. The conflict itself, however, may have been a catalyst for encouraging INGOs to become focused on strengthening in-country NGO capacity, and for local NGOs to focus more on the strengthening of their diagnostic, participatory planning, implementation, monitoring, and reporting skills.

Additionally, it was found that whether or not an INGO works through local NGOs is less important than the details of how the programs are carried out. Key features of effective project design and implementation under situations of conflict included:
- the degree of community participation and ownership
- the degree of transparency
- the maintenance of neutrality and impartiality
- the careful selection of partners and associates
- the delegation, transparency, and inclusiveness of decision-making, and
- social inclusion
- the conduct, behavior, and dedication of staff members, regardless of who employs them.

Following more than two years' of training and counseling, the capacity of TMI's NGO partners was found to have increased significantly, but the cost-effectiveness of this strategy remains unknown and in need of further analysis. Regardless, the study suggests that it is essential to assess the skills and developmental stage before hiring NGOs in order to develop a suitable plan for concurrently strengthening their skills, effectiveness, and capacity. As NGO capacity increases, their ability to determine their own additional training needs also tends to increase. When examining the experiences and practices of other international organizations, the key factors linked to trust building, credibility, and project success appear to have been the personal conduct and behavior of project staff and field personnel.

While NGOs represent the most promising means of service delivery in conflict situations, the study suggests that, at present, most local NGOs are weak in their technical, analytical, and management capacities. For continued progress in Nepal's overall sustainable development, particularly given the current atmosphere of uncertainty, significant and accelerated investment in NGO capacity building should be anticipated.

Background and Historical Context

Since 1988, The Mountain Institute (TMI) has implemented its Nepal programs in changing contexts in response to development trends, approaches, politics, and security issues. Each of these phenomena has greatly affected how donors, development agencies, INGOs, and TMI have planned, implemented, and evaluated their field programs.

Much of the current conflict in Nepal has its roots in the failure of successive governments to provide adequate basic services, economic opportunities, and security to a needy population. The two major factors of recent influence include the facts that:

- In late 2002, the King used the political and constitutional crisis caused by the weaknesses of democratic politics to dissolve the last elected government in late 2002; to appoint a caretaker cabinet; and to assume direct control of the government in February 2005; and
- The military and humanitarian crisis has resulted in the deaths of over 13,000 people, many women and children being widowed or orphaned, and a traumatized nation. Most observers agree that neither side can achieve a quick and decisive military solution.[6] Both sides of the conflict have massively abused the human rights of civilians, and the rural population is in greater need of food and services than ever before.

1. The Political History of Nepal Until the Insurgency[7]

In the late 1700s, the Shah dynasty conquered and unified over 80 independent principalities, communities, or minor kingdoms within Nepal. These kings rewarded or ensured loyalty by distributing land and other benefits to top officials and potential rivals, most of whom were 'high' within the caste hierarchy, even though indigenous communities traditionally used or owned most of the land.

In 1846, power struggles climaxed when the Rana family murdered nearly all its opponents in a single night and established a dictatorial oligarchy ruling Nepal. The Rana regime codified the hierarchical Hindu system through a civil code introduced in 1854. Education was not available for most people, and the few schools that existed were for the sons of the elite. During this time, the Ranas, who ruled Nepal using the kings as figureheads without any authority, allowed only a few Europeans into Nepal.

In the 1930s and 1940s, Nepali exiles in India formed the first Nepali political parties. In November 1950, King Tribhuvan sought asylum in India, and negotiations between the Ranas and Indian government led to restoration of the King as the country's ruler and a promise of constitutional monarchy.

[6] International Crisis Group; Nepal Backgrounder: Ceasefire – Soft Landing or Strategic Pause?, 10 April, 2003, ICG Asia Report No. 50; Nepal: Obstacles to Peace, Asia Report N° 57, 17 June 2003; Nepal's Maoists: Their Aims, Structure and Strategy, Asia Report N°104, 27 October 2005; Nepal: From People Power to Peace?, Asia Report N°115, 10 May 2006; Nepal's Crisis: Mobilising International Influence, Asia Briefing N°49, 19 April 2006

[7] Sources: Nepali Times Issue #285 (10 February 06 - 16 February 06); BBC World Service Website: www.bbc.co.uk

From 1951 to 1959, a series of short-lived governments ruled under the direct authority of the King, who perpetually postponed elections despite large-scale civil disobedience campaigns until February 1959, when the Nepali Congress Party (NC) won 74 out of 109 seats. During the early 1950s, Nepal opened to the world. The first roads were built to Kathmandu, the first tourists arrived, and the first development projects began.

In 1960-61, the then King Mahendra carried out a coup to close the parliament, declared political parties illegal, and instituted the *Panchayat* System of government under his direct leadership. In the 1960s and 1970s, political parties, which were illegal at the time, became committed to a democratic revolution, and some to a violent overthrow of the *Panchayat* system. After King Mahendra's son, Birendra, ascended the throne in 1972, he continued to rule through the *Panchayat* system. Although elections to a national assembly took place, real power remained in the King's secretariat, army, and government bureaucracy.

In 1977-78, violent student demonstrations against the *Panchayat* system induced the King to conduct a referendum that retained the *Panchayat* system by a margin of less than 10 percent. Despite reforms, the public grew more dissatisfied with the pseudo-democracy that favored the ultra-conservative elite. In spring 1989, India suddenly declared that the 1950 trade and transit treaty with Nepal had expired and closed most entry points on the border. Vital supplies were stopped and economic growth plummeted. Student demonstrations against India began to take on anti-government tones.

In February 1990, the Nepali Congress Party (NCP) allied itself with a group of communist parties, called the United Left Front (ULF), to initiate the Jana *Andolan* (People's Movement) that ultimately brought down the *Panchayat* system. In April, the King accepted the role of constitutional monarch.

The parties of the People's Movement formed an interim government to draft a new constitution and hold national elections. The spectrum of political ideologies represented in the interim government, and the need to placate the monarchy ensured that to achieve consensus some contentious issues (including the question of who controls the army) were intentionally left ambiguous.

In 1991, twenty parties participated in what international observers called reasonably free and fair elections. NC formed a majority government that governed for 43 months, and several communist parties joined the political mainstream after the 1990 restoration of multi-party democracy.

In 1994, a radical communist group, the United People's Front (UPF), divided into factions, each of which applied for recognition from the Election Commission to participate in the 1994 mid-term election. Having already recognized the other faction as the United People's Front, the Election Commission rejected the application of the ultra-radical faction headed by Baburam Bhattarai. This faction took its case to Nepal's Supreme Court, which delayed its decision until after the election, making the faction ineligible to participate. In response, the Bhattarai faction initiated a campaign to boycott the election, threatening participants with retribution. After the election, they took violent action against those in Rolpa District who had participated in the election in spite of their warnings.

2. History of the Insurgency in Nepal

The Communist Party of Nepal (Maoist) was founded in the spring of 1994. Pushpa Kamal Dahal (*nom de guerre*: Prachanda) was elected general secretary of the party. Baburam Bhattarai (former United Front leader) headed the wing of the party that was 'aboveground' until 1996.

In response to the violent actions against those who participated in the 1994 elections, the government carried out the retributive Operation-Romeo in November 1995, assuming that the police could simply silence the movement by force. By general historical consensus, the police engaged in widespread human rights abuses. The tactics enraged the population and engendered support for the Maoists, who responded in kind against the police.

In 1995, Bhattarai submitted demands to a coalition government that fell shortly afterwards. On February 4, 1996, he submitted a list of 40 demands to a coalition government led by Nepali Congress. These demands were accompanied by a warning that if the demands were not met by February 17, a violent struggle against the state would ensue.

On February 13, 1996, four days before the deadline expired, the Maoists declared a "People's War" and carried out violent attacks in six districts on police posts, an INGO office, and a factory. The "People's War" carried on by the Maoists has continued through various phases for the past decade, although initially it affected only the mid-western region of Nepal.

For the next 28 months, the Maoists attacked police posts, killing police officers and capturing weapons. Murders, beatings, and mutilations were carried out against supporters of other political parties (mainly NC), local elected officials, and individuals whom they considered "feudal and class enemies". The Maoists disrupted the local elections of 1997, preventing elections from taking place in 70 VDCs (about 2 percent of local governments).

In mid-June 1998, the government initiated a police action called "Operation Kilo-Sierra-2" to suppress the "People's War." Although Maoist violence was greatly reduced during the operation, police brutality and human rights violations against ordinary citizens drove many into the Maoist camp, and turned public sentiment against the government, the Prime Minister, and especially the police.

When Krishna Prasad Bhattarai (not related to B. Bhattarai of the Maoists) became NC Prime Minister in November 1999, he appointed a "High Level Consensus Seeking Committee" to initiate talks with the Maoists. In June 2000, the Maoist chairman, Prachandra, indicated his willingness to sit down to talks on condition that a number of demands, including a ceasefire, were met. By August, Prachandra had surmised that the Maoist demand for a ceasefire would not be met, so he ruled out the possibility of immediate talks. The mandate of the Committee ended in October 2000 after it had been unsuccessful in initiating talks with the Maoists.

Over the next three years, the Maoists succeeded in establishing base areas in several districts, and in setting up parallel government structures that included "people's courts," land registration offices, and other agencies. In July 2000, they announced the establishment of "people's governments" in the five mid-western districts, controlling all but the district capitals where the government has continued to maintain a presence.

Meanwhile, the then Crown Prince allegedly murdered his parents (King Birendra and Queen Aishawarya), siblings, and other members of the royal family before killing himself on June 1, 2001. The immediate effects were shock and outrage when news of the shooting reached the public, as many did not believe that the Crown Prince was responsible. The late King's brother, Gyanendra, succeeded him to the throne. The mass regicide significantly altered the environment in which the present conflict is taking place.

In July 2001, both sides agreed to a ceasefire as a precondition for peace talks. However, after three rounds of talks, the Maoists withdrew in November, saying that the talks had failed. They carried out attacks on the Royal Nepal Army (RNA) barracks, which they had never done before, and on police posts and local government buildings in 30 districts across the country.

In November 2001, the government declared a State of Emergency (SOE) and labeled the Maoists as "terrorists" after more than 100 people were killed in four days. The army was mobilized and some civil liberties were suspended. The government introduced a "surrender scheme" and invited Maoists to surrender.

In February 2002, the Maoists conducted the largest attack since the beginning of the insurgency in Achham district. More than 145 people were killed, including some government officials and civilians. Afterwards, the army purportedly killed 35 innocent people at once while searching for Maoists in Kalikot. The Maoists continued to attack police posts, development infrastructure, and public property, such as government offices, VDC buildings, water supplies, hydro plants, bridges, telephone repeater stations, and NGO offices.

In May 2002, parliament was dissolved amid political confrontation over another extension of the SOE. Fresh elections were called for November 13, and Deuba remained as PM at the head of an interim government. The Maoists declared a boycott of the elections, escalated attacks on members of mainstream political parties, and called a nationwide strike to coincide with the parliamentary elections.

In mid-July, the interim government did not extend the term of the local governance bodies, which were due for elections. It replaced the elected representatives with government employees, even though it could have extended the term for one year, as allowed in the constitution. The PM visited the U.S. and U.K. requesting military assistance. The U.S. Government promised to provide $20 million in military hardware and the UK provided two helicopters. The military assistance provided by the U.S. government caused the Maoists, some local people in Nepal, and some other donors to suspect U.S. government humanitarian and development assistance. This sometimes affected the acceptability of American development workers visiting field sites in rural Nepal.

On October 4, 2002, the King dismissed the Prime Minister for being unable to conduct timely elections, and assumed executive powers under Articles 27(3) and 127 of the Constitution. He appointed three-time former Prime Minister and supporter of a strong monarchy, Lokendra Bahadhur Chand, as PM of a caretaker cabinet of mostly technocrats. The six mainstream political parties condemned the "Royal Move" as "unconstitutional" and "undemocratic."

On January 30, 2003, the government and the Maoists declared a ceasefire. After a Code of Conduct was agreed upon in March, five high level Maoist leaders emerged from being underground for at least seven years. Although there was less killing in the rural areas after the ceasefire, violations of the Code of Conduct were reported by both sides and human rights observers.

The Nepali Congress, the UML, People's Front, and Nepal Workers and Peasants Party reached a consensus to conduct a joint agitation against the "October Fourth Royal Move." Most of the parties called for reinstatement of the Parliament and/or an all-party government. There were demonstrations on the streets to oppose the takeover and government's refusal to join the peace talks.

In the midst of preparations for peace talks, the government filed a case against the Maoist leaders, charging them for attacks in Sindhuli district. The government named its negotiating team only after a considerable delay. Demonstrations by the political parties and student unions continued throughout the country. The first two rounds of peace talks were held in April and May. The second round of talks ended with an agreement to restrict army movement and to release Maoist prisoners, which generated considerable controversy.

The interim PM appointed by the palace resigned on May 30 because he was unable to advance any resolution of the conflict. The King then offered to give the seat to a candidate with the consensus approval of the political parties. Five parties agreed upon Madhab Nepal of the UML, but two other parties suggested their own leaders. In June, the King appointed Surya Bahadhur Thapa for this fifth tenure as PM. Meanwhile, various newspapers reported that the Maoist central committee had met in Rolpa and decided to proceed with simultaneous street demonstrations, armed struggle, peace talks, and propaganda.

During the third round of talks in August 2003, an army patrol killed 19 rebels (apparently unarmed) and civilians in what became known as the Doramba massacre, which lead to the collapse of the ceasefire. The Maoists stepped up attacks on infrastructure, closures of schools, and abduction of children for indoctrination.

Since 2004, the frequency and intensity of events has increased. In April 2004, the political parties launched a series of street agitations that caused PM Thapa to resign. In June, the King reappointed Sher Bahadhur Deuba as PM. In August, the Maoists staged a week-long blockade of Kathmandu, stopping supplies from reaching the city. On September 1, violent protests broke out in Kathmandu after twelve Nepalese hostages in Iraq were murdered by their captors. Later in September, the U.S. Peace Corps was withdrawn from Nepal after a small explosive device went off at the U.S. Information Service compound. In November, a group of mothers in Dailekh started an uprising against the Maoists. In December, further attacks in Argakhanchi and Dailekh caused heavy casualties on both sides, and the Maoists again blockaded Kathmandu for one week.

On February 1, 2005, the King dismissed PM Deuba and his government and, declaring a state of emergency, assumed direct power. Citing the need to defeat Maoist rebels, he also cut telephones and internet service, and sent the army into newsrooms to censor the media. As well, he had hundreds of journalists, political and civil society activists arrested. The King lifted the state of emergency in April, but instituted a royal anti-graft commission that in July sentenced former PM Deuba to two years in jail for alleged corruption.

After debate at the U.N. in Geneva, an office of the U.N. High Commissioner on Human Rights was established in Kathmandu. Meanwhile, in June, the Maoists blew up a bus in southern Nepal, killing 37 passengers and injuring 70. This was the most devastating attack on civilians to have ever occurred in Nepal.

In September, the Maoists announced a three-month, unilateral ceasefire, the first truce since peace talks broke down in 2003. Despite the fact that the royal government failed to respond, the truce was later extended to four months. Tourism once again rebounded with the ceasefire.

In November, the Maoists and main opposition parties agreed upon a program intended to restore democracy. However, the royal government resumed its crack down on the media, and prepared new operational guidelines for NGOs, which many felt

would severely limit their independent service delivery capacities.

The Maoists announced an end to the four-month ceasefire in January 2006. To coincide with the local elections called for February 8, as well as the tenth anniversary of the 'People's War' on February 13, they carried out attacks at the entrance to the Kathmandu Valley, in Thankot; and in Palpa, Nepalganj, Makwanpur, and Butwal. Despite on-going international condemnation, the King had not altered his approach to Nepal's crisis when the present study commenced in February 2006.

The Maoists also announced a series of blockades of roads leading to district headquarter towns and Kathmandu starting on March 14, and an indefinite bandh (forced closure) from April 3. After a second round of talks with the political parties in India, they reached an agreement to withdraw the blockades and bandhs in return for increased activity by the political parties to bring about a return of multi-party democracy.

As this report was being prepared, the Seven-Party Alliance called a bandh from April 6-9, 2006. The royal government imposed curfews to try to contain the demonstrations, but the public's mood of defiance grew. The bandh and curfews eventually lasted until April 24. Almost everyday, massive demonstrations with thousands of people (often hundreds of thousands) were carried out in Kathmandu, and in the cities and towns of most districts. The demands of the demonstrators were for an end to the King's autocratic rule, a return to democracy and peace, restoration of civil rights, and establishment of a democratic republic.

The King agreed to restore parliament on the night of April 24, which brought an end to the strikes and curfews. The parliament has since approved proclamations to hold elections for a constituent assembly to rewrite the constitution, to limit the King's powers, and to place the security forces under its own control. Both the new government and the insurgents have declared a ceasefire and have begun preparations for peace talks to resolve the decade-long conflict.

Note: At the time this report went to press in December 2006, the Seven Party Government and Maoists had signed a peace accord, Maoist cadre were gathering in cantonments, and preparations were slowly starting for an interim government and elections to a Constituent Assembly.

3. Historical Context of Development in Nepal

The politics of the time have always determined development activities in Nepal, whether through international assistance or through civil society organizations.

During the Rana regime from 1846 to 1951, the feudal rulers did not establish schools, roads, colleges, organizations, or any of the other institutions or infrastructure associated with development or progress. This was most likely because most of the state wealth went into the construction of extravagant Rana palaces in Kathmandu. While the Kingdom's remoteness could have played a role in its lack of development, the onus clearly cannot be placed on geography alone — that is, all of these services had been established or were under construction in comparable mountain areas of India, such as Darjeeling or Deradun, during the same era.

During the period 1955-1974, centrally-planned nation-wide social mobilization efforts were launched by the government that "basically failed because of the lack of ownership by the beneficiaries[8]." Other reasons for failure included "… the domination by the state and the elite, ambitious expansion without adequate preparatory work at the grassroots level, and lack of transparency and accountability."

During this time, the first international organizations began to offer external development assistance. Most of this assistance was for the construction of infrastructure such as roads, bridges, irrigation, schools, and hospitals by bi-lateral or multi-lateral assistance programs. These programs hired large numbers of local and international staff to carry out development activities, the majority of which were planned in Kathmandu, or even abroad, instead of at the project site. Bishnu Uprreti, a Nepali analyst[9], has suggested these kinds of development projects may have specifically contributed to poor governance by not sufficiently understanding local needs and interests, by sometimes introducing

[8] UNDP, Nepal Human Development Report, 2003

[9] Upreti, Bishnu. 2002. Conflict Management in Natural Resources, Nepal. Case study on "Conflict and Peace in Mountain Societies", Mountain Forum E-consultation for the Bishkek Global Mountain Summit, UNEP.

inappropriate technology, and by not monitoring the long-term outcomes of the programs.

With the advent of democracy in 1990 came several changes as to how development programs could operate. The 1991 constitution gave the right to organize, and the new Social Welfare Act 2049 (1992) allowed more readily for the registration of NGOs, federations, and other civil society groups. More than 30,000 civil society organizations are reported to exist in Nepal today as a result.[10] More INGOs registered (107)[11] and became active in Nepal, and they were able to form partnerships with national, district, or community NGOs to implement the work. In 1993, the UML coalition government started to allocate a budget to be managed by each local body, the Village Development Committee (VDC). This allowed for better functioning of local bodies and for more local decision-making about which development priorities to implement.

4. Root Causes of the Insurgency in Nepal

During the half-century of development assistance in Nepal and twelve years of democracy, notable progress was made in terms of health, education, child survival, agriculture, communication, transportation, and private investment in industry. Yet, many villages remain without schools, roads, electricity, or medical facilities.

Inter-linked "root causes" have fuelled the dissatisfaction of many Nepalis, who rightly feel that successive governments have served them poorly, that systemic inequalities continue to hamper the country's potential,[12] and that democracy has failed to bring enough reforms to address the needs of the majority of the people.

In detailed studies and assessments of the origins of the conflict, one Nepali analyst described the "root causes" of the conflict as:[13]

- "Socio-economic inequalities and ethnic/caste/gender discrimination;
- Poor governance because of rent seeking, extortion and corruption, elite domination, and political interference;
- Discriminatory access and control of resources and property;
- Ignorance of local needs, interests and experiences by external development interventions and introduction of inappropriate technology;
- Discriminatory application of laws and regulations, which serves the interests of powerful economic and political groups;
- Demographic pressures;
- *Criminality and political violence*[14]*;*
- Lack of people-centered participatory conflict resolution mechanisms coupled with popular mistrust and dissatisfaction with state-sponsored conflict resolution; and
- Weak, controversial, and biased role of media and civil society organizations."

Most provisions of the 1990 constitution were not often based on the 'real life' conditions of the people, and successive governments, either democratic or appointed by the King, failed to bring about meaningful improvements in the lives of the rural poor. However, national opinion polls in 2006 demonstrated that though Nepalis have lost faith in their political and government leadership, they still have a marked preference for democracy over any other system of governance.[15]

At the national level, the number of unemployed people who have some education is increasing rapidly. About 70 percent of the students who sit for high school examinations fail, so about 100,000 rural youths are left with neither a job nor an opportunity to pursue further schooling each year.

Extreme discrepancies remain between the opportunities available to the economic and social elite and the rural poor and lower castes.[16] Socio-economic inequalities and discriminatory practices based on ethnicity, caste, or gender are such that political leaders and the upper ranks of the police, military, bureaucracy, and judiciary are almost all from the social elites of "high" caste landowners. Hence, the individuals in the government, almost entirely men, have little motivation to eliminate caste, ethnic, and gender discrimination; or to change the feudal power relations, since their families might have land in the villages.

[10] Kopek, I., Thapa, R.P., INGOs and NGOs in Nepal: Status and Areas of Work during the Conflict, Dec. 2004
[11] Ibid
[12] International Crisis Group, April 2003
[13] Bishnu Upreti, Mountain Conflict Forum.
[14] International donors think of political violence and criminality as "manifestations" of root causes.
[15] Himal Media Survey 2006
[16] Friedman, Lindsay, Conflict in Nepal, Shtrii Shakti, 2005

Furthermore, the domination of elites can lead to poor governance, political interference, discriminatory access and control of resources and property, and discriminatory application of laws and regulations to serve their interests. The government imposition of Hindu norms created resentment, especially among ethnic groups, whom the government relegated to a caste status even though their communities have egalitarian social and family relations. Women were also subjected to severe discrimination. In response, the Maoists incorporated demands against the imposition of Hindu norms on Nepalese society, such as the mandatory teaching of Sanskrit in the school curriculum.

About ten million people, or 42 percent of Nepalis, live below the poverty line of US$ 77 per year.[17] They cope with frequent food shortages and a lack of services and opportunities. For over 86 percent of households, food is the major expenditure. About 80 percent of Nepalis farm for a living.[18] Even though all viable farmland is already cultivated, farmers are reticent to risk using improved technology without irrigation[19]. The traditional inheritance practice of dividing the land among sons has resulted in land holdings that are too small to feed a family for a year. Deterioration of the rural economy and widespread employment compels 67 percent of households to have one member migrate for employment[20].

Only 48 percent of Nepal's rural population is literate[21]; for women, the figure is only 22 percent.[22] Caste and ethnicity-based disparities in education are also striking. For example, in 1991, there were six ethnic groups and sixteen caste groups with adult literacy rates below 25 percent, compared to a national average of 39.6 percent.[23]

Nepal's Human Development Index (HDI) of 0.474 ranks the country at 144 out of 174 countries. However, regional disparities are so great that Kathmandu's HDI is four times that of rural Mugu, a district in the western mountains.[24]

5. Impacts of the Insurgency on Service Delivery

By early 2006, fighting between security forces and Maoists affected at least 73 of Nepal's 75 districts, and approximately two-thirds of Nepal's 23 million people had been affected one way or the other by the armed conflict.[25] The ten-year insurgency has severely depleted economic resources and the development potential of the nation. The conflict is generally seen to have had an impact on service delivery depending on the region of the country, district, and community by closing schools, disrupting food supplies, disrupting transportation, hindering access to health services, and destroying infrastructure.

The INGOs and NGOs operating in Nepal have tended to use a variety of techniques to ensure that they can continue to maintain some field activities, safeguard their field staff, and maintain relatively neutral or workable relationships with the conflicting parties.[26] Most observers feel that high profile statements and positioning by some foreign governments, such as the comments made by a series of U.S. ambassadors, have made it more difficult for some U.S.-supported programs and projects to maintain an appearance of neutrality.[27]

According to an assessment for the U.K.'s Department for International Development (DFID),[28] the rebel policy seriously criticizes foreign development assistance and associated NGOs for creating dependency among the local people; and because they feel that the implementation of many development projects is corrupt, non-transparent, and externally imposed. However, the reasons for the criticism can vary. For example, effective development projects might compete with the Maoists' own development agendas, while they might blame ineffective development on the work of corrupt imperialists. Other reports indicate that schools and health posts are operating only because the Maoists perceive them as being directly beneficial to the

17 Management Assessment of Urban Programs for Bureau of Asia and the Near East(Draft), Research Triangle Institute, October 2001, p.77.
18 Assessment of Service Delivery in Selected Districts, New Era, Kathmandu: 2001
19 Ibid
20 Ibid
21 Nepal Human Development Report 2001: Poverty Reduction and Governance in Nepal
22 Report on the Situation of Women, Children and Households, HMG Nepal, Central Bureau of Statistics, in Collaboration with UNICEF Nepal, March 2001.
23 HMG/N, Tenth Development Plan
24 UNDP, Nepal Development Cooperation Report 2000
25 Norwegian Refugee Council
26 Seddon, D., Hussein, K. The Consequences of Conflict: Livelihoods and Development in Nepal, December 2002
27 Ibid
28 Lama-Tamang, M.S., et al, Social Change in Conflict Affected Areas: Assessment Report, Prepared for UK Department for International Development. 2003

people.[29] Projects, Community-Based Organizations (CBO), Community Forestry User Groups (CFUG), and other user groups run by local people appear to be functioning[30] well, often because they are not seen as being operated by 'outside organizations'.

Since many government officials left rural areas or were pulled out, local committees established by the rebels have *de facto* control. Consequently, many development activities can continue because the local communities tell the insurgents that they want the benefits delivered by the program or organization.

The continuance of service delivery during times of uncertainty and conflict, as examined in the specific experiences of TMI's local NGO partners, is detailed in this report.

[29] Ibid.
[30] Ibid and Klatzel, F., observations on field trips

NGO Questionnaire

1. Information to be Requested from NGOs:

- Demographics of NGO staff and board members

Framework of Interview:

1. Short Introduction to study (NB: be careful not to say too much and bias the study)
2. Background to work of NGO with TMI
3. Processes
   - Planning and activity
   - Implementation
   - Monitoring
   - Organization development (org. governance and staffing)
4. Lessons learned/challenges/realizations
   - Challenges
   - Realizations

Background to work of NGO with TMI (NGO Profile)

1. What projects or activities do you do for TMI?
2. How did you start working for TMI? What was the original purpose of your NGO?
3. Do you do any activities from your own funds or as volunteers?

Participatory Processes: Activity Identification

1. At what point in TMI's planning did your NGO start working with your current project?
2. How do you plan projects with INGOs or activities?
   - Activity identification
   - Tool
   - Participants
   - Levels

Budget Transparency and Decision-making

1. How do you maintain transparency with the community?
2. How do you maintain transparency with your NGO partners/community?
3. How do you manage funds from different donors for similar activities?
4. What are your relationships with other organizations? Do you coordinate or collaborate with any of them? If yes, please explain.

Activity Implementation

1. What types of training were mostly conducted and what role did your organization play? (Does your NGO have the skills to be resource persons?)

2. How does your organization select trainees/participants for skill development training, income generating activities, and other opportunities?
3. What services and support does your organization provide to the participants after the trainings?
4. Does your NGO form and train infrastructure construction committees and maintenance committees (UGs)?
   YES NO..... If YES, explain how
5. Does your NGO encourage the UGs to establish maintenance funds?
   YES NO..... If YES, explain how
6. What are your procedures for turning over infrastructure from the construction committee to the UGs?
7. What mechanisms does your organization use to ensure that programs continue after the completion of the project?
8. What kind of technical problems does your organization have in implementing activities at the field level?

Project Monitoring System

1. Do you collect baseline data to measure your progress?
   YES NO
   If YES, please explain
2. What kind of tools and techniques does your organization use to collect the baseline data?
3. How do you measure the level of knowledge and skills before and after the trainings?
4. What technical problems has your organization faced in monitoring the programs?
   - Reporting
   - Setting objective related measurable indicators
   - Designing appropriate tools
   - Assessing findings

Organizational Development

1. Tell us about your organization structure. How was it before and what is it now in terms of :
   - Administration
   - Financial Management
   - Board members
2. Who works for you and what are their jobs?
   - Staff or volunteers and their capacity
3. How did you train your staff?

Lessons Learned/Challenges/Realizations

1. Challenges
   - What challenges has your organization have been experiencing in implementing programs and activities?
   - Government
   - Contractors
   - Community
   - Other NGOs
   - Security Force
   - Local counterparts
2. What realizations have you had as you were doing this work?
3. What recommendations would you suggest?
   What ways so you think work in the field in uncertain situations?

"Appreciative Participatory Planning and Action" (APPA)

Beginning in 1995, TMI developed a community-based and participatory approach to project planning called "Appreciative Participatory Planning and Action" (APPA). Based on the Appreciative Inquiry (AI) management systems developed by Case Western University in the mid-1990s, APPA has proven to be a seasoned and accepted participatory approach widely applied in conservation, eco-tourism, gender sensitization, and community mobilization activities in Nepal and abroad.

The methodology incorporates a more positive approach than a traditional structured questionnaire survey, leading to more effective community action. TMI has trained hundreds of NGOs in Nepal and Peru to facilitate the community planning APPA meetings as a first step in new project design, and now out-sources the work to these NGOs for all new projects.

Different participatory learning and action tools are employed in the process, including social mapping and seasonal calendars, which help stakeholders develop their ideal vision of their village as well as detailed action plans with tentative budgets and benchmarks. Participants themselves prepare their own indicators for monitoring and evaluation. Exercises are based on the "4D model" that includes:

1. **Discovery:** The discovery process acknowledges the community's good work in the context of their existing situation, especially in natural and cultural heritage development. In this phase various tools are used to explore the existing community development and conservation situation, including resource mapping, social mapping, Venn diagrams of leadership and institutions, seasonal calendars, and paired ranking.

2. **Dream:** During the dream phase, the community proposes ways of transforming problems into positive future dreams. Planners then ask the participants to sketch their dreams on social maps.

3. **Design:** During the design phase, planners ask the community what ideas and capabilities they have to achieve their dreams. Interventions are then set based on community priorities and commitments. Five-Year Action Plans are based on prioritization of the villager's "dreams". A monitoring and evaluation system for each project is developed at this phase, including agreement on appropriate baseline data to be monitored at regular intervals (e.g., income generation, number of tourists, number of community forestry groups formed, decrease in fragile shrubs harvested for fuel, etc.).

4. **Delivery:** During the delivery phase the community takes actions to further implement their dreams. Lessons learned throughout the course of the first year's project implementation phase are evaluated at annual meetings, with recommendations for modifications channeled back into the "Design" component if necessary. The entire approach thus captures the principles of participatory and appreciative planning; a learning approach to project implementation; flexibility during the life of the project; managing for results; and viewing project planning documents as "living" as opposed to static.

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