Evaluation of Danish Support to Civil Society

Annex G: Nepal Country Study

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Abbreviations

AAIN ActionAid International Nepal

ACORAB Association of Community Radio Broadcasters

AF Advocacy Forum
AfP Alliance for Peace

AIN Association of International NGOs

CA Constituent Assembly

CeLRRd Centre for Legal Research and Resource Development

CPA Comprehensive Peace Accord

CSO Civil Society Organisation

CSRC Community Self Reliance Centre

Danish International Development Assistance

DCA DanChurchAid

DDC District Development Committee

DFID Department for International Development

DKK Danish Kroner

ECOSOC Economic and Social Council

EU European Union

RBA Human Rights Based Approach

HRGGP Human Rights and Good Governance Programme
HUGOU Human Rights and Good Governance Advisory Unit

INGO International Non-Governmental Organisation

INSEC Informal Sector Service Centre

KIRDARC Karnali Integrated Rural Development and Research Centre

LGA Local Grant Authority

LGAF Local Governance and Accountability Facility

LGCDP Local Governance and Community Development Programme

LO-FTF Danish Trade Union Council for International Development

LWF Lutheran World Federation
NEMAF Nepal Madesh Foundation

NGO Non-Governmental Organisation

NGO-FONIN NGO Federation of Nepalese Indigenous Nationalities

NIWF National Indigenous Women Federation

NNDSWO Nepal National Dalit Social Welfare Organisation
OHCHR Office of the High Commissioner for Human Rights

PSP Peace Support Programme

RDIF Rights, Democracy and Inclusion Fund

REFLECT Regenerated Freirian Literacy through Empowering Community

Techniques

SAMAGRA Holistic Development Service Centre

SDC Swiss Agency for Development and Cooperation

SFCG Search for Common Ground

SP Strategic Partner

SWC Social Welfare Council
TA Technical Assistance

UCPN (Maoist) Unified Communist Party of Nepal (Maoist)
UNDP United Nations Development Programme

UNMIN United Nations Mission in Nepal VDC Village Development Committee

WHR Women for Human Rights

YI Youth Initiative

Executive Summary

This report is a case study of how Danish funds have supported civil society in Nepal. It is part of the global Evaluation of the Danish Support to Civil Society which has the purpose of collating lessons learnt from the operationalisation of the Danish Strategy for Support to Civil Society in Developing Countries. The study assesses what worked and what did not with respect to promoting a strong, independent and diversified civil society.

Using an evaluation framework developed from the terms of reference and a theory of change established for the Civil Society Strategy, the study involved comprehensive desk research, over 90 interviews, seven focus group meetings and a survey of Nepalese CSO partners.

In total, Denmark supports civil society in Nepal through 10 modalities. To begin with, support is channelled via the sector programmes the Human Rights and Good Governance Programme (HRGGP); and the Peace Support Programme (PSP). To support CSOs, the PSP uses international NGOs while the HRGGP applies five different modalities – the Strategic Partnership Approach, a joint donor funding mechanism called the Rights, Inclusion and Democracy Fund (RIDF), project grants and the government of Nepal programme for local governance and community development (LGCDP). The LGCDP also contains a multi-donor fund for CSOs called the Local Governance and Accountability Fund (LGAF) which was designed to operate independently of the government. In addition, support to Nepalese CSOs is channelled via the Local Grant Authority (LGA), the United Nations, the Danish Centre for Culture and Development and Danish NGOs.

Overall, the Danish bilateral sector support to CSOs in Nepal has been highly relevant to the Nepalese context and needs. Evaluations, reviews, interviews and survey concur that the support has responded to the needs and priorities of poor and marginalised people and been largely relevant to the needs of civil society. The greater focus on micro and meso level CSOs, capacity development and internal governance systems have all been recognised as important needs for Nepalese civil society as a whole. The longer-term core support through the Strategic Partnerships has been particularly responsive to the needs of the concerned CSOs; while the shorter term support through, for instance, the RDIF, LGA and some of the Danish CSOs usually has been too short-term to address key civil society needs. Furthermore, the need for enhanced capacities in applied research is an area that has not been well addressed by any of the Danish support modalities.

In terms of relevance to the Danish Civil Society Strategy, HRGGP is the most noteworthy aspect of Danish support to Nepalese civil society. The combined basket of modalities, organisations and approaches were strategically chosen to meet the HRGGP's immediate objectives — inclusive democracy, human rights and access to justice — which correlate strongly with the first four goals of the Civil Society Strategy. Together, the three main modalities applied by the HRGGP support the key principles of the Paris Declaration — ownership, harmonisation, alignment and mutual accountability.

The 13 thematically diverse Nepalese CSOs that have been supported through the **Strategic Partnership** approach jointly have geographic coverage in all districts. With their multi-level structures, most can operate credibly at all levels – from community to national arenas. The long-

term funding approach has led to enhanced ownership, improved internal governance systems and greater organisational empowerment. The Strategic Partnerships have made possible comprehensive and qualitative strengthening of a mixed set of more established CSOs and that with the support seem likely to attain a new level of organisational development and professionalism.

The Strategic Partnership approach took considerable courage and acumen to develop and execute. So far, the more far-reaching civil society results of Danish support have been achieved through these partnerships. The set-up, however, has demanded an advisory unit such as DanidaHUGOU to function smoothly and effectively.

The **RDIF** has complemented the Strategic Partnership support well. The RDIF has the advantage of allowing Denmark to fund a greater range and number of CSOs. It has also made possible support to sub-national level CSOs; strengthened marginalised and excluded communities; and, furthered human rights activism. RDIF offers a means to support CSOs that have pertinent projects but that may not have the maturity and/or relevant overall focus to be a suitable as a strategic partner. It also complements the Strategic Partnership approach – for which the CSO selection has been proactively based on strategic considerations and assessments – by being competitive and open to all qualified CSOs. On the other hand, as a modality the RDIF is not as conducive to ownership, which is reflected in some of the interviews and survey results.

While results have not been as successful as hoped, the nation-wide and broad-based **LGCDP** and **LGAF** have been relevant to mobilising the grassroots, promoting open debate and strengthening the popular foundation of civil society.

Because of the nature of the programme, strengthening of civil society is not as prominent a feature of the **PSP** as the HRGGP. Furthermore, it was specially designed to complement and not to overlap with the HRGGP's efforts. Nevertheless, by channelling the PSP support to international NGOs the support has been relevant to Goal 3 (capacity-building of CSOs and advocacy capacity) and Goal 5 (relevant support in fragile states). The INGOs have brought specific expertise and experience in peace-building to Nepalese civil society that cannot be found among Nepalese organisations.

The **LGA's** greatest strength as a modality is its high level of flexibility, which could probably be used more strategically. While it is nearly twice the size of Denmark's contribution to the RDIF, the Embassy does not have the management resources to reach out much to organisations based outside Kathmandu or to deliver similar calibre results. Nor has the support been particularly well aligned with the goals of Civil Society Strategy. That said, the projects funded are generally sound and support important causes.

The support channelled via the six main **Danish NGOs** operating Nepal (2009 to 2011) is more than DKK 20 million greater than the support via the RDIF and 13 strategic partners combined (2009 to 2013). It is thus the largest single modality for Danish funds to Nepalese civil society. The focus on civic engagement, human rights and inclusion among some of the Danish NGOs makes the support modality relevant to the Civil Society Strategy and current context. The long-term support to Nepalese CSOs from some of the Danish NGOs has been an asset of the Danish CSO support. Some of their methodologies, tools and wider networks add value. Of particular relevance are Care's and ActionAid's approaches that have gained a foothold and been scaled-

up in LGCDP – a testament of their strengths in supporting public debate and an inclusive and representative civil society. Because the modality consists of a mixed assortment of programmes that has not been strategically composed as a whole, it is difficult to compare with the bilateral sector support modalities which have been strategically put together.

The key comparative advantage of Danish NGOs is their ability to engage in close partnerships with CSOs that are based on more equal footing, built on years of accumulated trust and mutual benefit. Some Danish NGOs have over the years been successful in honing this comparative advantage and drawing on CSO to CSO solidarity. However, several Nepalese CSOs interviewed – particularly in the focus group sessions – tended to view the relationship with Danish and/or International NGOs as one of donor-and-recipient. While this may in part be a result of the jealousy of INGOs and their funds among Nepalese CSOs, it is an indication of a relationship with room for improvement. It appears that Danish and international NGOs in Nepal would benefit from developing their partnerships further by placing the southern CSOs in the driver's seat. If northern NGO support was more shaped by the demand from the Nepalese CSOs – as opposed to the objectives established by the NGO for the country or region – this support modality would maximise its comparative advantage. It would furthermore better support the principles of ownership of the Paris Agenda.

Danish support to Nepal has made some **significant contributions**. However, since few barely knew of the existence of the Civil Society Strategy, let alone operationalised it, the results achieved are not because of the Strategy's existence. Rather, the contributions can be attributed to the fact that HRGGP and some of the Danish NGOs have had similar objectives to the Strategy – including demand-side governance, participation and voice – that have guided their work since before the strategy period.

Overall, Danish support to CSOs in Nepal has significantly **enhanced citizens' space for public debate** and their participation in local governance. It has brought to the fore the voice of disadvantaged groups at the micro level, who have become more active in influencing decision-making processes that affect their lives. From the evidence gathered, it is not possible to discern which support has contributed most to this end – LGCDP/LGAF, the RDIF, the SPs or the support provided by the Danish NGOs. It appears likely that a combination of all the support, with varying effects depending on geography and type of disadvantaged group. At the micro and meso-levels, **greater space for CSOs/CBOs** has been carved out. This is being filled by a growing pool of capacitated local activists and human rights defenders who are making their presence known to both rights-holders and duty-bearers.

With a few notable exceptions – such as the land rights movement and support via NEMAF – the support has not promoted many links between the micro/meso levels and the macro level debates in the country. Part of the problem is that the debate at the national level has been negatively affected by the political impasse, which became more acute when the Supreme Court dissolved the legislature in May 2012.

Inclusion and the rights of marginalised groups have been a central theme in much of the support. Interviews, studies, evaluations and the survey confirm that the most marked contribution of this work is a much stronger mobilisation and activism among women at the community level.

Despite the progress, stakeholders agree that support to CSOs, with a **continued emphasis on reaching the micro and meso levels**, remains highly relevant to strengthening democratic governance and combating poverty. CSOs themselves also point out that building the capacity among duty-bearers to meet the growing demand from rights-holders is also critical.

Civil society needs to operate within a conducive legal and regulatory framework to reach its full potential. The Nepalese **civil society framework is not sufficiently supportive**, creates inefficiencies and promotes corruption. INGOs have been particularly affected and Denmark has played a much recognised role in supporting INGOs non-financially in this respect. The legal and regulatory framework needs to be addressed by CSOs when a new legislature has been elected.

The **promotion of accountability and legitimacy** has been key aspects of the Danish support as a whole. ActionAid has been particularly effective in introducing social auditing among its partners. Continuing to strengthen public accountability is an important means to address the criticism that CSOs in Nepal face from communities, the media and government.

The encouragement – particularly by DanidaHUGOU – to diversify the **CSO** governance structures has resulted in more women and people from marginalised groups entering into the boards. Men, however, still tend to dominate leadership positions. Building capacity at middle management level and promoting women in these efforts could help bring women into more leadership positions in the future. Given the rise of activism among women at the community level, it will become important to ensure that there is space for this activism to move upstream within civil society structures. Affirmative action can support this.

Capacity building has been an important component of the combined Danish support. This includes capacity-building in the form of a day-to-day mentoring and backstopping. While this evaluation has not able to examine the quality of these efforts, there has been **general satisfaction among the CSOs** – whether via DanidaHUGOU, RDIF or Danish NGOs – but the highest approval comes from the Strategic Partnership CSOs. What has been particularly appreciated by the SP CSOs has been the ongoing dialogue that they have enjoyed with DanidaHUGOU, the respectful relationship and the responsiveness to their needs.

CSOs supported by Danish funds are involved in associations, networks and federations. **Networking is very much present** in the support provided to SPs, via the RDIF and Danish NGOs – but it is not a strategy in itself. Rather, network-like CSOs are supported because of their multi-level and geographical reach and legitimacy. Given that there are cases of donor-driven networks that have become unsustainable and frustrating, this approach seems appropriate.

There are a number of concrete effects that have resulted from the advocacy efforts supported by Denmark during the last four years. For instance, the peacefully acquired land certificates and land access have a formidable impact on the concerned families and constitute a value that is estimated to be tenfold the input. Likewise, accessing of earmarked resources at the local level for disadvantaged groups has significantly enhanced the income of poor families. The raising of the minimum wage; the passing of legislation to fight impunity and promote ethnic inclusion; and, the establishment of social security schemes for single/widowed women are further

examples. The range of these effects reflects the diversity of CSOs that have been supported. It is noteworthy that these results have been achieved in spite of the difficult political environment – a constitution pending since 2007 and no legislature since May 2012.

A **critical success factor** of the effectiveness of Danish CSO support to Nepal has been **the existence of DanidaHUGOU**, with its experienced and competent leadership combined with highly knowledgeable staff with strong analytical skills. DanidaHUGOU has had the competence to develop and manage the CSO support to respond to the needs and conditions in Nepal. Moreover, DanidaHUGOU has had the capacity and ability to be proactive, undertake analyses, identify drivers of change, assess and take risks and make informed and strategic choices. It has been able to design or identify modalities to fit the different activities of CSOs, which has resulted in a basket of support modalities that has been sufficiently flexible to allow organisations to move between the modalities if necessary. Had the Danish embassy, with its limited and less specialised capacity, managed the support, it is unlikely that the outcomes would be as relevant and impressive – even if it explicitly operationalised the strategy.

Denmark's long-term commitment to human rights and democracy and DanidaHUGOU's recognised expertise have converted into high levels of respect and credibility in Nepal. It has therefore been welcomed as an active participant in several donor fora.

1 Introduction

1.1 Background

This report is a case study of how Danish funds have supported civil society in Nepal. It is part of the global *Evaluation of the Danish Support to Civil Society* which has the purpose of collating lessons learnt from the operationalisation of the *Danish Strategy for Support to Civil Society in Developing Countries*. The terms of reference (ToR) ask for "a particular focus on results relating to Strategic Goal 1 (Promotion of a vibrant and open debate nationally and internationally), Strategic Goal 2 (Promotion of a representative, legitimate and locally based civil society) and Strategic Goal 3 (Promotion of capacity development, advocacy work and networking opportunities)."

Aim and methods

The ToR specify that the evaluation undertake country studies in Nepal and Uganda with the aim to analyse the way the Civil Society Strategy has been operationalised at country level by Danida and its collaborating partners. The studies assess what worked and what did not with respect to promoting a strong, independent and diversified civil society.

In the Inception Phase of the global evaluation, a theory of change for the Civil Society Strategy was developed. Using the theory of change and the questions presented in the ToR, an evaluation framework was established (Annex 1). The evaluation framework served as a central basis for data collection and assessment.

The Nepal case study was conducted between November 2012 and January, 2013 by Cecilia M. Ljungman (Team Leader) and Mohan Mardan Thapa (Evaluation Specialist).

The team began by undertaking comprehensive desk research that involved studying reports, research, publications and websites related to civil society in Nepal and the different forms of Danish support to civil society organisations (CSOs), with a focus on the period 2008 to 2012. Annex 3 lists the main documents reviewed.

Box 1: Summary of Goals of the Danish Civil Society Strategy

Long-term overarching objective: Contribute to the development of a strong, independent and diversified civil society in developing countries.

Goal 1: Contribute to the promotion of a vibrant and open debate both nationally and internationally.

Goal 2: Contribute to a representative, legitimate and locally based civil society.

Goal 3: Support capacity development, advocacy work and networking opportunities.

Goal 4: Strengthen the cooperation with CSOs focusing on human rights.

Goal 5: Promote CSO support to fragile states and situations.

Goal 6: Promote CSO support in bilateral and multilateral assistance.

Goal 7: Promote CSO support through Danish civil society.

Goal 8: Support collaboration between CSOs and other stakeholders such as business community, research institutions, media and political parties.

Goal 9: Strengthen results orientation of CSO activities.

The team conducted over 90 interviews – mostly an hour in length – with stakeholders in the period of November 25 to December 14. Informants included local and central CSOs, INGOs, Danish NGOs, politicians, media, academics, members of the labour movement, local communities, embassy staff, HUGOU staff and other donors. Data was furthermore gathered from seven separate focus group discussions including strategic partners, the LGA grantees, the Local Peace Committee in Nepalgunj and CSOs working in Banke and Dang. Annex 2 includes a list of informants.

The report has also drawn on survey data. The evaluation's Global Team conducted a stake-holder survey of southern CSOs that have been directly or indirectly supported by Danida in 10 countries. The survey covered questions about perceptions of the relevance, effectiveness and efficiency of Danish support. In total, 33 Nepalese CSOs responded to the survey. Of these, 15 received funding from Danish NGOs and the remaining number were funded through one of the modalities for Danish bilateral sector support. More information on the survey is presented in Annex 6.

During the collection of data, the Team limited the scope of the country study slightly to ensure the most effective use of evaluation resources. First, the Team did not assess support to CSOs via the Renewable Energy Sector Programme because initial data collection established that this support was very limited in scope – the CSOs only played a service delivery role within one component of the programme. Second, the Team mainly gathered data and assessed PSP III (which began in 2010) and reviewed the last year of PSP II in a more cursory manner due to less access to institutional memory.

Definitions

The report uses Danida's definition of "civil society" which is "an umbrella term for a very broad and complex myriad of groups, organisations and networks positioned between the state and the market whose purpose and mandate is primarily to represent and express group interests". This definition is consistent with the Civicus definition which is "the arena outside of the family, the state, and the market where people associate to advance common interests". According to Danida's definition, profit-making media is not part of civil society.

Although "NGO" is the common term for most civil society organisations in Nepal, this report uses the more encompassing term "CSO". Because the term "INGO" is widely used in Nepal to signify professionalised foreign civil society organisations and because these organisations have a particular status in Nepal, the team has chosen to use the acronym "INGO" when referring to these.

Limitations

The evaluation faced some limitations. First, the ToR assumes that the Danish civil society strategy has been "operationalised" and many of its questions hinges on this. However, in Nepal, this strategy has not been explicitly implemented. The Team therefore examined the extent to which the efforts in Nepal that have been supported by Denmark have been relevant to the Civil Society Strategy and what results for civil society have been achieved.

Second, due to time and resources limitations, the Team was not able to meet with the all the Nepalese CSOs that directly or indirectly receive Danida funding. The number of CSOs that re-

ceive funding from Danish NGOs, the RDIF, the LGA or the strategic partner modality is estimated at 110 to 130 organisations. This does not include the organisations that receive support via the LGAF (72 CSOs); the LGCDP (576 CSOs); the UN agencies; or Danish Centre for Culture and Development¹ – although there is certainly some overlap of CSOs with the other funding modalities. With regard to funding via Danish NGOs, the Team focused on the six NGOs with a presence in Nepal. The Team also tried to contact representatives of Trianglen and the Danish Disabled People's Organisation in Nepal but contact details proved to be inaccurate and neither is registered with the SWC.

Third, it was not possible to calculate the total value of Danish support to Nepalese civil society. There was no data available on what percentage of the LGCDP went to CSOs, nor was it possible to calculate what portions of Danish contributions to UN agencies ended up supporting Nepalese CSOs. The figures used in the report include a mix of disbursements and budgeted amounts and therefore when compared need to be considered as approximate figures.

Fourth, in relation to establishing changes in Nepalese civil society since the start of the strategy period, there is no single baseline of the situation of Nepalese civil society from before the existence of the Civil Society Strategy. The Team used a number of documents to piece together a baseline that corresponds to the years 2006-08. Furthermore, the Team's assessment of the current situation of civil society in Nepal did not have the benefit of comprehensive surveys as some of the studies used for the baseline did. Key informants, recent studies and focus group sessions served as the main data sources.

Fifth, while the survey response rate for Nepal was good, the response rate of CSOs that received support via the RDIF was low – perhaps because this funding mechanism drew to a close in 2012.

Finally, while the Team met an extensive number of informants during the field mission, it was not possible to meet several key stakeholders who were out of the country during the visit.

1.2 Structure of the report

Chapter 2 provides a brief background to civil society development in Nepal. It describes the status of civil society before 2008 (the years preceding the Danish Civil Society Strategy) and gives an update of its status today. Chapter 3 presents an overview of the Danish support to Nepal and a brief description of the main forms of support to civil society. Chapter 4 examines the extent to which the civil society support to Nepal addresses the goals set out in the Danish Civil Society Strategy. Chapter 5 includes overall conclusions on relevance, effectiveness and efficiency and presents recommendations.

2 Civil Society in Nepal

Civil space has existed for centuries in Nepalese communities in relation to religious institutions, traditional systems for voluntary contributions or exchange of labour. Until 1991, however, any attempt to organise was restricted by the monarchist state. Organisations required permission of the district administrative authority, the violation of which would invite criminal punishment –

¹ The ToR for the evaluation did not include DCCD. Considering the important role cultural organisations can and have played within social movements in different parts of the world over the last century, this is a shortcoming.

including imprisonment. Thus very few organisations emerged in this period and the ones which did, usually operated as a support base for the autocratic system. The main focus of the organisations established was service delivery and assistance to marginalised social groups.

The political change of the 1990s opened up greater possibilities of organising outside the state.² For the first time, foreign funds could flow directly to CSOs as opposed to through the Government's consolidated fund.³ This coincided with emphasis on downsizing of the state in the development discourse at the time and the view that NGOs were a cost-effective means of promoting development. This resulted in an exponential growth of CSOs and by 2000 there were an estimated 11,000 registered organisations. In this period the shift from service provision to greater engagement in advocacy and policy emerged. Parts of civil society began to assume a more political (but not necessary partisan) role managing, for example, to abolish the practice of bonded labour after ten years campaigning.

During the last decade, Nepalese civil society became a key actor in the political developments of the country. First, during the civil war (1996 to 2006), humanitarian CSOs had greater access than the two sides to the conflict and could provide emergency aid and to some extent monitor human rights abuses. As the new democracy movement gained momentum, CSOs played a prominent and critical role in inducing Maoists to join the democratic politics; organising the April mass movement of 2006; and, providing pressure for the Comprehensive Peace Accord of 2006. This was possible because of the space created for civil society activism by:

- the miscalculations of the new king;⁴
- ii) the lost credibility of the political parties as a result of squabbles, corruption and inefficiencies; and,
- iii) the negative effects of the civil war on people's lives.

Some analysts see civil society in Nepal as assuming three different main forms that interact but reserve a level of distrust for each other. The first and most visible is represented by a large number of NGOs institutionalised from the 1990s onwards and characterised by a formal organisational structure; relative stability over time and having a defined membership (registering an organisation requires the identification of at least seven members). More than half of these organisations are based in Kathmandu and dominated by the elite social groups. The United Marxist-Leninist Party of Nepal (UML), essentially a social democratic centre left party, traditionally has had a strong connection with many of these CSOs from the 1990s onwards. In the last dec-

²Early on, donors played a catalytic role in relation to the development of Nepal's civil society. Their support to forestry played a key part. Donor agencies began experimenting in the 1970s with local community management and regeneration of forests with encouraging results and then promoted community forestry to address the serious deforestation taking place in Nepal. While the government was generally hostile towards any attempt at autonomous grassroots organisation, Nepal's dependence on foreign aid meant that the donors could generate pressure for policy change. Soon the process of networking among the emerging forest users groups in the country was set in motion. Forest user groups remain a key building block of civil society activism today. (Bhattarai et al. Civil Society – Some Self-Reflections. Nepal South Asia Centre, 2002.)

³ ADB Overview of Civil Society: Nepal. 2003.

⁴ This includes imposing emergency, suspending civil liberties and censorship of the press and then assuming that the international community would still support him. See Kul Gautam "Mistakes, Miscalculations and the Search for Middle Ground: An Exit Strategy for Nepal" in, Liberal Democracy Bulletin, Vol 1 No 1, 2005.

ade, many more formalised national CSOs have emerged linked with political, ethnic and social groups.

The second form consists of what is known as the "people's movement". It is represented by a relatively wide and fluctuant group referred to as the "leaders of civil society" – including intellectuals, professionals, persons that have been involved in political activities and "common citizens". While maintaining an informal character, the "people's movement" has been backed by professional associations, such as the Bar Association and the Federation of Nepali Journalists and the business associations. ⁵

The third form is the main group of citizens that are active at community level, in some cases institutionalised, other times informal in character. According to the 2006 Civicus survey⁶, 55% of Nepalese are members of at least one CSO and 93% of respondents volunteer in the community. NGOs and the authorities often consider these groups as "beneficiaries". These local community-based organisations (CBOs) are often isolated from the national NGO movement.

Box 2: CSO Registration in Nepal

Any organisation wishing to engage in development activities must first obtain official approval from the local government. NGOs are required to register at the District Administration Office (DAO) and their registration must be renewed yearly. In addition to registering with the DAO, NGOs receiving funds directly from external donors must register with the Social Welfare Council and renew their registration every year by submitting accounts audited by a governmentapproved auditor. If these requirements are not fulfilled, registration will be revoked. (From ADB Overview of Civil Society: Nepal)

2.1 Developments since 2008

In relation to data from pre-2008 and based on interviews, recent documentation and focus groups, the section below analyses the extent to which changes have occurred in Nepalese civil society during the last four years.

Vibrant and open debate

CSOs in Nepal are relatively diverse and reflect the social, economic and political plurality of the country. Overall, since 2008, the number of registered CSOs has increased by over 25% to over 35,000 organisations. There is evidence of a stronger CSO presence and debate at the local level. Although a majority of CSOs continue to be registered in the Kathmandu Valley, some of the Kathmandu organisations are managing to reach more groups and people in remote areas, where in the past their links have been weak. At the same time, CSOs at the community level are playing a greater role, targeting marginalised and excluded groups (women, Dalits, Adibasi /Janajati and youth) while focusing particularly on their rights and increasing their access to state's resources and services.

Several studies and interviews confirmed the more prominent role women are playing at the grassroots level. They have increasingly mobilised themselves and are accessing resources that

⁵ Costantini, Mapping Study on Civil Society Organisations in Nepal, 2010.

⁶ The Civicus project undertook Nepal's most comprehensive civil society study based on a population survey, a stakeholder survey, a series of workshops and media reviews. The result is DR Dahal and PT Timsina, Civil Society in Nepal. Searching for a Viable Role. Civicus Index Report for Nepal, 2006.

⁷ This is discussed further in Section 4.1.

are available for their benefit. This is considered to be the result of a number of dynamics, some which date back decades to early initiatives to support rural women at the grassroots level. One contributing factor is that the Maoists recruited women and provided them with new opportunities and status. Another factor may be that the conflict and the significant migration of Nepalese to the Gulf States has increased the number of female headed households. While these women have had to shoulder a greater burden, women that head households are often discriminated against and abused in Nepal – a negative change in status that in some instances can lead women to take civic action, particularly if given the resources and opportunity. At the same time, civil society mobilisation and the allocation of funds for target groups through, for instance, the Government of Nepal Programme "Local Governance and Community Development Programme" has given some women the prospect to address their situation.

In terms of the **civil society environment**, because freedom of assembly and expression are now recognised in Nepal, criticism of the government and state actors is possible and advocacy work – for instance, against impunity and in favour of federalism – can be conducted without significant interference.¹⁰ Nevertheless, there are reports that threats against human rights defenders have been increasing in recent years. Furthermore, the legal and regulatory framework is outdated and is unclear. It promotes irregularities and inefficiencies and leaves room for government officials to potentially constrain civil society activities. The ongoing political upheaval further undermines the environment.

Dialogue between the government and civil society is considered sub-optimal. Nepalese CSO, however, have developed their own relationships with the authorities (based on a number of complex factors including who they know), so most organisations interviewed seemed to find a means of sustaining some form of workable relationship with the relevant authorities. Nevertheless, CSOs express they have felt a tightening of civil society space both formally and informally – particularly since the Constituent Assembly was dissolved in May 2012. For instance, in 2012 a government circular instructed local government officials not to engage with CSOs. ¹¹ Generally, however, respondents felt that there was a more constructive CSO-government dialogue taking place at local levels. At the same time, since local elections have not been held for more than ten years, local officials tend not to be accountable to the local communities.

In relation to the political arena, CSOs express that civil society as a whole receives far less moral support from the political parties who during and immediately after the 2006 peace agreement period were positively disposed to civil society actors.

The constitutional crises and political fragmentation in society affects civil society negatively. The latter is reflected in civil society by parallel networks and organisations being formed in line with party sympathies. Interference by political parties is commonplace, particularly at local level.

22.

⁸ Interviews with Care, WHR, CeLLRD, Banke DDC, Review of CSRC. MM Thapa Cluster Evaluation of RDIF", PRAN "Social Accountability in Action", 2012 and Jim Freedman, Jim. "Focused Evaluation of Local Governance and Community Development Programme" draft. September 2012.

⁹ Jim Freedman, et al. Local Governance and Community Development Programme Focused Evaluation, Sept 2012, pp 10, 21-22.

¹⁰ An exception is Tibetan refugees because of China's position and pressure.

¹¹ Two reasons were given to the Team for this circular. One was that local officials were too often away from their offices because of CSO-related affairs. Another was that some CSOs offered a per diem to government staff.

The discourse on politics and civil society in Nepal is also muddled with political action being confused with partisanship. On the one hand, there are a few CSO leaders who are more or less openly involved in *partisan* activities. Meanwhile, some voices, particularly from within government institutions, complain that CSOs are overstepping when they engage in *political* activities such as advocacy, awareness-raising and watchdog activities.

Representative legitimate locally based civil society

The growth of CSOs does not necessary imply that there is greater diversity. CSOs can be a relatively lucrative means of income and no doubt some the CSOs have been set up and registered with pecuniary gain at the forefront. Nevertheless, there is also evidence that new CSOs catering to specific groups in society have grown in number and prominence. Examples include the increased reach of the NGO Federation of Nepalese Indigenous Nationalities (NGO FONIN); the mobilisation strength of the Madeshi CSOs; and, Dalit NGO Federation – which has grown from around 200 to 350 member organisations in the last few years. Some stakeholders maintain that inclusion has become more mainstreamed and is showing some results. However, others claim that group-based activists (such as Dalit, Muslim and Janajati activists) are largely carrying forward their groups' agenda rather than taking forward the inclusion agenda as a whole.

The majority of CSOs continue to have weak **internal governance** systems. While CSOs are required to have seven members to be registered at the Social Welfare Council (SWC), the vast majority of CSOs cannot claim a broad membership and are often in the hands of a few people. Representation of women, ethnic and marginalised social groups in CSOs is sub-optimal, but improving in some cases. The RDIF cluster evaluation, for example, found that there was a 33% numerical representation of women in the executive committees of CSOs and a consciousness of including other marginalised groups.

The NGO Federation regards internal governance as a major concern and sees a need for much greater focus on legitimacy through internal accountability and transparency – towards both the public and communities. While the effectiveness the Code of Conduct passed by the NGO Federation has not been evaluated, stakeholders in focus group discussions claimed there is slight improvement in this area. Internal democracy was seen as a key area of improvement in some organisations, although more effort is needed for greater diversity within CSOs.

Overall, with some exceptions, CSOs continue to be heavily dependent on external funding, which tends to be project-based and short-term. This continues to feed into the existing weaknesses of CSOs, undermining institutional capacity, ownership, popular support and vision. Accountability towards donors tends to take precedence over accountability towards constituencies. Organisations easily become more geared towards finding resources to continue rather than be guided by their own mission. For instance, the recent availability of funds related to climate change has seen has enormous growth in CSOs touting climate-focused projects and initiatives.

Donor dependency, insufficient accountability and transparency and the frequently uneasy relationship with the authorities has led to greater spikes of accusations of CSOs in the media. In

¹² The SWC estimates that only about 10% of the 35,348 CSOs are actually functioning and about 5% are actively engaged. Only 568 CSOs (1.6%), that have access to donor funds, had their programme approved by the SWC in the fiscal year 2011-12 (ending mid July 2012).

recent years accusations such as "dollar harvesting" has undermined trust of CSOs among communities.

According to informants, CSO activities are vulnerable to being hijacked by the different local political parties. Parties sometimes try to win favour from successful NGO work and may pressure CSOs to rally support for them. In addition, successful actors in the CSO community are often courted by the parties. All CSO respondents admitted that political interference at the local level is strong and has grown considerably since 2006. 13 However, few were willing to provide clear examples for strategies to avoid political pressures. Informants concurred that the stronger the CSO, the higher the risk that they are "captured" by political parties. Similarly, a number of parallel CSO federations and association have emerged, with each one having ties to a different political party.14

At the same time, some party member informants held that CSOs actively use parties for their own ends. What is evident is that civil society has not played an active and consistent role to make the party leadership accountable to the voters and strengthen democracy at the grassroots level. In the perception of many, this is because a significant part of active civil society members are affiliated with a party seeking election.

Capacity, advocacy and networking

Overall, capacities of CSOs remains weak, but stakeholders interviewed and focus group participants felt that generally the capacity of CSOs has improved. The investment in recent years by some donors in institutional strengthening and organisational development has had impact. There is greater emphasis on process and more CSOs applying at least some aspects of a rightsbased approach. Critical areas where capacity development has made less progress include middle-level management training. Nepal is also considered to have too few Nepalese organisations specifically specialised in building the capacity of CSOs. The ones that do exist tend to be project/donor-driven.

Arguably the most important development among Nepalese civil society is the capacity to raise awareness, advocate and achieve results. 15 There is increasing pressure on government to fight impunity and increasing recognition of human rights violations. Important legislation and policies have been passed as a result of CSO activism - particularly related to women's social, political and legal status. For instance, the 2007 Interim Constitution recognises women's fundamental rights and prohibits physical, mental or other forms of violence against women, declaring these punishable by law. The Amendment of Some Nepalese Acts to Establish Gender Equality Act 2006 (commonly known as the Gender Equality Act) repealed and amended 56 discriminatory provisions and incorporated other provisions to ensure women's rights. 16 Meanwhile, at the local

¹³ A recent baseline survey undertaken by SfCG revealed that on the whole, youth were less willing to work across political lines than ethnic, caste, and/or religious lines.

¹⁴ This has been the case with the trade unions for many years, where each one is affiliated with a party.

¹⁵ Here there is a marked difference from the findings of the Civicus survey from 2006 which found that CSOs were unsuccessful in influencing public policies and exerting pressure on government. It also found that CSOs were not achieving results in its work of promoting human rights, drafting of social policies, lobbying the state and holding the state or private sector accountable.

¹⁶ Some of the other examples include the following: i) The Human Trafficking (Control) Act 2007 extended the definition of trafficking to include the offence of transportation for trafficking. ii) The Domestic Violence (Crime and Punishment) Act 2009 which defines domestic violence to include physical, mental, sexual, financial and behav-

level a culture of civic rights and of democratic civic engagement (assembly, dialogue and initiatives) is emerging. Local groups – especially from marginalised parts of society – are to a much greater degree claiming rights, benefits and services. This is discussed more in Chapter 4. Women are becoming particularly active and vocal at the grassroots level, organising themselves and gaining access to targeted funds, social security benefits, scholarships and health services.

These successes have been part of the reason for accusations by the political and bureaucratic leadership against donors of "over-empowering" CSOs. They argue that this has caused greater societal polarisation along caste and ethnic lines which they claim can disrupt social harmony in the current sensitive identity-based political environment. Some donors have responded by showing greater reticence towards funding CSOs. At the same time, many human rights activists in Nepal believe that if donors recoil in any way, it will signal a step backwards for human rights and diversity in the country – issues that have lain at the core of Nepal's civil strife. Some donors are also caught between wanting to strengthen advocacy efforts of CSOs by showing moral support, but at the same time wanting to avoid the risk of "tainting" these organisations as being donor "puppets".

There are a number of umbrella organisations covering different thematic areas (sector, social groups such as women and Dalits; geographic interest). Most active CSOs are members of at least one umbrella organisation. Thematic associations or federations are producing results in some cases, while the results of top-tier CSO umbrella organisations are more mixed. Likewise, informal networks, particularly if they have been donor-driven have tended to peter out without producing significant results, creating frustration along the way. Conflicting interests are also a problem. Overall networking capacity of CSOs, however, is said to be making some progress, even though joint initiatives still tend to be few.

3 Danish Support Modalities to Civil Society in Nepal

According to its strategy for Nepal, Denmark's bilateral support to Nepal is guided by two strategic objectives:

To facilitate and promote the development of a democratic political environment, respect for human rights and rule of law, and a peaceful resolution of the armed conflict; and

To continue, in spite of political instability, to contribute to poverty reduction in a peace- and conflict-sensitive manner through economic growth and improvements of service delivery, targeting the poorest segments of the population.¹⁷

ioural violence, and has specific provisions on the filing of cases, including by third parties, and on interim relief measures. iii) The government declared 2010 to be the Year to End Gender-Based Violence. It prepared a GBV action plan, highlighting the need for a special commission to investigate cases of violence against women. To this end, a GBV unit has been established within the Prime Minister's Office; however, the allocation of resources has been limited. iv) The National Women's Commission (NWC) has been established as a statutory body with a mandate to protect and promote the rights and interests of women. v) The government has adopted a national plan of action for protection and promotion of women's human rights following UNSCRs 1325 and 1820. vi) A Nepal Police Women's and Children's Cell has been established in each of the country's 75 districts.

¹⁷ Danish Strategy for Nepal 2006-10 (extended until 2012)

This strategy has primarily been implemented through bilateral support to four sector programmes (amounting to DKK 454 million from 2009 to 2011); two of which have supported civil society in substantial ways. These are the Human Rights and Good Governance Programme (HRGGP III, 2009-13) and the Peace Support Programme (PSP III, 2011-13).¹⁸

There are also Danish funds that support civil society in Nepal that fall outside of the sector support programmes. First, the Danish embassy manages the Local Grant Authority (LGA) which provides small grants to CSOs. Second, Danish government support is channelled via Danish CSOs. Third, the Danish Centre for Culture and Development provide Danish funding to cultural CSOs in Nepal. Finally, as a member of the United Nations, some Danish funds are channelled to Nepalese civil society via these institutions. The UN Fund and Programmes in Nepal – in particular UNDP, UNICEF, UN Women, UNFPA and UNCDF – work with a range of civil society organisations at local, regional and national levels. Fractions of the core funds that Denmark provides to these organisations can be regarded as supporting civil society in Nepal. In one case, in 2008, bilateral programme funds from the Peace Support Programme were allocated to fund UNDP's Support to Participatory Constitution Building in Nepal which involved support to civil society (DKK 5.85 million).

In total, Denmark supports civil society in Nepal through 10 different modalities. This is illustrated in Annex 7 and in the table overleaf.

The sections that follow provide a brief overview of each main channel of support to Nepalese CSOs. First the main sector programmes – HRGGP and PSP – are examined. This is followed by the Local Grant Authority and the Danish NGOs.

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¹⁸ The Renewable Energy Programme includes a small component that funds local level CSOs to mobilise communities to create a demand for energy services. This support is comparatively limited in scope and the CSO's play a service delivery role only.

Table 1: Modalities of Danish support to Nepalese Civil Society

Danish funding source		dality of CSO support	Total*
Danida Framework support to Danish NGOs	1.	Danish NGOs	83,691,780
	2.	LGCDP	Unknown
	3.	LGAF	15,000,000
Human Rights and Good Governance Pro-	4.	Project support	3,575,000
gramme	5.	RDIF	5,000,000
	6.	Strategic Partnerships	53,000,000
Local Grant Authority	7.	LGA	9,300,000
Peace Support Programme	8.	INGOs	14,050,000
		UN agencies at country level (UNDP)	9,360,000
		Danish NGO (LO-FTF)	(1,878,930)
Core funding of UN Organisations	9.	UN agencies at country level	Unknown
Core funding of Danish Centre for Culture and Development	10.	DCCD	Unknown

*The total for Danish NGOs consists of disbursements between 2009 and 2011. The figures for the HRGGP III are amounts budgeted for 2009 to 2013. The total for the INGOs consists of budgeted amounts for PSP III 2010 to 2013, but the support channelled through UNDP (2009) and LO-FTF (2009-12) were disbursed funds from the PSP II budget (2007-10). The LO-FTF grant from the PSP is included in the total for Danish NGOs.

3.1 Human Rights and Good Governance Programme

Denmark has supported civil society as part of its good governance programme in Nepal since the early 1990s. An estimated 70% of the *bilateral sector* support to civil society has been provided through HRGGP III – which followed HRGGP II (2004-09) and HRGGP I (1998-2004). The main objective of the HRGGP is to establish a "functional and inclusive democracy based on respect for human rights". The Programme has funded Nepalese CSOs through several modalities:

- i) the strategic partnership (SP) modality,
- ii) a multi-donor grant facility called the Rights Democracy Inclusion Fund (RDIF); and,
- iii) the Local Governance and Community Development Programme (LGCDP) which also contains the Local Governance and Accountability Facility (LGAF).

In addition, on an exceptional basis, HRGGP has also granted project support to three Nepalese CSOs. The

Box 3: HRGGP Objectives

A functional and inclusive democracy based on respect for human rights established.

- Political actors, institutions and public dialogue strengthened for democratic change.
- Impunity and human rights addressed and access to justice for poor and marginalised women and men enhanced.
- 3. Poverty reduction enhanced through inclusive, responsive and accountable local governance and participatory community-led development that will ensure increased.

organisations - ActionAid International Nepal (DKK 1.375 million) the National Election Ob-

servation Committee (DKK 400,000) and Advocacy Forum (DKK 1.8 million) – were considered to have important programmes or methodologies that were appropriate to the prevailing context and/or important approaches relevant to the HRGGP, but were found not to be suitable for strategic partnerships and not fundable by the RDIF.

The three main modalities are examined in the sections that follow.

Strategic partnerships

The Strategic Partnership modality is applied by HRGGP in relation to its immediate objectives on inclusive democracy and human rights and access to justice (see Box 3). The modality represents a new and innovative way of supporting civil society in Nepal that was designed and introduced by the Danida Human Rights and Good Governance Advisory Unit (DanidaHUGOU) in 2009. The modality seeks to improve effectiveness, efficiency and donor harmonisation by providing longer-term core funding (five years) to support the implementation of the strategic and operational plans of 13 Nepalese CSOs (these are listed and briefly described in Annex 5). To reduce transaction costs, the strategic partnership concept involves donor alignment with CSO systems and procedures (including adapting to the CSO's fiscal year and accounting, monitoring and reporting systems etc.) and a common donor co-ordination and management mechanism. The CSOs and their funding partners sign a joint memorandum of understanding. The CSOs commit to a certain standard of governance and receive financial management technical support from DanidaHUGOU. In effect, the approach not only pools and harmonises donor funding, it circumvents the need for a joint donor funding mechanism, since the joint funding is at the level of recipient.

Danida's reasoning to develop the strategic partnership modality was based on strategic priorities and lessons drawn from the previous funding phase. First, analysis identified the need to deepen democracy in Nepal and make it more inclusive; combat impunity; and, ensure greater protection and realisation of human rights and justice. CSOs were seen as relevant actors in this context. Second, the past project-driven funding of CSOs was found to be fuelling unhealthy competition and feeding into the existing weaknesses of CSOs – such as limited popular support, lack of vision, poor ownership, and weak institutional capacity. Providing CSOs with assurances of long-term support would allow CSOs to focus on programme implementation, widen their popular support and strengthen their internal accountability structures. Third, given the general low capacity of Nepali CSOs, capacity development was identified as an important element of the support, but within a better structured technical assistance framework than in the previous phase and based on demand rather than supply. Fourth, to maximise impact, facilitate achievement of results, promote effective management and support synergies amongst partners and activities; it was decided to support a fewer number of CSO partners (13, down from 59).

DanidaHUGOU's strategy for selecting its strategic partner CSOs included past performance and effectiveness (all but one of the strategic partner CSOs had received funding from Danida in the previous programme periods and one had also been a partner of MS since the early 1990s); degree of outreach; up-scaling potential; strategic value in the national or local context; degree of

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¹⁹ Annex F includes DanidaHUGOU's concept note from 2009 on the Strategic Partnership Approach. While the term "strategic partnership" has been used before by many others to connote a close relationship and core budget support, the strategic partnership model designed of HRGGP has several very specific characteristics outlined in the note.

institutional good governance and inclusiveness; and relevance of the organisation's work to the HRGG Programme. An organisational assessment was undertaken of the candidate CSOs before the strategic partnerships were formalised. It was recognised from the start, that the portfolio of CSO Strategic Partners should include a Madeshi CSO but such an organisation was not identified until the programme has been running for a year. Meanwhile, one of the original Strategic Partners became a project partner after both partners found this arrangement to be more suitable. The total budget for support to the 13 CSOs over five years is DKK 53 million, with the median level of support being DKK 2.6 million.

The long-term partnership approach with core funding has allowed the CSOs to comprehensively plan and to focus on strategic results and quality. According to the most recent reviews²⁰, the capacity-building support has allowed for robust organisational development – including improved internal control, self-discipline and improved reporting. The quality and approach of the technical assistance has been highly appreciated by most partners who especially welcomed the transparency of DanidaHUGOU in this process and the mutual trust that has been established. A few CSOs maintain that they are now able to have more effect using less overall resources. Among the CSOs, dialogue with the funding partners is less fragmented and more strategic. Ownership and confidence have been significantly enhanced with the partner CSOs being in the driver's seat. Another benefit has been the increased interaction among the SP CSOs themselves.

The Strategic Partnership approach has faced some challenges. First, the approach has not yet found a found firm foothold within the donor/INGO community. It was believed that once the set-up was established, donor agencies would recognise the advantages and participate. Part of the problem may be that relevant stakeholders have not been sufficiently aware of modality and its strengths. More advocacy by the embassy for the approach might have yielded more buy-in from the other donors. Several of the SP CSOs are concerned that at the end of the funding cycle they will have to revert to project-based funding, which they are now less geared to undertake.

Second, several of the donors that have joined the strategic partnerships have not fully harmonised with the set-up. Some still require separate reports and accounts which undermines the whole concept. This is discussed further in Section 3.4 about Danish NGOs.

There are also some potential risks involved in the Strategic Partnership approach. First, there is the risk that the CSOs with the resources and security achieved through the strategic partnership effectively gain a monopoly over their sectors/thematic areas or jointly constitute *de facto* oligopolies. There is also the potential risk that CSOs that have secured funding for several years ahead become lax and do not achieve the expected results and are less inclined to develop innovative approaches. So far, there is no evidence of either risk being an issue. The mechanisms of regular joint review and dialogue built into the management cycle help to counteract these potential risks.

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²⁰ Ministry of Foreign Affairs of Denmark. "Review Report Nepal Peace Support Programme Human Rights and Good Governance Programme In Nepal Phase 3, 2009/2010-2013"; and Mohan Mardan Thapa, "Assessment of the Effectiveness of the Strategic Partnership Modality", 2011.

RDIF

Like the Strategic Partnership modality, the support channelled via the RDIF was expected to contribute to the HRGGP's immediate objectives related to inclusive democracy and human rights and access to justice. RDIF constituted Nepal's first multi-donor arrangement for support to governance activities in cooperation with civil society. The British, Australian and Swiss governments contributed to the fund along with Denmark. By joining together, the donors expected to be more effective in reaching civil society organisations outside of the capital city. It was designed as a rapid and flexible means to promote human rights, democracy and inclusion, appropriate in the fast changing post-conflict political situation. It was also seen as a mechanism for supporting innovative ideas and projects of higher risk.

Based on objectives outlined in its logical framework, the RDIF Secretariat (staff of eight) undertook two calls for proposals between 2009 and 2012. RDIF funded 76 projects out of 962 project proposals. The projects have been short-term (between nine and 24 months) and of modest size (between DKK 150,000 and DKK 2.5 million, averaging around DKK 450,000). In addition to the Secretariat, the RDIF had five regional offices. This has allowed greater geographic reach and regular monitoring of activities. Overall, the 70 RDIF projects reached an estimated 200,000 direct beneficiaries located in 90% of the districts and 20% of the VDCs.

RDIF provided regular capacity-building support to its grantees – including financial administration, monitoring and evaluation, strategy development and basic governance issues – that were highly relevant to the needs of many of the organisations it catered to – a significant proportion of whom are less established organisations.

The fiduciary responsibility of the RDIF Secretariat lay with DFID's Enabling State Programme (ESP) office, which from December 2010 was managed by an international management company, selected through an international bidding process. DanidaHUGOU played an active and critical role in the RDIF Steering and Technical Committees by providing technical support during the selection process. It also helped with the recruitment of staff at the regional RDIF centres. The Danish contribution to the Fund was around 10%, or DKK 5 million.

According to the 2012 evaluation of the RDIF, the Fund undertook extensive groundwork for democratic and representative processes to gain a firm foothold in the dynamic political and social environment. Above all, RDIF interventions were effective in strengthening the capacity of marginalised and excluded communities to organise their collective voice and undertake actions to access public services and resources. It also enlarged the pool of human rights defenders in Nepal. Rights-holders and, to some extent, the duty-bearers were found to be better informed about democratic processes, fundamental human rights and the importance of inclusion in both political and peace-building processes. The projects were also found to create space for political decision-makers, civil society organisations and rights-holders to constructively engage with each other. The projects made noteworthy contributions towards reconciliation and peaceful co-existence among families severely impacted by Nepal's conflict.

The projects had a local-level focus and were successful in garnering strong commitment from and ownership by the communities. On the other hand, there was little linking with national-

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²¹ The RDIF was originally set up with funds from UK, Australia, SDC and Norway. In the second phase Norway dropped out and Denmark (represented by DanidaHUGOU) joined.

level issues or initiatives. Fewer results were also achieved in relation to promoting inclusion within political party structures. Generally, RDIF projects were designed with overly optimistic objectives that were largely beyond the reach of short-term projects.

A coherent strategy to sustain the effects of the projects funded by the RDIF was neither clearly defined in the project document nor in ESP's overall strategy document. The RDIF evaluation deemed that while many individual have been empowered by the efforts, it would be a challenge to sustain the many community-based structures (groups, committees and networks) formed by the RDIF-funded efforts. Nevertheless, the evaluation assessed that there is reasonable probability that village-level human rights protection groups that have been formed will be sustain as they are built on solid foundations of local ownership and provide opportunities for members to build political and social capital.

RDIF closed at the end of 2012 upon completion of its second phase, in part because DFID no longer wanted to continue to shoulder alone the RDIF within its Enabling States Programme. With the exception of AusAid, the donors have professed an interest in supporting a new RDIF in the future and are examining options for a new structure to be put in place.

Local Governance and Community Development Programme

The support to the Local Governance and Community Development Programme (LGCDP) is expected to contribute to HRGGP's goal of inclusive, responsive and accountable local governance. It is an ambitious Government of Nepal programme with a budget of USD 771 million to which in total 15 donors contribute 25% or USD 191 million. The programme aims to contribute towards poverty reduction through inclusive, responsive and accountable local governance and participatory community-led development that will ensure increased involvement of disad-

vantaged groups (women, Dalits, Adibasi Janajatis, Muslims, Madhesis, etc.) in the local governance process.

One of its three outcomes is "citizens and communities are engaged actively with local governments and hold them accountable". This outcome is a means to reinitiate the bottom-up planning process which has stalled since the mid-2000s when local bodies were bereft of elected representatives in the absence of local elections. The programme has entailed support to civil society in two ways:

 LGCDP has promoted broad scale social mobilisation of communities to interact with local governance processes both inside and outside decision-making structures. The social mobilisation services have been contracted through competitive bidding to 576 with practical experience and commitment to transformational social

Box 4: RDIF Effects on Civil Society at Community Level

Many community-based informal and inclusive structures have been initiated by the RDIF projects including the Human Rights
Protection Committees (HRPCs),
Village/District Reconciliation
Forums (V/DRFs), Inter-party
Dialogue Forum (IDF),
Accountability Watch Committee
(AWC), Citizens' Councils (CC),
Youth Clubs and People's Forums
(PFs).

mobilisation approaches. By designating a social mobiliser in each VDC, the CSOs have facilitated processes within the Citizen Awareness Centres and Ward Citizen Forums. Citizens have received training and facilitation – partly using the ReFLECT methodology – in the Citizen Awareness Centres (CACs) which have been established in each VDC.

2. The Local Governance and Accountability Facility (LGAF) is a multi-donor mechanism within the LGCDP that aims to support CSOs in facilitating active citizen engagement in local governance processes. It provides competitive grants to CSOs to implement activities aimed at holding local governments accountable. LGAF has only managed one out of three rounds of funding since 2009. In this round a total of 72 locally registered CSOs were selected covering about 300 Village Development Committees (VDCs) across 54 districts. The CSOs included non-for-profit media organisations, trade unions, civil society platforms or networks and community-based organisations. They carried out activities that promote community involvement in expenditure reviews of local body grants, community monitoring and evaluation, social audits and public hearings. Denmark played a key role it its establishment (which was a long and complicated process) and through the HRGG Programme provided DKK 15 million.

As a government programme, the LGCDP is nationwide. The geographic reach that this has allowed has been impressive (95% of VDCs). It has been entirely focused on the local level and played an important role to promote civic engagement at the grassroots by establishing 31,200 Ward Citizen Forums with 285,000 members. As such it has been highly relevant to promoting citizen involvement in local affairs and governance. Furthermore, with the support being provided in parallel to the local public sector, it has opened the doors for the concept of civil society activism within the local arena, particularly in the mindset of the authorities. The support is also highly relevant to the Paris principles.

Likewise, according to the 2012 evaluation, the LGAF has "a unique relevance" in Nepal's present political context. The absence of locally elected representatives since 2002 has deprived communities of a political mechanism for downward accountability and for citizen-state collaborative engagement. LGAF partially compensates for this absence. It meets the need, under the present circumstances, for a mechanism whereby citizens can engage with the state and be in a position to hold local governments accountable.

The LGCDP has also attained some important results. According to the recent evaluation of the LGCDP, awareness of block grants among citizen increased from 32% to 86% and the environment for user committees and other CBOs have improved. Local bodies are reported to be more proactive in terms of awarding projects to disadvantaged groups. Similarly, the LGAF initiatives have enhanced people's awareness of the VDC budget and its allocation. Some VDCs have initiated public hearings in line with the provisions of the Good Governance Act. Procedural matters relating to the formation and administration of user committees have been improved in some places and there is evidence of a few cases of citizens holding contractors/local bodies to account.

However, these two modalities have not yet proved to be as effective as hoped. First, the civil society efforts have been spread too thinly. Second, capacity building of local CSOs and monitoring efforts have been weak. In the case of the LGAF, CSOs have not been able to fully convey the true meaning of social accountability and the concept has been misunderstood as "blaming and shaming" of authorities and has often not resulted in constructive state-citizen engagements. Third, in the LGCDP, the selection of CSOs has been highly politicised which has negatively affected the social mobilisation work. Fourth, the LGAF has been undermined by its un-

certain status – although a part of LGCDP, it was conceived to function independently under the guidance of a national committee with representatives from government, the donor community and civil society. However, this has not happened and all financial resources have in practice been channelled through the government system. The second and third rounds of programming have therefore stalled.

The LGCDP is still ongoing and it is too early to determine sustainability. The LGAF, to which the government showed opposition to from the start, has not realised its full potential. For the results of the LGAF to be sustainable, agreement on the operational implications of the LGAF's semi-autonomy status needs to be achieved to break the current impasse. A more consistent and effective follow-up from the LGCDP-donors is required in which the functioning of the LGAF as it was originally design is regarded as a condition for continued support for LGCDP.

3.2 Peace Support Programme

The overall objective of the Peace Support Programme (PSP) is to "contribute to building a peaceful, democratic, socially just and prosperous Nepal through an inclusive peace process." Immediate objectives include strengthening the implementation of Comprehensive Peace Accord (CPA) and enhancing public security and the wider peace process. Its support to Nepalese civil society mainly consists of funds channelled via five different international civil society organisations (INGOs):

- Search for Common Ground engages communities to foster local peace building, with a
 special focus on youth. It has undertaken "radio for peace building" trainings for radio professionals; capacity-building of youth in peace-building; and, support to youth clubs and
 networks in the eastern and western region that conduct local-level peace-building initiatives. Search for Common Ground brings unique peace-building approaches and methodologies. (DKK 6.5 million)
- 2. Saferworld and International Alert are supported in the implementation of a project to promote more effective, inclusive and accountable public security policy and programming by piloting practical models of community security for scaling up. The project faced significant delays due mainly to a drawn out process to obtain government approval. (DKK 5 million)
- 3. The International Commission of Jurists (ICJ) and the International Center for Transitional Justice (ICTJ) are undertaking activities to fill the gap in relation to transitional justice in Nepal. Denmark supports the two INGOs with a contribution of DKK 2,550,000 through a joint basket fund with Norway, UK and Switzerland established in mid-2012.

3.3 Local Grant Authority

The LGA is a fund which the embassy manages and can use to support activities it deems fit, without approval from Copenhagen. Most of the recipients – but not all – are CSOs. Applications are accepted throughout the year. The size of the grants has varied but is in general provided for one to three years with a maximum grant of DKK 2 million. Around seven to eight projects are support each year. However, in 2013 the embassy, with a budget of DKK 5 million, is expecting to support fewer organisations (two to three) with larger grants – above one million DKK.

The priority areas of the local grant authority have been set by the embassy based on the overall strategies for Danish development cooperation and the desire to complement other Danish efforts at in Nepal. They are broadly defined and cross-cutting in nature, giving no specific focus to the LGA:

- Protecting or improving the lives of women
- Protecting or improving the lives of children and youth
- Preventing the spread of HIV/AIDS or that provide assistance to those living with HIV/AIDS
- Preserving or promoting cross-cultural understanding and appreciation of cultural diversity in Nepal.

Between 2009 and 2011, the total amount of funds from the LGA that supported civil society organisations was DKK 9.3 million.

The LGA is the most flexible of all Danish modalities in Nepal that have been used to support CSOs. In principle, the modality can be used for riskier projects that are less suitable for the PSP or HRGGP, but it does not seem to have been used much in this way. DanidaHUGOU staff have sometimes provided technical expertise in assessing proposals, but have not been involved in taking strategic choices or providing direction to the LGA.

Grantees highlighted the cooperative, supportive and flexible approach of the embassy and its non-interference in the projects. In this way the CSOs claimed that the grants were supportive of ownership and indirectly strengthened them as organisations. They favourably compared the LGA to other sources of funding – although some of the newer grantees found the recent changes to the grant terms to be more rigid. On the other hand, the LGA has not undertaken any systematic capacity-building efforts among the grantees or helped to networked them.

Most of the CSOs have, with a few exceptions, been Kathmandu based. Kathmandu CSOs are more likely to attain information about the LGA (which is in English). Furthermore, given the few resources to administer the LGA grants, the embassy would have greater difficulties interacting with CSOs based in remote areas.

Two of the LGA grants have funded notable pilots with interesting results:

- Open Learning Exchange Nepal introduced innovative teaching methodologies in a few pilot schools using ICT that has since been taken on board by the Ministry of Education.
- A photo-journalism project has led to a critical mass of active photo journalists in Nepal.
 Awareness of photo-journalism as a medium has increased. The Kathmandu daily newspapers have started to publish regular photo-journalistic spreads and are engaging students trained by the project. The project is also leading efforts to bring photo-journalism into the university system.

Short-term project grants do not easily lend themselves to sustainability. The grantees saw sustainability of their organisations as a significant concern. During the recent year, new grantees have had to provide sustainability strategies to the embassy.

3.4 Danish NGOs

Danish NGOs that have been working consistently in Nepal during the strategy period are the Danish Red Cross, ActionAid Denmark, Care Denmark, DanChurchAid, Mission East and LO-FTF. All have staff or federation affiliate offices in Kathmandu. The first two organisations have had a presence in Nepal since the 1980s. ActionAid Denmark (formerly MS) and Care have worked in partnership with civil society organisations in Nepal for many years. Mission East is a relative newcomer, starting work in Nepal after the fall of the monarchy. It received its support from Danida via CISU, the Association of Danish CSO working in development.

CISU also channelled Danida funds via six other Danish CSOs in the period 2009 to 2011. These organisations were Danish Handicap Organisation, the Danish Teachers' Association, the Danish AIDS Fund, AC Børnehjælp, ANIN and the Danish Deaf and Blind Association. Jointly, these organisations received DKK 6,867,870, (or an average of just over a million per organisation).

The total amount of Danida funds that have been channelled to Nepal through Danish NGOs between 2009 and 2011 is approximately DKK 84 million, or around 43% of the joint value of the Danish support to CSOs via then HRGGP, PSP and LGA.

Table 2: Break-down of Danish Fund Disbursed by Danish NGOs in Nepal (DKK)

Organisations	2009	2010	2011	Total
ActionAid Nepal	12,365,000	9,584,000	9,687,406	31,636,406
Care Nepal	7,206,400	8,681,460	8,658,884	24,546,744
DanChurchAid	574,117	746,143	1,148,415	2,468,675
Danish Red Cross	4,885,945	4,066,695	4,434,213	13,386,853
LO/FTF	873,658	1,628,802	1,146,438	3,648,898
Mission East	200,000	129,075	807,259	1,136,334
DK NGOs funded via CISU*	836,635	2,261,186	3,770,049	6,867,870
				83,691,780

^{*}Excluding Mission East.

The largest Danish NGOs active in Nepal during 2009 to 2011 include the following:

1. **ActionAid Denmark:** Among the Danish CSOs active in Nepal, ActionAid Denmark channels the largest amount of Danish funds. The funds also make a significant part of ActionAid International Nepal's budget – comprising about 28% of its total expenditure in 2011. ActionAid's Danish funds support the Participatory Democracy Initiative, which has run since 2008 and aims to develop and deepen local democracy through:

- i. *democratic representation* i.e. increased inclusive citizen representation in local government bodies, committees and users groups in terms of composition, consultation and process;
- ii. *accountable local government* i.e. promoting greater responsiveness of local government bodies, line agencies and providers of public services in focus districts/VDCs to needs of local citizens by increasing equity and quality in service delivery and access to resources; and,
- iii. *deepening good governance within CSOs* improving internal governance and capacity to engage with the state among ActionAid International Nepal's (AAIN) CSO partners.

The programme works with about 20 CSO partners – including providing core support to CSRC, Alliance for Peace and ACORAB (all partners of HRGGP too) – although these partners were phased out in 2011 and 2012. With non-Danish funds, AAIN furthermore supports the Strategic Partner CSOs KIRDARC and NGO-FONIN.

Apart from this Danida funded programme, AAIN has also received funds through the HRGGP for the Deepening Democracy programme covering five districts and aimed at establishing well-functioning local democracy at local level. AAIN also receives funds from the HRGG Programme for a project that involves establishing eight ReFLECT centres each in four districts to promote the practice of inclusive democracy at the local level. It cooperates with the LGCD Programme.

2. Care Denmark: At an annual average of just over DKK 8 million, the Danish support corresponds to between 18-30% of Care Nepal's annual budget. It has focused on community based natural resource management and supported the development and implementation of the CARE Nepal programme on Natural Resources, Environment and Livelihoods in the central Terai for over a decade. Focus has been on community forestry, watershed management and public land management involving poor and marginalised groups. In addition, CARE Denmark contributes to the CARE Nepal health program through an HIV project and to a human rights program through strategic capacity building support to the Haliya organisation (organisation of bonded labourers).

With Danish funds Care supports the CSO CSRC (a HRGGP strategic partner) in a way that is generally in line with the HUGOU strategic partnership model. With non-Danish it also funds two other strategic partners – NNDSWO and KIRDARC.

3. **DanChurchAid** has had a smaller programme in Nepal compared to its other operations in the region. It focuses on democracy and rights, disaster preparedness, disaster risk reduction and safe migration. DanChurchAid has nine Nepalese CSO partners including the Lutheran World Federation Nepal. In the three-year period from 2009 to 2011, DanChurchAid's total budget for Nepal amounted to less than DKK 2.5 million over three years. DanChurchAid supported NNDSWO, a strategic partner of HRGGP, between 2008 and 2011 on a project basis, but has continued its partnership with NNDSWO in a non-funding arrangement, primarily involving technical assistance and collaborative initiatives. From 2013 onward DCA is shifting its focus from India to

Nepal by making Nepal a focus country for DCA and intends to strengthen its partnerships, office capacities and support.

- 4. **Danish Red Cross** supports the Nepal Red Cross Society, Nepal's largest humanitarian organisation with its over 1.1 million volunteers. Since Nepal has not ratified Geneva Conventions, the Nepal Red Cross Society is not recognised in national legislation as a voluntary aid society and an auxiliary to the public authorities in the humanitarian field as most national Red Cross societies are. It also distinguishes itself by democratically electing its leadership in a general assembly; allowing its district chapters to independently raise funds; engaging in partnerships; and, by being registered as an NGO under the SWC. The support from the Danish Red Cross focuses primarily on programmes related to community-based health and disaster preparedness, management and resilience in five districts spread in three regions. In addition, DRC also supports organisational preparedness for earthquakes in the Kathmandu valley.
- 5. **Mission East** (2009-11 total disbursements: DKK 1.1 million) Mission East has focused its funding on the Karnali region of Nepal (considered one of the most inaccessible and underdeveloped districts in terms of human development and basic infrastructure) to support water sanitation and hygiene; food security; agricultural inputs and farming practices; and, community-based disaster preparedness. More than four-fifths of its funding has come from the European Commission. Up until August 2011, KIRDARC was Mission East's sole partner which is also a HRGGP Strategic Partner. Since late 2011, Mission East has expanded its portfolio to encompass women empowerment, climate change, and livelihood (non-timber forest product business development) initiatives.
- 6. **LO/FTF**: (DKK 3.65 million between 2009 and 2011)²² LO/FTF supports national and regional trade unions and other labour market stakeholders to engage in social dialogue with public authorities and employers to strengthen access to social security and ensure improved protection of wages and working conditions in Nepal. It has specifically promoted industrial peace by supporting the establishment and activities of the Joint Trade Union Coordination Centre or JTUCC.

According to the Danish NGOs, their programmes are based on their own analyses and/or programme priorities for the sub-region. Mission East and the Danish Red Cross have used the level of poverty/human development as a criterion for the selection of geographical areas to work in. Care has also been guided by government poverty statistics, human development indexes, and disadvantaged groups mapping and combined this with a participatory poverty analysis in individual VDCs. Synergy with other initiatives, government priorities and avoidance of duplication was also taken into consideration.

Several of the Danish CSOs share similar thematic priorities with the Danish sector programmes. This includes human rights, good governance and democratic participation (DanChurchAid, Care, Mission East and ActionAid). This enhances the relevance of their efforts in relation to the needs identified by Danida. However, it has also resulted in many of the Danish CSO partners

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²² This DKK 1.86 million from the earlier PSP II through a no-cost extension agreement.

being the same as those of the HRGGP III.²³ The overlap can be partly explained by the fact that CRSC is the main actor in the area of land rights; KIRDARC is the largest CSO in the Karnali region; ACORAB is the most prominent organisation in community radio and NNDWSO is one the strongest Dalit organisations. Thus organisations wanting to work with these issues would be well-served in partnering with these organisations. Rather than supporting different CSOs competing with each other in similar areas, the joint support from Danish organisations can be seen as strengthening the voice and position of the Nepali organisation in relation to the issues at hand. On the one hand, the overlap of funding in effect limits the diversity of the Danish support.

In a handful of cases, the Danish NGOs have joined the strategic partnership set-up developed by DanidaHUGOU as funding partners. For instance, Mission East requires extra monitoring and reporting. Care and ActionAid generally follow the standards set in the general MoU, but require quarterly financial report in alignment with the English calendar (approximately 15 days before the Nepali month) from CRSC – even though the Nepali calendar is specified in the MoU. According to CSRC, Care has also required that its financial support be segregated in the reporting. While some of these deviations from the standard MoU are minor, special requests go against the principles of the strategic partnership concept and ultimately undermine its objectives.

According to the Nepalese CSO partners interviewed, support from Danish NGOs is relevant in that it can provide international practices and methods and links to international networks and processes. They can also facilitate North-South and South-South contacts and fund small innovative projects. Capacity development support, when it was provided, was highly appreciated. In some cases there was a feeling of partnership through solidarity – such as through the labour or Red Cross movements. Likewise, CSOs that had been funded directly by MS in the past (now ActionAid Denmark), characterised the past partnership as a "true" partnership because of the close dialogue, flexibility and significant capacity development support.²⁴

The INGOs draw considerable criticism in Nepal from the government and CSOs alike. While some of this may be unwarranted,²⁵ several stakeholders interviewed resented the unequal partnership they had with Danish (and other international) CSOs. They tended to regard INGOs as "donors" and felt the dialogue with them could be significantly improved.

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²³ This was the case even during HRGGP II.

²⁴ ActionAid Denmark agrees that during the 30 years that MS had staff in Nepal, close partnerships were built with many CSOs. A handful of former MS partners interviewed felt they did not enjoy the same partnership relationship today with AAIN. AAIN maintains that these views are a result of the fact that the partners in question have been phased out recently for reasons that have nothing to do with the merger of AA-DK with ActionAid International. AAIN explains that it undertook a series of meetings with the phased-out partners and "developed plan of action for the strategic engagement in future to take outstanding issues to their logical end".

²⁵ There is the false belief that if money were not channelled via INGOs, there would be more money for the government and/or Nepalese CSOs. It is also fuelled by jealousies caused by the fact that INGOs and their Nepalese staff earn more than CSO or government staff.

Box 5: Examples of Geographical Range of Danish CSO Support

- The 13 Strategic Partner CSOs are national in scope, jointly covering all of Nepal's districts. While headquartered in Kathmandu, they have solid ties with the grassroots level, including district chapters and CBO partners.
- The LGAF has provided assistance to local CSOs to facilitate citizen engagement in local governance processes. Its first round of funding covered about 300 VDCs across 54 districts.
- Through the LGCDP, over 3,500 Citizen Awareness Centres (CACs) have been established almost every VDC in the country with almost 95,000 members. In addition, there are more than 31,200 Ward Citizen Forums established throughout the country in which more than 285,000 members participate of which 44% are women.
- Through its four regional centres, RIDF has managed to support CSO projects in over 800 VDC in 68 districts.
- While Search for Common Ground has undertaken most of its community peace building in the Terai and in Kathmandu, its media effort covers the country from East to West.
- Danish NGOs such as the Danish Red Cross, Care and Mission East have specifically focused on remote geographical regions with low human development.
- AA Denmark's Participatory Democracy Initiative works with CSOs in 11 different districts addition to a handful of national CSOs. Meanwhile, AAIN operates in about 28 districts.

4 Results of Danish Support to Nepalese Civil Society

Within Nepal's donor community, Denmark is recognised as having a leading role in supporting civil society. The 2012 Review of the PSP and HRGGP furthermore concluded that Denmark's support to civil society appears to be the strongest aspect of its support to human rights, democracy and peace-building. Despite the prominence of civil society support in Denmark's bilateral programme, the Danish Civil Society Strategy has not been *explicitly* implemented or monitored in any of the forms of Danish support to Nepal. Nevertheless, many of the goals set out in the Strategy are being addressed. The following chapter examines the extent to which this is the case. It is divided into six sections. The first five deal with the first five goals of the strategies. Goals 6 to 9 are addressed in Section 4.6. ²⁶

4.1 Goal 1: Promotion of vibrant and open debate

The first goal of the Strategy relates to promoting an active debate on poverty reduction, a better framework for civil society participation and civil society involvement in the further development of the Paris Declaration.

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²⁶ Box 1 in Chapter 1 outlines the nine goals of the Civil Society Strategy.

Active Debate

A diverse civil society is one in which different groups, interests and geographic regions play a role. This is a prerequisite for pluralism, i.e. engagement that creates a common society from diversity/plurality.²⁷

In relation to geographic diversity, the Danish support, as a whole, has managed to reach grassroots, district, regional and national levels of Nepalese civil society. As illustrated in Box 5 below, the support has an extensive geographic spread in which all 75 districts are covered - in most cases by five organisations or more. The increased geographic range is an important achievement since civil society organisations have tended to be strongly connected to elite groups in the Kathmandu Valley.

The prominent debate within civil society in Nepal does not directly focus so much on poverty reduction, but rather the discourse concentrates on peace-building, human rights, justice and democratic development. This is strongly reflected in the Danish support. The HRGGP has a specific component devoted to public debate (see Box 3). Virtually all of the Danish NGO support emphasises active citizenship in different forms and a large part concentrates on rights and peace-building. Within this area, the range is considerable. It includes community media, community mediation, community safety and community leadership. There is also an extensive focus on claiming rights and rights based approaches as discussed later in Section 4.4.²⁸

According to several stakeholders, civil society involvement in debate and dialogue at the national levels is not perceived as having been as strong as it was during the critical years between 2005 and 2007. On the other hand, as discussed above, dialogue has become more active at the local levels. For instance, Danish support through LGCDP has led to the establishment of 31,200 Ward Citizen Forums, while the CSOs supported through the LGAF have in some cases managed to hold public hearings. The land rights movement buttressed by (the Strategic Partner CSO) CSRC has reached some 1.62 million "land poor" to organise themselves and make them aware about their rights, duties and peaceful ways of social transformation. National CSOs with active local branches and to local level CSOs through RDIF have contributed to greater dynamism and participation within communities. Many stakeholders - including respondents to the survey - confirmed that in particular women are becoming active in voicing their opinions. SAMAGRA, CSRC, NNDSWO, KIRDARC, ActionAid partners and WHR gave specific examples of greater dialogue and more diverse participation at local levels. Meanwhile, the Strategic Partner Martin Chautari has organised discussions on the concepts of national identity/nationalism and human security with the aim strengthening the social contract between Nepali state and citizens.

Danish funds have played a key role in providing innovative methodologies for civic participation at the local levels that have been replicated and taken to scale. ActionAid and CARE have developed the Regenerated Freirean Literacy through Empowering Community Techniques (ReFLECT) for Nepal – an approach that works to strengthen the most marginalised people's ability to communicate through whatever medium is most relevant to them. Through LGCDP,

²⁷ See the Harvard Pluralism Project, www.pluralism.org.

²⁸ Danish NGO support has also included other thematic areas such as disaster preparedness (DanChurchAid and Danish Red Cross), energy (Energy Sector Programme), HIV/AIDS (LGA and Care), migration (DanChurchAid) and culture (LGA and DCCD) but these are in comparison of much smaller scale.

in coordination with the Ministry of Federal Affairs and Local Development and with funds from HRGGP, AAIN trained around 70 national trainers on REFLECT, in 2011 and 2012. To-day, many Community Awareness Centres established by the LGCDP apply ReFLECT as a central part of their methodology for community mobilisation. According to the recent LGCDP evaluation, when ReFLECT has been properly applied, these approaches have contributed to creating a democratic space at the local level and focus on enabling people to articulate their views. Nepalese local authorities have also found use of other tools developed by ActionAid Denmark that promote constructive dialogue between local government and citizens – such as the Settlement Level Planning (SLP) and Community Score Card (CSC).

Some of the comments in the survey responses acknowledge the improvement of support to promote civic participation at the community level, yet they also maintain that more is needed.

As discussed further in Section 4.3, Nepalese CSOs supported by Danish funds have also participated more actively in recent years in **international fora**. Examples include the strategic partner CSOs WHR, YI, CSRC, Advocacy Forum and DanChurchAid's partner Pourakhi (safe migration for women).

Among the different forms of Danish CSO support, there has been considerable **emphasis on inclusion** of diverse societal groups – particularly marginalised groups such as Dalits, landless, Janajatis, youth, women and religious minorities. Most of the Danish support modalities – the Danish NGOs, the range of Strategic Partner CSOs, the civil society support via the LGCDP/LGAF and in particular the RDIF interventions – have worked to strengthen the capacities of marginalised and excluded communities to have their voices heard. There is evidence of women, Dalits, Janajatis, youth and other marginalised groups being enabled to organise themselves to express a collective voice and undertake actions to access public services and resources. For instance, within the CSRC supported National Land Rights Forum, 37% of the nearly 2,500 land rights activists and front line facilitators are women and over 40% are Dalits. The variation in activism among communities is of course great and nurturing a democratic culture is a long process, particularly in a country where consulting with citizens has not been a tradition.

A number of Danish supported CSOs have made **strategic use of the media**, in particular community radio, to enhance dialogue and widen debate. For example:

- The CSO strategic partner ACORAB has promoted public discussion on national identity, social cohesion and diversity by producing radio programmes entitled "Sajha Nepal", "Sajha Awaj" and 'Jana Jeevan", and broadcasting them through more than 50 community radio stations across Nepal.
- A majority of the strategic partner CSOs and the ActionAid Denmark programme have worked with ACORAB on different occasions to raise issues and enhance dialogue using radio. INSEC and KIRDAC have broadcast weekly radio programmes.
- SfCG has worked extensively through the media to further dialogue on peace-building.
 This includes broadcasting two radio dramas (one in Maithili and one in Nepali) and a solutions-oriented local radio talk show.

- JTUCC supported by LO/FTF Council used broadcasting to strengthen the trade union voice in society and advocate for labour issues and concerns. In total, 15 TV programmes and 32 radio programmes were produced covering labour issues.
- The LGAF has supported local media to provide public information and to critically cover local governance issues such as corruption.
- Several CSOs have formed radio listener groups at community level to discuss issues raised by radio shows and discuss these with their peers.

Civil Society Framework

As discussed in Section 2.1 above, although basic rights such as freedom of assembly and expression are recognised, the legal framework for civil society organisations in Nepal is far from conducive. All of the relevant laws date from the monarchic period and some predate democracy. The situation for human rights CSOs is difficult since they need to seek annual renewal from the same local level officials they may be monitoring for human rights abuses. Generally, however, the existing Nepalese CSOs manage to navigate the system – but often face unnecessary costs, inefficiencies and the need to resort to inducements to be given the space to operate.

International NGOs in Nepal are given a relatively narrow scope of operation by the legal and policy framework. They are scrutinised by the authorities and some had their projects unreasonably held up by nine months. The Danish Ambassador has on occasion been active in advocating on behalf of the entire INGO community, which has been highly recognised and appreciated.

While the legislative and regulatory framework for CSOs is considered as an impediment – not least by the NGO Federation – there has not been a concerted effort by the CSOs to address its inadequacies. Nor is there a dialogue on public financing of CSOs. Discussions with stakeholders – CSO, Nepalese government and donor representatives – reveal that improving civil society legislation is not a top priority, even though there is a risk that a future government might capitalise on the lack of clarity to restrict civil society further. Without an elected government or legislature in place, little has been achievable on this front. Nevertheless, the Evaluation Team holds that for civil society funding to be truly supportive, efforts are needed in this area. While initiative must emanate from within Nepalese civil society, a strong donor front in support of an adequate legislative and policy framework will be critical.

4.2 Goal 2: Representative, locally owned, legitimate and independent civil society

As discussed in Section 2.1 above, legitimacy, ownership, representativeness and independence are challenges for Nepalese civil society. There is a considerable Kathmandu bias and an estimated 60% of CSOs are led by high caste members.²⁹ Political interference is strong and internal governance of CSOs is generally weak. Nevertheless, there is evidence that the Danish support has made efforts to address these issues.

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²⁹ UN Common Country Assessment, 2011.

Representativeness and Diversity

The international CSOs such as Care, Search for Common Ground and ActionAid Denmark consider representativeness, inclusion and legitimacy when selecting partners. Likewise, the HRGG Programme has selected strategic partners in line with these principles. For example:

- Most of the 13 Strategic Partner CSOs are membership-based (individual and/or organisational members), some are umbrella organisations and most have solid ties with the grassroots level including district chapters and CBO partners. During the Strategy period, the geographic reach of these organisations have expanded.
- The constituencies of the Strategic Partner CSOs jointly represent most of the different types of marginalised groups of Nepal (Dalits, Madeshis, women, Janjatis and youth).
- The Strategic Partners have ensured that women make up a significant proportion within their governance structures. As seen in Box 6, they have also worked to achieve results for women.

Box 6: Results for Women

Some CSOs have made headway in catering to women's needs:

- CSRC's advocacy has contributed to a governmental policy directive related to joint land ownership between husband and wife;
- WHR has ensured that widows of all ages can claim a governmental allowance;
- CeLRRd has trained marginalised members of society – including at least one third women – as mediators;
- SFCG mainstreams gender equality concerns throughout its programmes;
- The vast majority the 200,000 direct beneficiaries of RDIF projects are women and/or from marginalised groups;
- Saferworld and International Alert are jointly collaborating on a component to improve women's safety at the community level.
- Many of the CSOs supported have worked towards gender balances in their organisational and membership structures.
- Part of the rationale of contributing to the RDIF was to promote geographic spread and focus on inclusion.

Internal Governance

Some of the Danish support has worked to strengthen internal governance of Nepalese CSOs, in part to improve their legitimacy. For instance, LO-FTF has helped establish the internal governance set-up of the joint Trade Union platform, the JTUCC. ActionAid Denmark has a specific programme – the Participatory Democracy Initiative – that aims to strengthening the internal governance of its partners, including their vision, strategy, financial management systems, and inclusive organisational democracy.

Internal governance has also been a key aspect of the technical support from DanidaHUGOU to the strategic partner CSOs. Some of these CSOs will admit that they were initially sceptical to the capacity development strategies of DanidaHUGOU in this area but agreed in order to access funds. Today they emphasise the importance of effective and robust governance systems –

proper and representative board and management financial systems, separation of roles etc – and seem genuinely convinced that this is one of the greatest contributions of the strategic partnership. However, women are underrepresented in mid/high level management positions, in most Nepalese CSOs – unless they have a specific women's rights focus.

Ownership

According to the respondents of the survey, the promotion of ownership among CSOs by Danish support has been relatively successful. The respondents of the survey assessed the support from Danish NGOs and Danida directly to be supportive of ownership (an average of four out of five).

The Strategic Partnership approach (which some of the Danish NGOs also engage in) has proven to be a particularly effective means of **enhancing ownership**. The long-term core support which allows these CSOs to take the driver's seat, devise their own strategic priorities and build their internal governance systems was deemed by the CSOs as strongly enhancing their ownership. Some of the partners referred to this as "NGO sovereignty". They experience greater internal control, self discipline, accountability and confidence and some hold that their reporting has improved. The dialogue with funding partners is viewed as having improved, particularly by being less fragmented.

Table 3: To what extent does the funding support leadership and ownership of development activities by southern NGOs?

	Danish NGOs	RDIF	HUGOU/ Embassy Support
Average rating out of 5	4.00	3.60	4.00
% Respondents replying very supportive	27%	20%	27%
% Respondents replying supportive	46%	20%	46%
% Respondents replying average to not supportive at all	27%	60%	27%

ActionAid's process of merging the different international affiliations at country level (undertaken during the Strategy period) has the potential of further promoting national ownership processes. ActionAid's Nepalese affiliate (AAIN) now plays the central role in the support from the northern ActionAid organisations. However, although AAIN has a nationally based board of governors, it has yet to overcome the perception held many Nepalese stakeholders who consider it an INGO or quasi-INGO.

On the other hand, the project-based support does not have the same propensity to promote ownership since in this arrangement the donor dictates more what is to be achieved. The RDIF, LGAF, LGCDP and some of the INGOs/Danish NGOs set the parameters for what the CSOs are expected to implement. If these happen to coincide fully with the aims of a CSO, a measure of ownership is achieved. In other cases, CSOs tend to present project proposals that are adjusted to the donor's objectives. For RDIF, the scope for what is supported is relatively large, which is conducive to promoting some level of ownership.

A handful of CSOs (supported under the LGA and by INGOs) separately raised the issue of displaying donor logos as a factor that strongly **undermines ownership**. CSOs felt that when they were obliged to show the logos of their donors, their motives were often called into question and they were regarded as extended arms of foreigners – particularly at the community level. LGA grantees greatly appreciated that Denmark did not require them to display the Danida logo in connection with *all* products and activities.³⁰

CSO accountability towards the public and their respective constituencies is an area where more efforts are regarded as needed. Some CSOs have made progress – AAIN and CRSC undertake social auditing at all levels; while Care and KIRDARC promote social auditing at project level. Given prevailing suspicions and lack of trust of CSOs, the Nepalese CSOs and international/Danish NGOs would benefit from applying social audits or developing other relevant approaches to enhancing accountability – such as making relevant information publicly available, undertaking peer reviews, and publishing accounts in the media.

4.3 Goal 3: Capacity-building, advocacy and networking

Capacity building

Nepal's civil society has a great need of developing its capacity. The evidence suggests that capacity building of one form or another has been a prominent component of the majority of the Danish support to civil society in Nepal, regardless of modality. Some capacity-building efforts have had a broad focus (e.g. LGCDP) or been one-off events without much follow-up (e.g. RDIF's training related to strategy development and administrative and financial management), while others have been more in-depth and on-going (e.g. Strategic Partnership modality).

According to CSO informants, the capacity development provided by Danish NGOs has generally been appreciated and been found useful. Likewise, the survey respondents found that 64% found the capacity development effort of Danish NGOs to be supportive or very supportive. The areas in which capacity building support from Danish NGOs scored highest was learning and sharing with peers. Respondents also rated capacity building in relation to organisational sustainability comparatively highly.

The type of capacity building work undertaken by Danish NGOs has varied from organisation to organisation. The support from LO-FTF, for example, has allowed Nepalese trade unions to learn from Danish trade union experience. Organisations such as ActionAid, DanChurchAid, Search for Common Ground, Care and the Danish Red Cross have enabled members of their Nepalese partner organisations to participate in regional and international networks, exchanges and events from time to time. Some share their toolboxes and approaches with their Nepalese partners such as social auditing, ReFLECT and the rights-based approach. Mission East has fielded Danish volunteers to support capacity development in remotes areas.

According to ActionAid Denmark, the organisation undertook hundreds of training sessions during the strategy period. As part of its effort to build the capacity of youth networks and organisations, AA Denmark's Global Platform Nepal (GPN) trained more than 1,800 people in

³⁰ However, the Danish Embassy have pointed out that grantees must highlight the role of the embassy in all promotional activities including press releases, publicity materials such as brochures, banners and leaflets.

governance and human rights related topics since 2010. Those targeted by GPN include youth organisations/groups and young individuals from diverse ethnic, cultural and religious backgrounds who wish to engage positively in their societies. The capacity building has comprised of intensive alternative youth empowerment training and teaching of campaigning, social activism, entrepreneurship, global citizenship and youth participation. It has also involved facilitating knowledge sharing, research, incubation and networking services. The courses ranged between five days and four months and were residential in nature.

Drawing on its extensive past experience of building local democracy in Nepal, ActionAid Denmark in collaboration with AAIN have developed an impressive array of modules, facilitator's handbooks, resource books, posters, videos and songs for people-friendly processes, social audits, democratic representation and the right to information. The team was informed by Action Aid Denmark that these have been used not only by its CSO partners, but also by VDC secretaries, LGCDP social mobilisers and likeminded organisations.

Meanwhile, based on its capacity assessments and capacity-development plans, Care's capacity building effort during the Strategy period has introduced to its partner CSOs innovative methods and tools. This has comprised of climate change vulnerability assessment tools, capacity assessment tools, governance and accountability tools and social mobilisation based on analysing underlying causes of vulnerability (now also adopted by LGCDP). Care has used a variety of approaches to capacity building, including both formal training and day-to-day mentoring and backstopping. Its recent assessment reported that partners found positive changes in areas related to management, financial, technical, and institutional capacity as a result of Care's efforts.

Table 4: To what extent has the funding supported your organisation to build capacity?

	Danish NGO Support	HUGOU / Embassy Support
Average rating out of 5	3.93	4.45
% Respondents replying very supportive	10%	64%
% Respondents replying supportive	38%	27%
% Respondents replying average to not supportive at all	52%	9%

One of the more comprehensive capacity-building efforts has been undertaken by DanidaHUGOU, some of which has been tailor-made to meet each partner's need. Overall, interviews with Strategic Partner CSOs revealed that they were very positive towards the capacity development support they had received from DanidaHUGOU and generally valued it even more than other capacity-building support they received – including from Danish NGOs. This was reflected in the survey response in which capacity building support from DanidaHUGOU³¹ was rated by 90% as being supportive or very supportive. The support also scored highly in relation to capacity building of mechanisms for accountability to the poor and excluded; monitoring and

tends to be higher than provided through the Danish NGOs.

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³¹ The survey combined CSOs receiving support via the LGA and support administered by DanidaHUGOU. Since the former does not provide much in the way of capacity building, the results are likely to be artificially low if used in relation to the strategic partnerships only. Despite the inclusion of LGA grantees, the assessment of the support

evaluation; leadership and governance and internal organisational systems. Furthermore, respondents receiving support from bilateral sector programmes rated all forms of advocacy support higher than the CSOs receiving funds from Danish NGOs.³²

In the beginning of the Strategic Partnership, an intense period of capacity building took place, with an emphasis on dialogue. In particular the assistance focused on supporting each organisation in their individual internally-led processes to develop their own vision and strategy. Support was also imparted to help the Strategic Partner CSOs in improving their governance structures as needed, with a focus on accountability. DanidaHUGOU furthermore helped the partners with their financial management systems (including refresher courses), monitoring systems and capacity on cross-cutting issues. In the last year, capacity-building has focused on the sub-national level. This has included coaching sessions on Results-Based Management; workshops on the cross-cutting themes of gender equality, social inclusion and conflict transformation; and, training in financial management. Four workshops were also held to facilitate the collective mobilisation of the Strategic Partner CSOs for advocacy at the local level. Overall, the quality and approach of DanidaHUGOU's technical assistance has been highly appreciated by the partners.

The Strategic Partner CSOs themselves have also been involved in building capacity of civil society. To begin with, the partners have been involved in building capacity of each other through synergy workshops. This is discussed in more detail further on in this section. Furthermore, the organisations provided training to other partners in their areas of expertise. For instance, INSEC regularly provided human rights training. Meanwhile, WHR built a core of trainers on patriarchy, feminism, gendered socialisation, gender equality and its relationship with development. According to DanidaHUGOU's reports, NGO-FONIN undertook 40 different types of capacity building activities in the recent year. CSRC conducted 42 training and orientation sessions last year as part of capacity building of frontline activists at the local level. CeLRRd enhanced its internal capacity by undertaking workshops for its field staff to engage in critical reflection on justice-related issues and challenges at the community level. In one district, CeLRRd also provided a community mediation training to staff of CSOs WHR and NNDSWO (both strategic partner CSOs). It has been beyond the scope of this evaluation to examine the quality and effectiveness of these capacity development efforts and to determine the extent to which they have responded to defined needs.

Advocacy

Advocacy at local and national levels is a key strategy applied by many of the CSOs in Nepal receiving Danish support. Most informants maintained the capacity in this area has been strengthened. This has led to a range of results. Some highlights include the following:

• WHR's long-term advocacy work (including the filing of a case in the Supreme Court) resulted in the government finally removing the age bar for widows to get a monthly allowance. Now all widows, irrespective of their age, are entitled to the widow-allowance which is paid by the state as a social security scheme for single women. Likewise, WHR's petition against child marriage resulted in a Supreme Court verdict banning the practice. WHR has furthermore succeeded in changing six discriminatory laws and

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³² Please see Annex F for details.

policies against single women and secured a number of provisions for widows from the government.

- The national land rights forum that is supported by CSRC successfully organised a 'sit-in' campaign in 2011 (more than 1,000 women from all across the country participated) in front of the offices of major political parties, the CA building, and key government buildings demanding timely drafting of the new Constitution and enactment of **land reform** that is genuine and favours the landless and land poor tillers. Furthermore, the following results were achieved in the last year alone: ³³ some 1,200 landless households from 14 districts secured permission for long-term utilisation of some 68 hectares of public lands. Another 2,900 were protected from eviction. 120 families almost all previously landless received land entitlement certificates ³⁴ of around 7.33 hectares. In total, CSRC secured land access for landless people for a value that was ten times its input. (Partner of Care, ActionAid and HRGGP.)
- SAMAGRA involved nearly 10,000 of its members in advocacy at the local level in relation to human rights and **equitable distribution of services**. These initiatives resulted in educational scholarships for 1,757 Dalit and Adibasi-Janajati children; allowances for 493 elderly and widows; and over USD 900,000, both in cash and materials, to build local infrastructure, such as a water reservoir, a health centre, roads and other socio-economic enhancement services. SAMAGRA has helped rights holders to tap into local resources that amount to eight times more than the value of SAMAGRA's input.
- AF's petition against a police officer accused of enforced disappearance of five students during the time of Maoist conflict contributed to the Supreme Court ordering the government to enact a **law to vet the human rights record** of public officials, including security personnel, before they are transferred or promoted. This is considered a landmark in the fight against impunity. (AF is a partner of ActionAid and HRGGP)
- NNDSWO's efforts led to **significant cash compensation** to two families who were victims of caste-based hatred and humiliation resulting in death. (NNDSWO is a HRGGP partner and DCA partner.)
- INSEC helped form a task force bringing together 52 human rights organisations to **fight against impunity**. The task force was mobilised to create pressure on the state to ratify the Rome Statute of the International Criminal Court. (SP and RIDF partner.)
- As a consequence of the joint work between the trade union federations of JTUCC, the official **minimum wage** in Nepal was significantly revised in 2011 to around USD 83 per month applicable also for daily wage-based workers as well as contract and temporary workers of the informal economy. (Partner of LO-FTF.)

³³ In the last decade the movement has secured that 13,484 tenant families – almost all previously landless – have received land entitlement certificates of around 3,034 hectares. In the current pricing, the total value of the land is worth USD 14.17 million. Out of the total tenants who got their tenancy rights, Dalits account for 25%.

³⁴ In addition to a means of sustenance and income, this enables families to access government services, such as bank loans, which are dependent on land certificates.

- NGO-FONIN's advocacy work resulted in the tabling of a **bill on inclusion** that addresses the rights of indigenous peoples and allocates quotas in the civil service and security forces for indigenous peoples. (HRGGP and AAIN partner.)
- NEMAF's advocacy campaigns with other CSOs resulted in a government decisions in 2011 to recruit around 3,000 army personnel from ethnic groups, including Dalit and Madeshi communities.
- AfP's advocacy efforts contributed to the government establishing the **Youth and Small Entrepreneurs Self-employment Fund** that provides small unsecured loans to youths seeking self-employment opportunities. (AfP is a partner of ActionAid and HRGGP.)
- Organisations such as INSEC and AF have undertaken advocacy and legal action to promote **transitional justice**.
- WOREC (DCA and LGA partner) and Pourakhi (DCA partner) were actively involved in reformulating the foreign employment policy to promote safe migration, especially for women migrant workers.
- FAYA and Lutheran World Federation Nepal actively contributed to the National Strategy for Disaster Risk Management (NSDRM) and the pending Act on Disaster Risk Management. (DCA partners.)

Table 5: To what extent has the funding supported your organisation to improve its advocacy?

	Danish NGO Sup- port	Other Danida Support
Advocacy combined		
Average rating out of 5	3.64	4.18
% Respondents replying very supportive	18%	43%
% Respondents replying supportive	32%	34%
% Respondents replying average to not supportive at all	50%	23%

CSO informants expressed a need for more action is strengthening advocacy for implementation of laws and policies as well as better quality research to reinforce advocacy with a stronger evidence base.

Networking

While some of the support provided by HRGGP involves coalitions, associations, task forces and networking, in the current period support of networks has been regarded as a means rather than an end in itself.³⁵

³⁵ In the previous funding period, the PSP provided funds to the Nepalese NGO Federation. The support to the Federation was not continued after an independent evaluation. According to the Federation, this support had significant effects, including important work on internal governance of CSOs which has since become a key area of the Federation's work.

Some of the Strategic Partner CSOs are network-like organisations themselves. NGO-FONIN, for example, is a federation of indigenous nationalities; ACORAB is an association of community broadcasters, while CSRC networks grassroots level land rights organisations to form the land rights campaign. The Strategic Partner CSOs and CSOs supported by either RDIF or the Danish NGOs are almost all members of different networks and/or associations. These include, for instance, the NGO Federation, the Dalit NGO Federation, the Human Rights Alliance, the different women's networks and the Association of International NGOs (AIN). In interviews informants generally considered their most valued networks to be ones at the national, regional and international levels which they had joined on their own accord, without facilitation of a donor or INGO.

The team found that a significant number of CSO initiatives at the VDC and district level involve a networking component – often as form of sustainability strategy for what might otherwise be difficult to sustain. Typically, it first involves building capacity of, for instance, women or youth, and then encouraging them link up and organise. It is beyond the scope of this evaluation to assess the extent to which the networks formed have remained functional or whether they are a means to report to donors at the end of the project that efforts were made to assure some form of sustainability.

RDIF has initiated networking among its grantees through the publishing of an e-bulletin and monthly email newsletters and initiated exchanges of staff/members as resource persons and advisors. However, according to the RDIF evaluation, these practices were insufficient to enhance synergies.

DanidaHUGOU has promoted networking among the Strategic Partner CSOs through regular meetings in Kathmandu and through synergy workshops in the country's regions. The aim has been to encourage knowledge sharing, learning and joint strategies in areas of common concern. At the central level, the partners reported that they have drawn on each other's experience and knowledge as a result of being part of Strategic Partnership set-up. Some of the partners worked together long before the Strategic Partnerships were started. However, having the opportunity to meet regularly through DanidaHUGOU's initiatives has had the effect of bringing organisations closer to each other. ACORAB and INSEC were cited as the partners with whom the others have had most interaction because their work crosscuts the work of the other partners.

So far the results of the synergy efforts at the district level have been mixed. In some districts DanidaHUGOU have found that there have been locally initiated inter-partner capacity-building events, where for instance, the district office of CeLRRd provided a community mediation training to members of WHR and NNDSWO. In other districts progress has been slower. About two-fifths of the survey respondents found the networking assistance provided by DanidaHUGOU to be supportive or very supportive.

In addition to networking at the community levels, some of the Strategic Partner CSOs have been able to network at international levels as well. For instance, the community radio association ACORAB has encouraged its constituents to affiliate with the international community radio organisation AMARC to foster international support and exchange of ideas and experiences. In the last year, 20% more of its member community radio organisations have joined AMARC, bringing the total to 98 organisations. A group of them participated in the Asia Media Summit in Bangkok. Meanwhile, CSRC co-hosted the Asia Land Forum (2011) with the

Government of Nepal. Over 40 international Land Coalition member organisations, land-focused academics and government officials from Asia discussed land in relation to climate change, security and gender justice. WHR is the secretariat for the South Asian Network for Widow's Empowerment in Development (SANWED). Advocacy Forum has worked with international NGOs such as REDRESS; Human Rights Watch and ICJ to raise advocacy on the international level including filing reports to the United Nations Human Rights Committee on cases involving alleged killings and disappearances at the hands of security personnel. Advocacy Forum has been actively involved at the international level in the recent case of the high profile arrest in the UK of the Nepalese army colonel suspected for torture during the civil war. Its founder has been interviewed Al Jazeera in connection with the case. All these achievements should be seen in the light of the fact that Nepalese CSOs in general have otherwise not been very active in the international arena.

Danish/international NGOs also make a considerable effort to network its partners within the country. For instance, ActionAid, Care, DCA and LO-FTF have supported national level networking among CSOs. ActionAid's Global Platform Nepal, for instance, serves as an open and democratic Youth House in Kathmandu, where young people from different civil society organisations can interact. Usually, however, the networks, like the Strategic Partners' network, have not evolved organically but have been created by the Danish NGOs. Nevertheless, the CSOs claim that these interactions have been useful and in some cases have resulted in strategic collaborations. Among the survey respondents, almost three-quarters viewed the networking support from Danish NGOs as supportive or very supportive.

Danish NGOs have also promoted networking at sub-regional and international levels. ActionAid International Nepal is, for instance, linked up internationally with other ActionAid affiliates. ActionAid's Global Platform Nepal is also part of ACTIVISTA which is ActionAid's international youth network. Meanwhile, Care supported the Federation of Community Forestry Users to participate in international events on the development of standards for Reducing Emissions from Deforestation & Degradation (REDD); as well as helped representatives from Nepal Federation of Indigenous Nationalities to participate in an event for indigenous peoples in the US. DCA and LO-FTF have also supported sub-regional and/or international networking. However, in most cases, this has not been a prominent feature. Indeed, less than a third of the survey respondents found that the Danish NGO funding was supportive in improving the ability of the CSOs to participate in *regional and international* alliances.³⁶

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³⁶ The Danish NGO support to networking with regional and international networks received only an average score of 3.08 out of 5. In comparison, the score for regional and international networking facilitated by DanidaHUGOU and the embassy was not much lower 2.91 – even though HRGGP funds explicitly focuses on capacity building in Nepal and does not generally support international travel. It should be noted that the evaluators do not assume that participation in regional and international networks is relevant in all programmes. However, since supporting international networking is a goal of the CSS, the Team has gathered data on this. Please see Annex F for details on the survey results.

Table 6: To what extent have you been supported to improve your ability to participate in networks and alliances?

	Danish NGO Sup- port	Other Danida Support
Alliances combined		
Average rating out of 5	3.17	3.08
% Respondents replying very supportive	10%	15%
% Respondents replying supportive	38%	25%
% Respondent replying average to not supportive at all	52%	60%

4.4 Goal 4: Human rights

Among the Danish-funded CSOs, there is a strong focus on the monitoring and claiming of rights – particularly those rights linked to livelihoods such as land rights, the right to natural resources, labour rights and migrant rights. Much of the support (Strategic Partners, rights based Danish NGOs, UNDP, LGCDP, RDIF, etc.) involves mobilising marginalised groups such as women, Dalits, Madeshis, Janajatis and youth to claim rights and benefits that have been earmarked for disadvantaged groups. Rights-based dialogue is prominent. A majority of the Strategic Partner CSOs apply at least some level of a rights-based approach. Among the Danish CSOs, DanChurchAid, Action Aid and Care promote a rights-based approach (RBA) and generally set the application of RBA as a condition for longer-term partnerships with Nepalese CSOs.

Danish support through, for instance, RDIF, INSEC and SAMAGRA have contributed to a growing pool of capacitated local activists and human rights defenders in Nepal that are facilitating community based structures (human rights protection committees, dialogue forums, citizen councils and networks) to promote accountable local governance, respect for human right, rule of law and more democratic and inclusive decision-making structures at the local level.

Meanwhile, a human rights focus has not been part of the support via the Danish Red Cross and has been less prominent among the CSOs supported via the LGA and LGCDP.

4.5 Goal 5: Flexible and relevant in fragile states

According to their programme documents, the PSP and HRGGP are implemented in accordance with the OECD/DAC guidelines for operating in fragile states, which include:

- Taking context as the starting point;
- Moving from reaction to prevention;
- Focussing on state-building as the central objective;
- Recognising the political-security-development nexus; and
- Doing no harm.

Both programmes have built in some financial flexibility to address needs emerging on the road to peace. In addition, the RDIF modality of the HRGGP was chosen particularly as a flexible means to provide support in line with developments in the country. However, while the RDIF had the advantages of providing short-term support in key areas relevant to a fragile state, it functioned according to funding cycles instead of being proactive and it operated with somewhat bureaucratic systems which limited its flexibility.

Analysts have long regarded inequality, marginalisation of groups, injustice and the lack of enjoyment of human rights as key root causes of the conflict in Nepal.³⁷ This understanding of the conflict is reflected in the Danish support to civil society in Nepal through PSP, the Danish NGOs and the HRGGP; with the latter's components focussing specifically on inclusive democracy, justice and human rights. Furthermore, in the last year, conflict transformation has become a more prominent part of the capacity-building of Strategic Partner CSOs.

Promoting peace is also a prominent theme in the Danish support to civil society. Examples of approaches include:

- Working with youth who are prone to violence in Nepal (YI, Search for Common Ground, AfP, RDIF partners). This has involved capacity building of cross-party youths and creating space for them to engage in problem solving, participatory development planning in their communities and structural reform of their clubs and organisations. DanidaHUGOU has found that the efforts have helped transform the youth and their organisations.
- Enhancing community security (IA, Saferworld and NEMAF). This has involved establishing practical models of inclusive and people-centred security analysis and planning – working with community, security providers and the local authorities.
- Community mediation. Nepal's court system is under-dimensioned and is unable to deal pending criminal cases, let alone cases of mediation. In the past, the Panchayat (assembly of unelected high-caste male elders) was used for this purpose, which favoured elites and was regarded as biased by many. CeLLRd has brought community mediation services to 137 locations in 12 district. So far it reports that it has taken on over 5,000 cases benefitting 10,500 individuals. The rate of success, gauged in terms of the level of satisfaction with the service among the beneficiaries and the non-repetition of dispute, was estimated to over 90%. The mediator pool trained by CeLLRd consists of 64% of people from marginalised groups and 35% are women.
- Industrial peace (LO-FTF). The trade unions in Nepal have been associated with the different political parties and some were actively involved in the conflict. Formerly the unions did not enjoy amicable relations. Today, with the support from LO-FTF, they are united and collaborate within their umbrella organisation, the JTUCC, and have started to make progress in labour-related advocacy.

³⁷ See for instance, United Nations and Nine donors including Danish Ministry of Foreign Affairs. "Nepal Peace

and Development Strategy 2010-2015." 2010; DFID/ World Bank, 2006, Unequal Citizens: Gender, Caste and Ethnic Exclusion in Nepal, Kathmandu, Nepal; Lowati, Mahendra, 2007, "Democracy, Domination and Exclusionary Constitutional- Engineering Process in Nepal, 1990" pp 48-72, IN Contentious Politics in Democratizing Nepal, Mahendra Lowati, ed., SAGE Publications, New Delhi and UNDP Human Development Report for Nepal, 2001, 2004 and 2009.

- Land reform: CRSC has deftly addressed the highly contentious issue of land reform. It has developed several Gandhian inspired approaches to avoid violent conflict. So far, important results have been achieved peacefully.
- Bringing groups together across conflict lines (e.g. Search for Common Ground, YI, WHR, LO-FTF, RDIF partners). This approach has been undertaken by several CSOs. An example is WHR's work of joining women from both sides of the conflict in advocating for their rights and entitlements.
- Peace-promoting media. (ACORAB, Search for Common Ground, RDIF partners). Search for Common Ground has run training sessions called "Radio for Peace-building". Its franchised radio talk show Farakilo Dharti (Wider Earth) creates local forums for representatives of marginalised communities to engage in solution-oriented dialogues with power-brokers and local decision makers on issues of concern. Its radio drama Sangor (Assemble) encourages young people from different social and political backgrounds to come together to play active constructive role in the on-going peace process. Meanwhile, ACORAB's radio programme Sajha Nepal (Common Nepal) has focused on social cohesion, national identity and diversity.

While it has been beyond the scope of the Evaluation to thoroughly investigate the support in detail from a do-no-harm perspective, the evidence available suggests that there is a consciousness of transforming the conflict.

4.6 Results in relation to Goals 6 to 9

In relation to Goal 6, (promoting CSO support within bilateral and multilateral assistance), there is evidence that CSO support has been strongly promoted in the bilateral sector assistance – particularly by the HRGG Programme. While there is one instance of support via UNDP that was granted in the period before the strategy, bilateral support to CSOs in Nepal has not been channelled through multilaterals.

In line with Goal 7 (promoting support via Danish CSOs), support has been provided via Danish CSOs. Around DKK 84 million was channelled through Danish civil society organisations Nepal between 2009 and 2011.

Goal 8 of the Strategy concerns collaboration between CSOs and other stakeholders such as business community, research institutions, media and political parties. There is evidence that the CSO support Nepal has addressed this goal to a limited extent:

- Through Search for Common Ground, Danish support has involved training of media professionals. It has also regularly broadcast its two radio dramas and radio talk show on between 20 and 45 local radio stations. INSEC, KIRDAC and JJTUCC have had regular radio or TV programmes and most of the Strategic Partner CSOs have at times used radio to raise issues and provide information. Meanwhile, ACORAB is a federation of community radios and is itself part of the media.
- The component of PSP that is channelled through SaferWorld and IA involves working with the Chambers of Commerce and local **business communities** to jointly enhance security.

On the whole, however, the business community has not engaged much with CSOs and rarely fund their work.

• Some support has explicitly involved **political parties** – a few RDIF projects have addressed strengthening democratic process within the political parties and their sister organisations to ensure the political participation of women, Dalits, people with disabilities and ethnic minorities. Likewise, AfP has worked with politically affiliated student organisations to institutionalise democratic culture.

Generally, stakeholders interviewed felt that there is considerable scope for civil society in Nepal to work with **academia**, particularly in relation to research to support advocacy efforts. The ties between these spheres could be strengthened for mutual benefit. Nevertheless, there is some interaction. CSRC, for instance, has worked with universities and students to gather information on land grabbing. Martin Chautari runs a mentoring programme for young researchers and has organised a conference of young women researchers to provide a platform for young and beginner researchers.

Finally, the ninth goal which focuses on strengthening results orientation of CSO activities has been a consistent aspect of the support to CSOs via RDIF and the strategic partnership modality. The support via Danish NGOs such as Mission East and ActionAid also address this aspect. On the other hand, this has not been a strong feature of the support via the LGA, LGAF or LGCDP.

5 Overall Conclusions, Lessons Learnt and Recommendations

As documented in the previous chapters, Danish support to Nepal has made significant contributions to civil society. However, since few barely knew of the existence of the Civil Society Strategy, let alone operationalised it, the results achieved are not because of the Strategy's existence. Rather, the contribution can be attributed to the fact that HRGGP and some of the Danish NGOs have had similar objectives to the Strategy – including demand-side governance, participation and voice – that have guided their work since before the strategy period.

The following sections provide conclusions in relation to the relevance, effectiveness, efficiency and lessons learnt of the Danish support to civil society in Nepal.

5.1 Relevance of the Civil Society Support to needs and priorities in Nepal

Despite little knowledge about the Strategy among the stakeholders interviewed there was agreement, when presented with its content, that the Strategy was highly relevant to the situation in Nepal and for support to Nepalese CSOs. Likewise, the theory of change developed by the evaluation team in the inception phase was deemed relevant. However, since many of the CSOs work extensively with human rights issues and/or apply a human rights approach, several stakeholders saw the need for a stronger human rights angle to make it more relevant to Nepalese civil society.

Overall, the Danish support to CSOs in Nepal has been highly relevant to the Nepalese context and needs. Evaluations, reviews, interviews and survey concur that the support has responded to the needs and priorities of poor and marginalised people. This is largely because the objectives of the HRGGP, PSP and most of the Danish NGOs address the needs and priorities of the poor and excluded groups. These include:

- reducing poverty through inclusive, responsive and accountable local governance
- participatory community-led development
- enhancing access to justice for the poor and marginalised
- strengthening public dialogue for democratic change
- addressing impunity and human rights
- building peace
- enhancing public security.

The support has also been largely relevant to the needs of civil society. The greater focus on micro and meso level CSOs, capacity development and internal governance systems have all been recognised as important needs for Nepalese civil society as a whole. The longer-term core support through the Strategic Partnerships has been particularly responsive to the needs of the concerned CSOs; while the shorter term support through, for instance, the RDIF, LGA and some of the Danish CSOs usually has been too short-term to address key civil society needs. Furthermore, the need for enhanced capacities in applied research is an area that has not been well addressed by any of the Danish support modalities.

5.2 Relevance of modalities to the Strategy

In terms of relevance to the Danish Civil Society Strategy, HRGGP is the most noteworthy aspect of Danish support to Nepalese civil society. The combined basket of modalities, organisations and approaches were strategically chosen to meet the HRGGP's immediate objectives – inclusive democracy, human rights and access to justice – which correlate strongly with the first four goals of the Civil Society Strategy. The design of the programme has allowed this programme to increase the number of CSOs reached from 59 in its previous programme period to 90 (Strategic Partner CSOs and RDIF grantees) – in addition to hundreds of civil society fora, community based organisations and local level CSOs (through LGCPD).

Together, the three main modalities applied by the **HRGGP** support the key principles of the Paris Declaration – ownership, harmonisation, alignment and mutual accountability. The Strategic Partnership modality is coherent with the concept of ownership, harmonisation and alignment (to the CSO's priorities); the RDIF is an example of harmonisation among donors; while the support to the LGCDP/LGAF has involved harmonisation and alignment to government priorities.

Jointly, the 13 thematically diverse CSOs that have been supported through the **Strategic Partnership** approach have geographic coverage in all districts. With their multi-level structures, most can operate credibly at all levels – from community to national arenas (Goal 1). The long-term funding approach has led to enhanced ownership, improved internal governance systems and greater organisational empowerment (Goal 2). The Strategic Partnerships have made

possible comprehensive and qualitative strengthening of a mixed set of more established CSOs and that with the support seem likely to attain a new level of organisational development and professionalism (Goal 3).

The **RDIF** has complemented the Strategic Partnership support well. The RDIF has the advantage of allowing Denmark to fund a greater range and number of CSOs. It has also made possible support to sub-national level CSOs; strengthened marginalised and excluded communities; and, furthered human rights activism. RDIF offers a means to support CSOs that have pertinent projects but that may not have the maturity and/or relevant overall focus to be a suitable as a strategic partner. It also complements the Strategic Partnership approach – for which the CSO selection has been proactively based on strategic considerations and assessments – by being competitive and open to all qualified CSOs (Goals 1). On the other hand, as a modality the RDIF is not as conducive to ownership, which is reflected in some of the interviews and survey results.

While results have not been as successful as hoped, the nation-wide and broad-based **LGCDP** and **LGAF** have been relevant to mobilising the grassroots, promoting open debate (Goal 1) and strengthening the popular foundation of civil society (Goal 2).

Because of the nature of the programme, strengthening of civil society is not as prominent a feature of the **PSP** as the HRGGP. Furthermore, it was specially designed to complement and not to overlap with the HRGGP's efforts. Nevertheless, by channelling the PSP support to international NGOs the support has been relevant to Goal 3 (capacity-building of CSOs and advocacy capacity) and Goal 5 (relevant support in fragile states). The INGOs have brought specific expertise and experience in peace-building to Nepalese civil society that cannot be found among Nepalese organisations.

The **LGA's** greatest strength as a modality is its high level of flexibility, which could probably be used more strategically. While it is nearly twice the size of Denmark's contribution to the RDIF, the embassy does not have the management resources to reach out much to organisations based outside Kathmandu or to deliver similar calibre results. Nor has the support been particularly well aligned with the goals of Civil Society Strategy. That said, the projects funded are generally sound and support important causes.

The support channelled via the six main **Danish NGOs** operating Nepal (2009 to 2011) is more than DKK 20 million greater than the support via the RDIF and 13 strategic partners combined (2009 to 2013). It is thus the largest single modality for Danish funds to Nepalese civil society. The focus on civic engagement, human rights and inclusion among some of the Danish NGOs makes the support modality relevant to the Civil Society Strategy (Goal 1) and current context. Their methodologies, tools and wider networks add value (Goal 3). Of particular relevance are Care's and ActionAid's approaches that have gained a foothold and been scaled-up in LGCDP. Because the modality consists of a mixed assortment of programmes that has not been strategically composed as a whole, it is difficult to compare with the bilateral sector support modalities which have been strategically put together.

The key comparative advantage of Danish NGOs is their ability to engage in close partnerships with CSOs that are based on more equal footing, built on years of accumulated trust and mutual benefit. Some Danish NGOs have over the years been successful in honing this comparative

advantage and drawing on CSO to CSO solidarity. However, several Nepalese CSOs interviewed – particularly in the focus group sessions – tended to view the relationship with Danish and/or INGOs as one of donor-and-recipient. While this may in part be a result of the jealousy of INGOs and their funds among Nepalese CSOs, it is an indication of a relationship with room for improvement. It appears that Danish and international NGOs in Nepal would benefit from developing their partnerships further by placing the Southern CSOs in the driver's seat. If Northern NGO support was more shaped by the demand from the Nepalese CSOs – as opposed to the objectives established by the NGO for the country or region – this support modality would maximise its comparative advantage. It would furthermore better support the principles of ownership of the Paris Agenda.

5.3 Effectiveness and impact of the Civil Society Support to Nepal

Technically, assessing the effectiveness of the Civil Society Strategy (i.e. the extent to which set goals have been achieved) is undermined by the fact that the Strategy goals were not consciously implemented. Thus, what follows is the extent to which results and impact-level effects that have been achieved are relevant and contribute to the goals in the Strategy.

Result 1

Overall, Danish support to CSOs in Nepal has significantly **enhanced citizens' space for public debate** and their participation in local governance. It has brought to the fore the voice of disadvantaged groups at the micro level, who have become more active in influencing decision-making processes that affect their lives. One indicator of progress is the fact that authorities are starting to regard disadvantaged groups as being "over-empowered".

From the evidence gathered, it is not possible to discern which support has contributed most to this end – LGCDP/LGAF, the RDIF, the SPs or the support provided by the Danish NGOs. It appears likely that a combination of all the support, with varying effects depending on geography and type of disadvantaged group. The block grants and transfers to the local governance structures earmarked for disadvantaged groups meant that CSOs had the opportunity to support communities to concretely improve their situation through civil activism. This includes access to scholarships, pensions and other cash transfers; and resources for local infrastructure improvements. In a number of cases, the organisations have helped rights holders to tap into local resources that amount to manifold more of what was invested by the CSO.

At the micro and meso levels, **greater space for CSOs/CBOs** has been carved out. This is being filled by a growing pool of capacitated local activists and human rights defenders who are making their presence known to both rights-holders and duty-bearers. Media is being diligently used by a majority of the CSO partners to promote civic engagement, human rights and peace-building at these levels.

With a few notable exceptions – such as the land rights movement and support via NEMAF – the support has not promoted many links between the micro/meso levels and the macro level debates in the country. Part of the problem is that the debate at the national level has been negatively affected by the political impasse, which became more acute when the Supreme Court dissolved the legislature in May 2012.

Inclusion and the rights of marginalised groups have been a central theme in much of the support. Interviews, studies, evaluations and the survey confirm that the most marked contribution of this work is a much **stronger mobilisation and activism among women** at the community level.

Despite the progress, stakeholders agree that support to CSOs, with a **continued emphasis on reaching the micro and meso levels**, remains highly relevant to strengthening democratic governance and combating poverty. CSOs themselves also point out that building the capacity among duty-bearers to meet the growing demand from rights-holders is also critical.

Civil society needs to operate within a conducive legal and regulatory framework to reach its full potential. The Nepalese **civil society framework is not sufficiently supportive**, creates inefficiencies and promotes corruption. INGOs have been particularly affected and Denmark has played a much recognised role in supporting INGOs non-financially in this respect. The legal and regulatory framework needs to be addressed by CSOs when a new legislature has been elected.

Result 2

The promotion of accountability and legitimacy has been key aspects of the Danish support as a whole. Nevertheless, both areas still deserve continued attention. ActionAid has been particularly effective in introducing social auditing among its partners. Continuing to strengthen public accountability is an important means to address the criticism that CSOs in Nepal face from communities, the media and government.

The encouragement – particularly by DanidaHUGOU – to diversify the **CSO** governance structures has resulted in more women and people from marginalised groups entering into the boards. Men, however, still tend to dominate leadership positions. Building capacity at middle management level and promoting women in these efforts could help bring women into more leadership positions in the future. Given the rise of activism among women at the community level, it will become important to ensure that there is space for this activism to move upstream within civil society structures. Affirmative action can support this.

Result 3

Capacity building has been an important component of the combined Danish support. This includes capacity-building in the form of a day-to-day mentoring and backstopping. While this evaluation has not able to examine the quality of these efforts, there has been **general** satisfaction among the CSOs – whether via DanidaHUGOU, RDIN or Danish NGOs – but the highest approval comes from the Strategic Partnership CSOs. What has been particularly appreciated by the SP CSOs has been the ongoing dialogue that they have enjoyed with DanidaHUGOU, the respectful relationship and the responsiveness to their needs.

While CSOs interviewed and surveyed have generally appreciated the capacity building efforts of Danish NGOs, given the latter's expertise as CSOs themselves and long experience from working across the globe, the satisfaction among CSOs could have been expected to be greater.³⁸

CSOs supported by Danish funds are involved in associations, networks and federations. Networking is very much present in the support provided to SPs, via the RDIF and Danish NGOs – but it is not a strategy in itself. Rather, network-like CSOs are supported because of their multi-level and geographical reach and legitimacy. Given that there are cases of donordriven networks that have become unsustainable and frustrating, this approach seems appropriate.

With their global presence, Danish NGOs have the potential to support Nepalese CSOs to network at the regional and international level. However, Nepalese CSOs find that Danish NGOs have not played this role to a significant extent. Indeed, most evidence uncovered by the team of Nepalese CSOs participating in the international arena was not a result of Danish NGO support.

There are a number of concrete effects that have resulted from the advocacy efforts supported by Denmark during the last four years. For instance, the peacefully acquired land certificates and land access have a formidable impact on the concerned families and constitute a value that is estimated to be tenfold the input. Likewise, accessing of earmarked resources at the local level for disadvantaged groups has significantly enhanced the income of poor families. The raising of the minimum wage; the passing of legislation to fight impunity and promote ethnic inclusion; and, the establishment of social security schemes for single/widowed women are further examples. The range of these effects reflects the diversity of CSOs that have been supported. It is noteworthy that these results have been achieved in spite of the difficult political environment – a constitution pending since 2007 and no legislature since May 2012.

Determinant of Results

The long-term support to Nepalese CSOs from some of the Danish NGOs has been an asset of the Danish CSO support. Care Denmark and ActionAid Denmark – the Danish NGOs with the largest programmes in Nepal – have worked to strengthen a number of CSO partners over the decades, a few of which have become strategic partners of the HRGGP. That the methodologies and tools to mobilise communities and strengthen the participation of marginalised groups have been taken to national scale by being adopted by the LGCDP is testament of their strengths in supporting public debate and an inclusive and representative civil society.

Another critical success factor of the effectiveness of Danish CSO support to Nepal has been the existence of DanidaHUGOU, with its experienced and competent leadership combined with highly knowledgeable staff with strong analytical skills. DanidaHUGOU has had the competence to develop and manage the CSO support to respond to the needs and conditions in Nepal. Moreover, it has had the capacity and ability to be proactive, undertake analyses, identify drivers of change, assess and take risks and make informed and strategic choices. It has been able to design or identify modalities to fit the different activities of CSOs, which has resulted in a basket

³⁸ A couple of Danish NGOs suggest this is because their CSO partners may not regard the day-to-day mentoring they provide as capacity-building. However, the Evaluation Team did not find this to be the case - in interviews and focus groups there was be a broad understanding of capacity building among Nepalese CSOs.

of support modalities that has been sufficiently flexible to allow organisations to move between the modalities if necessary. Had the Danish embassy, with its limited and less specialised capacity, managed the support, it is unlikely that the outcomes would be as relevant and impressive – even if it explicitly operationalised the strategy.

The Strategic Partnership approach took considerable courage and acumen to develop and execute. So far, the more far-reaching civil society results of Danish support have been achieved through these partnerships. The set-up, however, has demanded an advisory unit such as DanidaHUGOU to function smoothly and effectively.

The ongoing dialogue that CSOs have enjoyed with DanidaHUGOU has been highly valued by the partners. On the other hand, the Danish embassy has not drawn upon the vast resource of knowledge and experience of the Strategic Partner CSOs. One of the aims of the original strategic partnership concept was to create space for a mutually beneficial strategic dialogue. Considering the volatile Nepalese context and the somewhat limited access to local level perspectives from Kathmandu, the Danish embassy could gain from engaging with the Strategic Partners on topics of mutual interest. This would equip the embassy with important insights that can inform policy.

Denmark's long-term commitment to human rights and democracy and DanidaHUGOU's recognised expertise have converted into high levels of respect and credibility in Nepal. It has therefore been welcomed as an active participant in several donor fora.

5.4 Efficiency

Given the limited time, resources and access to data, the evaluation has not been able to undertake a systematic analysis of efficiency. Nevertheless, the team has gathered some data that relate to efficiency.

Among the positive observations are the following in pertaining to leveraging funding:

- In providing 10% of the resources for RDIF, Danish support has leveraged 10 times the amount of funding from other donors in the RDIF, reaching 76 CSOs overall.
- The support provided by two Danish NGOs (Care and ActionAid) have constituted 17to 25% of the resources of their Nepal-based sister organisations. Thus Danish support to these NGOs has been leveraged four to five times.

Efficiency in terms of outcomes achieved in relation to the investment, organisations such as CSRC (supported by HRGGP, Care and ActionAid) and SAMAGRA (supported by HRGGP) can report a benefit in land, material or financial resources that is seven to ten times the original investment. Meanwhile, the LGA, which is nearly twice the size of Denmark's contribution to the RDIF, was not able to achieve comparable geographic range or strategic civil society results to that of RDIF. The RDIF grant had the advantage of being able to leverage funds and having access to specialised expertise for selection and management of the projects.

There are a few observations in relation to efficiency and management:

- The RDIF has a relatively low administrative cost of 12%. However, input from DanidaHUGOU staff to the RDIF has been considerable. HUGOU advisers provided critical and frequent input to the committees for the RDIF's grant approval process.
- DanidaHUGOU underwent an organisational overhaul in 2008 and seems to be operating with reasonable efficiency. Between 17 to 18% of its budget is allocated for management and personal costs.

A couple of less favourable observations were also made:

- The RDIF, which provided grants on a competitive basis, rejected of over 800 concept notes and proposals. While impressive in terms of interest, this constitutes a considerable cost in terms of the aggregate time and resources spent by the failed applicants.
- The survey results concerning questions related to efficiency of the funding process clarity of the application process, timeliness, funding requirements, reporting requirements, flexibility of funding, and ability of grantees to influence the support suggest that support channelled to CSOs via the Danish NGOs could be improved. Of the six categories the Danish NGOs scored decently in the category "the application process is clear and transparent". In the other categories, however, there were a greater number of dissatisfied CSOs.³⁹

5.5 Lessons Learnt

The Team has identified a number of lessons regarding the different modalities used to support CSOs. These are provided in the tables below in relation to the six main modalities.

1. Strategic Partnerships

Potential or actual strengths	Shortcomings or potential risks
The harmonised joint donor funding is at the level of recipient (as opposed to the level of an administrative set up, as with a pooled facility.) Harmonised approach reduces transaction costs for both donors and CSOs.	Fewer number of CSOs are supported and entry for smaller NGOs is hard.
With CSOs in the driver's seat, this is the most effective modality for supporting ownership. Particularly responsive to the needs of the concerned CSOs. Allowed CSO partners to widen their popular support and focus on strategic results and quality.	Requires buy-in from other donors. In Nepal not yet found a found firm foothold within the donor/INGO community.
Allows for long-term investment in a strategic approach to delivering impact.	Requires very solid knowledge of civil society to be able to select the most suitable range of organisations to enter into a strategic partnership with.
Capacity-building support has allowed for robust organisational development – including improved internal control, accountability structures, self discipline and improved reporting.	Risk that the CSOs with the resources and security achieved through the strategic partnership effectively gain a monopoly over their sectors/thematic areas or jointly constitute <i>de facto</i> oligopolies.

³⁹ For more data on the survey results, please see Annex G.

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Highly suitable modality for umbrella organisations, federations etc.	Risk that CSOs that have secured funding for several years ahead become lax and do not achieve the expected results and are less inclined to develop innovative approaches.
Involves strategically choosing a selection of CSOs that jointly have the potential to deliver desired results in relation to human right and good governance.	
The mechanisms of regular joint review and dialogue built into the management cycle help to counteract potential risks. CSO dialogue with the funding	

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2. Danish and International NGOs

partners is less fragmented and more strategic.

Potential or actual strengths	Shortcomings or potential risks
Potential to enter into a true partnership based on civil society solidarity.	Pressure to demonstrate results risks resulting in a more conditional, contractual relationship with southern partners.
Potential to take departure fully in the agenda and needs of southern CSOs	Membership of DK NGOs in global con/federations weakens the Danish 'footprint'.
Strong added-value potential by providing technical competencies; innovative approaches, networking; knowledge sharing	Competition with southern CSOs for country-level funding.
Membership of global con/federations provides the potential to 'scale up' influence/impact.	Nepalese government places a number of restrictions and tightly controls foreign NGOs.
Potential to facilitate north-south and south-south contacts.	Significant level of animosity against foreign NGOs in Nepal within government and Nepalese civil society.
Potential to fund both small innovative projects and provide core support to CSOs.	Risks being a conventional unequal donor-recipient relationship dressed up as a civil society partnership
In some cases, long-standing presence and thus valuable expertise at country level	

3. RDIF

Potential or actual strengths	Shortcomings or potential risks
Harmonisation of donor processes and pooling of resources is in line with Paris agenda.	Less effective way of supporting organisational development.
Denmark was able to leverage its recourses to support a large number of CSOs.	Too short-term to address key civil society needs.
Through decentralised RDIF offices, it was able to reach sub-national CSOs based outside the capital.	Weak in supporting projects that link local-level issues with national-level initiatives.
Competitive process through call for tenders.	Generally, projects selected generally had overly opti-

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	mistic objectives that were largely beyond the reach of short-term grant period.
Was able to provide basic capacity building support.	Mechanism closed down when lead donor country decided to end its support.
Involved comparatively low administrative costs.	Risk of feeding into the existing weaknesses of CSOs i.e. weak ownership, popular support and vision. Accountability towards donors tends to take precedence over accountability towards constituencies. Potentially fuels unhealthy competition.
A compliment to SP modality by offering a means to support CSOs with pertinent projects but that without maturity and/or relevant overall focus to be a suitable as a strategic partner.	Risk of becoming overly bureaucratic.
Applications accepted in Nepali allowing easier access to less established organisations.	Short-term project grants do not easily lend themselves to sustainability.
Potential to fund riskier projects.	High transaction costs for CSOs that were not selected for a grant.

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4. LGA

Potential or actual strengths	Shortcomings or potential risks
Flexible form of support.	Lack of human resource capacity to follow up and support the CSOs.
Can potentially support strategic pilot projects that can later be scaled up.	Limited management capacity means missed opportunities of using the funds as strategically as possible and of creating synergies with other support.
Potential to complement other support to civil society.	The aim to reduce number of partners to 2-3 a year and instead increase grant sizes leads to less innovation and loss of opportunity to support emerging actors.
	Short-term project grants do not easily lend themselves to sustainability.

5. Pooled donor funding arrangements with government involvement (LGCDP and LGAF)

Potential or actual strengths	Shortcomings or potential risks
Harmonisation with other donors and alignment to government priorities.	Civil society efforts were spread too thinly.
Great geographic coverage	Weak in building capacity of local CSOs.
Effective in reaching local level CSOs	Insufficient monitoring of CSOs.
Possibility of stimulating sustainable civil activism.	Selection of CSOs was highly politicised which negatively affected the social mobilisation work.
	Governance of LGAF has been problematic. Difficult

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6. Project Support (via Danida directly or via modalities)

Potential or actual strengths	Shortcomings or potential risks
Useful complement for short-term specific projects.	Does not enhance institutional capacity and does not lend itself to sustainability.
Useful for pilot projects or efforts than can later be scaled up.	Accountability towards donors tends to take precedence over accountability towards constituencies.

5.6 Recommendations

- 1. Denmark should continue to support civil society using a basket of modalities that includes i.e. (preferably pooled) long-term core funding, and a pooled support modality that can reach diverse sub-national civil society organisations. Despite the results achieved in improved diversity, accountability, legitimacy and geographic/micro-level reach of Nepalese civil society, there is a need to maintain a continued focus on these areas.
- 2. Denmark should ensure that the future Danish support to peace, good governance and human rights is managed with adequate technical expertise and capacity. DanidaHUGOU in its current form or, better yet, evolved into a multi-donor structure, will be necessary to ensure effective support of high quality.
- 3. Danida and Danish NGOs should consider different means to ensure that the support from Danish NGOs is more driven by the demand from Southern CSOs rather than the programmes of Danish NGOs. Danish NGOs should focus their efforts on adding value to Southern CSOs. This would involve capitalising on their expertise and innovative approaches and exercising their ability to link Nepalese partners with regional and international levels as relevant.
- 4. Given the important results achieved for women at the grassroots level and the progress in bringing women into CSO governance structures, a gender audit of the HRGGP should be considered to gather lessons, identify gaps and develop a baseline for future support.
- 5. When Nepalese CSOs in earnest begin to address the legislative framework, Denmark should be supportive. Denmark and Danish NGOs could offer access to knowledge of good practices in other countries of civil society legislative frameworks and lessons from past processes to change these.

Annex 1: Evaluation Framework

Evaluation	Evaluation ques-	Indicators	Data gather-	Possible data	
Criteria	tions		ing methods	sources	
Relevance	What is the relevance of the partners selected and of the approach taken to the operationalisa-				
	tion of the strategy?				
	How far are the	Number and % of	Document re-	Project documen-	
	organisations	organisations at dif-	view, key in-	tation, Danida	
	supported respon-	ferent levels of	formant inter-	staff and South-	
	sive and account-	'community and	views, project	ern CSO inter-	
	able to the needs	constituency build-	visits.	views. Project	
	and priorities of	ing'.		beneficiaries' in-	
	poor and excluded		Document re-	terviews. Country	
	groups?		view, key in-	studies.	
	Are there signifi-	Number and de-	formant inter-	Civil society pro-	
	cant civil society	scription of CS ac-	views.	files, project	
	actors/groups not	tors/groups that are		documentation,	
	supported by the	not supported.	Stakeholder	Danida staff and	
	CS strategy?	N. 1 10/ C	survey, key in-	Southern CSO	
	To what extent	Number and % of	formant inter-	interviews. Coun-	
	have Danish	survey respondents	views, project	try studies.	
	NGO partner-	that believe Danish	visits.	Project documen-	
	ships promoted local ownership	NGOs have pro- moted local owner-		tation, Danida staff and South-	
	by southern CSOs	ship by Southern		ern CSO inter-	
	and actors?	CSOs and actors.		views. Country	
	and actors.	Coos and actors.		studies.	
	How strategic and app	1 ropriate were the choices ma	1 ade by Danida and D		
	operationalising the stre				
	How well does	Extent to which	Stakeholder	Civil Society	
	Danida funding	Danida funding	survey. Docu-	Strategy. Pro-	
	mechanisms and	mechanisms and	ment review,	gramme docu-	
	non-financial sup-	non-financial sup-	key informant	mentation,	
	port 'fit' the Civil	port fits the strate-	interviews.	Danida staff and	
	Society Strategy	gic goals and oper-		Southern CSO	
	goals and operat-	ating principles.	Stakeholder	interviews. Coun-	
	ing principles?		survey. Docu-	try studies.	
	How well do	Extent to which	ment review,	Civil Society	
	Danish organisa-	Danida organisa-	key informant	Strategy. Pro-	
	tions programmes	tions reference or	interviews, pro-	gramme docu-	
	and programme	explain programme	ject visits.	mentation,	
	outcomes 'fit' the	'fit' with strategic	Stalvalacidas	Danida staff and	
	Civil Society	goals and operating	Stakeholder	Southern CSO interviews. Coun-	
	Strategy goals and	principles.	survey Docu- ment review,	try studies.	
	operating princi- ples?		key informant	Civil Society	
	hics:	No indicator re-	interviews.	Strategy. Pro-	
	How relevant are	quired.	micivicws.	gramme docu-	
	Danida coopera-	quircu.		mentation,	
	tion modalities to			Danida staff and	
	non modanties to			Damua Stari aliu	

Evaluation	Evaluation ques-	Indicators	Data gather-	Possible data
Criteria	tions		ing methods	sources
	the achievement			Southern CSO
	of strategic goals 1			interviews. Coun-
	and 2?			try studies.
	What intended results	(strength, independence and	l diversification) and i	unintended results have
Effectiveness	been achieved at the ma	ucro (policy, national or inte	ernational), meso (dist	trict, sub-national) and
	micro (beneficiary and c	community) levels through 1	Danish engagement w	ith/support to Civil
	Society in developing co.	untries?		
	Strategic Goal 1			
	How far has Dan-	Number and % of	Stakeholder	Study on Danida
	ish advocacy sup-	national CSOs that	survey. Danish	support to SG1.
	ported the voice	believe they have	NGO and key informant in-	Country studies
	and participation of national CSOs	been supported 'significantly' or	terviews.	
	to speak for	'slightly' to speak	terviews.	Country studies.
	themselves in in-	for themselves in	Stakeholder	Civil society
	ternational fora	international fora	survey. Docu-	mapping studies.
	and networks?	and networks.	mentary re-	11 0
	How have na-		view. Country	
	tional and interna-	Number and de-	visit interviews.	Danida docu-
	tional frameworks	scription of new	-	mentation in Co-
	evolved to sup-	national or interna-	Documentary	penhagen and
	port civil society	tional frameworks	review of Danida re-	embassies. Coun-
	participation in relevant debates	that support CS participation in relevant	cords. Danida	try studies.
	and fora?	debates and fora').	and key infor-	
	What has Den-	desaces and rota j.	mant inter-	Project documen-
	mark supported –	Number and de-	views.	tation, Danida
	financially or non-	scription of differ-		staff and South-
	financially – to	ent initiatives from		ern CSO inter-
	respond to pro-	Denmark to pro-	Danida records	views. Project
	mote enabling	mote enabling	Document re-	beneficiaries in-
	frameworks?	frameworks OR	view, key in-	terviews. Country
	Strategic Coal 2	amount spent by Denmark on ena-	formant inter-	studies. Civil society pro-
	Strategic Goal 2 How far are the	bling frameworks.	views, project visits.	files, project
	organisations	Zing maniewonds.	. 10160.	documentation,
	supported respon-		Document re-	Danida staff and
	sive and account-	Number and % of	view, key in-	Southern CSO
	able to the needs	organisations at dif-	formant inter-	interviews. Coun-
	and priorities of	ferent levels of	views.	try studies.
	poor and excluded	'community and	D	Civil society pro-
	groups?	constituency build-	Document re-	files, project
	Has the range and	ing'.	view, key in- formant inter-	documentation, Danida staff and
	diversity of CSOs directly or indi-		views.	Southern CSO
	rectly supported	Number and diver-	VICWS.	interviews. Coun-
	by the CS strategy	sity of civil society		try studies.

Evaluation Criteria	Evaluation questions	Indicators	Data gather- ing methods	Possible data sources
Cittella	tions		ing inculous	sources
	increased since 2008?	actors/groups supported.		
	Are there significant civil society actors/groups not supported by the CS strategy?	Number and description of CS actor /groups that are not supported.		
	of results?	 ferent funding channels, mo of and interplay with conte annels and modalities?	٠	
	How do Northern and Southern CSOs assess the strengths and weaknesses of cooperation modalities to their development objectives and the context in which they are	Number and % of CSOs (disaggregated by North/South) that believe that cooperation modalities are 'appropriate' to their development objectives and/or the context in which	Stakeholder Survey (Southern CSOs), Interviews (NNGOs).	Southern CSOs and Northern NGOs.
	working?	they are working.		
Efficiency	What are the results (outputs, outcomes) achieved relative to the investment (of CSO, diary, Danida)?		ent (of CSO, interme-	
	How do Northern and Southern CSOs assess the 'leverage' that Danida support	'Number and % of CSOs (disaggre- gated by North/South) that believe Danida sup- port applies leverage	Stakeholder Survey (Southern CSOs), Interviews (NNGOs).	Southern CSOs and Northern NGOs.
	represents in achieving civil society and development outcomes?	'greatly' or 'significantly' to achieve CS and development outcomes'. No indicators required	Stakeholder Survey.	
	What would Southern CSOs recommend that Danida or Danish CSOs do differently to achieve greater efficiency			

Evaluation Criteria	Evaluation questions	Indicators	Data gather- ing methods	Possible data sources
	in achieving civil society and devel- opment out-		0	
	comes?			
Sustainability	What are the positive and negative factors determining sustainability of supported CSOs (e.g. capacity, representation, support base, clarity of vision and niche)? To what extent have these factors been addressed; and with what effect?			
	How do Northern and Southern CSOs assess the positive and negative factors of Danish cooperation modalities in contributing to their organisational sustainability?	'Number and % of CSOs (disaggregated by North/South) that believe that cooperation modalities contribute to their organisational sustainability.	Stakeholder Survey (Southern CSOs), Interviews (NNGOs).	Southern CSOs
		ferent funding channels, mo een the role of and interplay		
	How do Northern and Southern CSOs assess the strengths and weaknesses of	Number and % of CSOs (disaggre- gated by North/South) that believe that coop-	Stakeholder Survey (Southern CSOs), Interviews (NNGOs).	Southern CSOs and Northern NGOs.
	Danish cooperation modalities to achieving civil society and development outcomes in their national context?	eration modalities are 'appropriate' to their development objectives and/or the context in which they are working.	Stakeholder Survey (Southern CSOs), Interviews (NNGOs,	Southern CSOs and Northern NGOs. Danida, embassies
	What have been the positive and negative charac- teristics of the cooperation mo-	No indicators required. No indicators re-	Danida). Stakeholder Survey (Southern CSOs), In-	Southern CSOs and Northern NGOs. Danida, embassies
	dality in relation to national con- text? How could Danida or Danish CSOs adapt their cooperation mo- dality to better	quired.	terviews (NNGOs, Danida).	

Evaluation Criteria	Evaluation questions	Indicators	Data gather- ing methods	Possible data sources
		that supported Civil Societ		,
Impact	How has Danida support contributed to capacity development, advocacy, networking?	Examples of national and international advocacy by recipients of Danish support. Examples of the creation or further development of CSO networks involving recipients of Danish support. Examples of linkages from Danida supported activities to other on-going activities.	Stakeholder Survey (Southern CSOs), Interviews (NNGOs, Danida).	Southern CSOs and Northern NGOs. Danida, embassies
	How has Danida support contributed to a representative, legitimate and locally based civil society?	Examples of Danida support contributing to a representative, le- gitimate and locally based civil society.	Stakeholder Survey (Southern CSOs), Interviews (NNGOs, Danida).	Southern CSOs and Northern NGOs. Danida, embassies
	How has Danida support contributed to open, vibrant debate on poverty reduction?	Examples of Danida support contributing to open, vibrant de- bate on poverty re- duction.	Stakeholder Survey (Southern CSOs), Interviews (NNGOs, Danida).	Southern CSOs and Northern NGOs. Danida, embassies

Annex 2: List of Informants

	Name	Organisation	Position
01	Morten Jespersen	Embassy of Denmark	Ambassador
02	Maria Ana Petrera	Embassy of Denmark	Deputy Head of Mission
03	Manju Lama	Embassy of Denmark	Programme Officer
04	Saroj Nepal	Embassy of Denmark	Senior Programme Officer
05	Shiva Paudyal	Embassy of Denmark	Senior Programme Officer
06	Niels Hjortdal	DanidaHUGOU	Programme Coordinator
07	Mie Roesdahl	DanidaHUGOU	Peace Adviser
08	Murari Shivakoti	DanidaHUGOU	Deputy Programme Coordinator
09	Mukunda Kattel	DanidaHUGOU	Impunity, Human Rights and Justice Adviser
10	Bimal Kumar Phnuyal	ActionAid Nepal	Country Director
11	Govinda Prasad Acharya	ActionAid Nepal	Project Coordinator-Governance and Democratization Initiative
12	Rinjin Yonjan		Culture Consultant
13	Anders Skjelmose	Danish Red Cross	Country Coordinator
14	Dev Ratna Dhakhwa,	Nepal Red Cross Society	Secretary General
15	Lex Kassenberg	CARE Nepal	Country Director
16	Chiranjibi Nepal	CARE Nepal	Project Manager
17	Maria Ploug Petersen	CARE Nepal	Programme Coordinator
18	Christophe Belperron	Mission East Nepal	Country Representative
19	Hari Karki	Mission East Nepal	Assistant Country Representative
20	Tek Bahadur Khatri	Ministry of Finance, Government of Nepal	Under Secretary
21	Santosh Acharya	Youth Initiative	President
22	Paras Acharya	Youth Initiative	Executive Director
23	Phanindra Adhikary	Enabling State Programme, DFID	In-country Representative, GRM International
24	Prakash Upadhyay	HimRights	Program Coordinator
25	Ravi Thakur	Madhesh Human Rights Home	President
26	Dinesh Chandra Tri- pathi	MAHURI Home	Program Coordinator
27	Gaman Chaudhari	Kamasu Digo Bikash Samaj	Program Coordinator
28	Binti Ram Tharu	Kamasu Digo Bikash	President

		Samaj	
29	Devendra Singh	ActionAid Nepal	Program Officer
30	Chandra Kumar Ti- wari	Kapilvastu Institutional Development Commit- tee	Secretary
31	Ganesh Regmi	Human Rights Organiza- tion of Nepal	President
32	Rikhi Ram Harijan	Kapilvastu Institutional Development Commit- tee	Program Coordinator
33	Anju Pathak	Research Centre for Humanism,	
34	Shiva Lal Pandey	Social Awareness Con- cern Forum Nepal	
35	Bhumi Bhandari	Human Rights Protection and Legal Service Centre	
36	Gopal Nath Yogi	Human Rights Protection and Legal Service Centre	
37	Madhu Bishokarma	Rights Democracy Inclusion Fund	Regional Coordinator
38	Tek Bahadur Rana	Human Rights Protection and Legal Service Centre	
39	Top Bahadur Khadga	Human Rights Protection and Legal Service Centre	
40	Baburam Chaudhari	Unified Communist Party of Nepal (Maoist)	In Charge, Dang District
41	Sishu Ram Bhandari	Unified Communist Party of Nepal (Maoist),	Member, Dang District Committee
42	Pradip Pandey	Journalist, Dang District	
43	Uday BC	Journalist, Dang District	
44	Dasarath Ghimire	Journalist, Dang District	
45	Netra Prakash	Communist Party of Ne- pal (Unified Marxist— Leninist)	Member, Dang District Committee
46	Bansi Kumar Sharma	Communist Party of Ne- pal (Unified Marxist— Leninist)	Member, Dang District Committee
47	Deepak Dhakal	District Development Committee, Banke	Planning Officer
48	Min Bahadur Malla	District Development	Facilitator, LGCDP

		Committee, Banke	
49	Jayanti KC	Banke Network, Women for Human Rights	
50	Bajaya Rokka	Banke Network, Women for Human Rights (WHR)	
51	Sunita Khadga	Banke Network, WHR	
52	Rekha Puri	Banke Network, WHR	
53	Shobha BC	Banke Network, WHR	
54	Dornath Neupane	Holistic Development Service Centre (SAMA- GRA)	Executive Director
55	Bijaya Raj Gautam	Informal Sector Service Centre (INSEC)	Executive Director
56	Min Bahadur Shahi	Karnali Integrated Rural Development & Re- search Centre (KIRDARC)	Executive Director
57	Bhakta Bahadur Bish- wokarma	Nepal National Dalit Social Welfare Organisa- tion (NNDSWO)	Chairperson
58	Tula Narayan Shah	Nepal Madhesh Foundation (NEMAF)	Executive Director
59	Jagat Basnet	Community Self Reliance Centre (CSRC)	Executive Director
60	Jagat Dueja	Community Self Reliance Centre (CSRC)	Programme Manager
61	Lily Thapa	Women for Human Rights (WHR)	Executive Director
62	Srijana Lohani	Women for Human Rights (WHR)	Programme Coordinator
63	Nirmala Dhungana	Women for Human Rights (WHR)	Secretary, Executive Committee
64	Rajendra Mulmi	Search for Common Ground	Director of Programmes
65	Rabindra Kumar	Social Welfare Council (SWC)	Member Secretary
66	Madan Prasad Rimal	Social Welfare Council (SWC)	Director
67	Chandra Mani Adhi- kari	Social Welfare Council (SWC)	Deputy Director
68	Bhoomika Dongol	LO/FTF Council	Regional Consultant
69	Tina Møller Kris-	LO/FTF Council	International Consultant, South

		<u> </u>	Nepal Country Study April 201
	tensen		Asia
70	Corinne Demenge	Swiss Agency for Development and Cooperation (SDC)	
71	Jorn Sorensen	United Nations Development Programme (UNDP)	Deputy Country Director
72	Binda Magar	UNDP	Programme Officer
73	Dharma Swarnakar	UNDP	Programme Officer
74	Suresh Laudoli	Action Nepal	National Programme Coordinator
75	Laxman KC	Action Nepal	Founder President
76	Rabi Karmacharya	Open Learning Ex- change Nepal	Executive Director
77	Samjhana Kachhyapati	SAATHI	Programme Coordinator
78	Pramada Shah	SAATHI	Board Member
79	Nayantara Gurung	Photo Circle	Founder
80	Sangeeta Shrestha	Slisha	Programme Director
81	Deepa Rajbhandari	WOREC, Nepal	Financial Director
82	Sangita Timsina	WOREC, Nepal	Programme Coordinator
83	Raiv Kafle	Nava Kinar Plus	-
84	Sharmila Karki	NGO Federation of Ne- pal	President
85	Daya Shanker Shrestha	NGO Federation of Nepal	Executive Director
86	Govinda Prasad Neupane	DanChurch Aid Nepal	Country Manager
87	Bijaya Rai Shrestha	Pourakhi Nepal	Programme Coordinator
88	Manju Gurung	Pourakhi Nepal	President
89	Krishna Pathak	Lutheran World Federa- tion Nepal	Programme Coordinator
90	Ganesh P. Niraula	Nepal Trade Union Congress	Vice President
91	Yubaraj Neupane	Joint Trade Union Co- ordination Centre (JTUCC)	Office Coordinator
92	Baburam Gautam	All Nepal Trade Union Federation	Representative

Focus Group Discussions

1. District Land Rights Forum, Dang – (12 men & 10 women)

- 2. Centre for Legal Research and Resource Development (CeLRRd) Mediation Group (8 men and 3 women)
- 3. RDIF Nepalgunj grantees (3 women and 9 men)
- 4. ActionAid Nepalgunj partners (12 men)
- 5. District Peace Committee, Banke (7 men and 3 women)

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Annex 4: Strategic Partner CSO Profiles

- 1. **Association of Community Radio Broadcasters (ACORAB):** Established as an umbrella organisation of community radio stations of Nepal. It works through its own network of over 100 radio stations spread throughout country. It promotes and protects the right to information, freedom of expression, development and social transformation.
- 2. Action for Peace (AfP): Mobilises youth in democratic governance, peace and the fulfilment of human rights through advocacy, discussion forums and capacity building. Membership-based and active in 35 districts. It works through its networks, student unions and student organisations.
- 3. Centre for Legal Research & Resource Development (CeLRRd): Promotes the rule of law, good governance and human rights, focusing on the community level. It is membership-based and focuses on access to justice, community mediation and peace building, legal aid, legal research, gender justice (anti-trafficking) and juvenile justice.
- 4. **Community Self Reliance Centre (CSRC):** A membership-based organisation established in 1993 to work for the rights of poor farmers, tillers and landless people. Promotes equitable access to land for poor women and men for freedom and dignified life through a bottom-up approach.
- 5. **Informal Sector Service Centre (INSEC):** Membership-based, INSEC works through affiliates (local NGOs and CBOs) in all 75 districts of Nepal. It aims to ensure institutionalised promotion and protection of human rights of all Nepali people through human rights monitoring, human rights education, lobbying and policy advocacy.
- 6. **Karnali Integrated Rural Development and Resource Centre (KIRDARC):** KIRDARC is focused on Karnali, which is one of the most underdeveloped regions of Nepal. It aims to enable the people of Karnali to realise their human rights through community efforts aimed at social, cultural, economic and political transformation.
- 7. **Martin Chautari (MC):** Established as an informal discussion group in 1991, MC is a membership-based national organisation that aims to enhance the quality of public dialogue in Nepal particularly in matters pertaining to democracy, civil liberties and social and environmental justice. It also conducts and supports research with a focus on media, democracy, education and environmental justice.
- 8. **Nepal Madesh Foundation (NEMAF):** Working the Terai Nepal's most populous region bordering India NEMAF promotes Madheshi civil society organisations to claim and exercise their rights and to realise their responsibilities. It works to improve access to quality education promote sustainable livelihoods and organises activities to raise people's understanding and awareness of issues affecting their lives.
- 9. **Nepal National Dalit Social Welfare Organisation (NNDSWO):** Present in almost all districts and in existence under different names since 1951, NNDSWO aim to empower and promote social inclusion of Dalits, enhance their educational status, improve their livelihoods and to eliminate caste-based discrimination.
- 10. NGO Federation of Nepalese Indigenous Nationalities (NGO-FONIN): An umbrella organisation for NGOs representing over 60 indigenous nationalities (*Adibasi Janajatis*). It

aims to ensure the basic rights of the indigenous nationalities and to bring them into the mainstream of development.

- 11. Holistic Development Service Centre (SAMAGRA): Using a rights-based approach, Samagra works to empower community-based groups (Social Families) to access services and resources for sustained livelihoods. These groups are both mediums and targets for interventions and are made up marginalised people (Dalits, indigenous peoples, women and landless).
- 12. Women for Human Rights (WHR): Is a membership organisation, originally for widows who have particularly low status in Nepal. It aims to raise the socio economic status of Nepalese single women and their families; and to ensure meaningful participation of single women in decision making in social, economic, and political life.
- 13. **Youth Initiative (YP):** A leading youth organisation working for youth empowerment, strengthening of student and youth politics, promotion of civic engagement, democratisation and human rights in Nepal. It is membership based.

Annex 5: DanidaHUGOU Concept Note on Strategic Partnerships

Updated January 2009

1. Overall Context

1.1 CSO Development in Nepal

Civil Society has developed considerably in Nepal over the past 18 years. Millions of people are now organised in interest groups (user groups) and in various social and political movements. NGOs, CBOs and media have mushroomed. Much of this expansion has been sponsored by bilateral and multilateral agencies and INGOs.

Looking at NGOs, however, a number of particular features emerge:

- Limited Popular Support: Most organisations are Kathmandu focused, with few key leaders, without a broad support base and without own funding sources.
- Weak institutional capacity: Many organisations lack institutional capacity to effectively pursue their goals.
- Lack of vision: Few organisations have a clear vision for their work and a strategy for how to achieve long-term objectives.

The way that donors choose to cooperate with NGOs can either help them or prevent them from effectively addressing these limitations. Donors should therefore review and, if required, improve their current practices.⁴⁰

1.2 Donor Support

While in recent years we have seen some examples of joint, coordinated funding of NGOs, most of the international support has been provided in an ad-hoc, short-term, project-related manner. There are a number of serious problems related to this modality. The two main concerns are (1) that Nepali NGOs tend to use too much of their scarce resources to prepare project documents and reports (narrative as well as financial) to their respective financing agencies and too little energy on developing their own constituencies and internal accountability mechanisms and (2) that the project-driven nature of funding prevents NGOs from developing a more strategic, coherent and long-term approach to their work. There are a number of other important challenges associated with this modality, including:

- Ownership: The modality promotes donor-driven projects, which may not be in keeping with strategic interests of the organisations. What various donors decide to fund, tend to become the priorities of the NGOs
- High transaction costs: The costs of producing many different project proposals and subsequently report on the implementation of these projects as well as the often quite demanding relationship with donors (e.g. entertaining visiting missions, etc.) is draining the

⁴⁰ Some observers have posed the question, if the international support – the way it is currently provided – is in fact a help or a hindrance to the further long-term development of civil society in Nepal because it may feed fragmentation and competition.

- resources of CSOs and moving their focus away from implementation of projects and programs.
- Fragmentation: Competition and lack of cooperation between donor agencies lead to fragmented project-portfolio/programs in NGOs and reduces impact on the ground.

2. Addressing the Challenges: Developing Strategic Partnerships

2.1 Objective

In order to address the concerns and challenges that both donors and civil society face, a new mechanism for donor engagement is envisioned. The overall objective of this mechanism is to forge stronger donor alignment with civil society goals and objectives, and enhanced harmonisation of support to CSO partners in Nepal with a view to improving aid effectiveness and reduce transaction costs.

Within the broad field related to consolidating peace and promoting an inclusive democracy in Nepal, based on respect for human rights and accountable local governance structures, we propose a <u>strategic partnership model</u>, which aligns support to key NGOs. The general principles include:

- NGOs should be invited to develop a multi-year strategic partnership with a group of donors/international partners.
- Each of the organisations should, if required, be provided with support to the development of a vision/mission statement, a multi-year strategic plan with an indicative budget as well as an annual work plan and budget for the first year.
- Each organisation should also develop a plan for institutional development, including governance and accountability structures, as well as a broadening of their support and funding base.
- Donors should commit core funding to the organisation and financial support for the implementation of the strategic plan and the institutional development plan on a multi-year basis.
- The donors should commit themselves to a regime that will contribute to standardized reporting, including: (a) one quarterly and annual narrative and financial report, (b) one joint annual audit, (c) one annual review of progress, and (d) one annual policy dialogue between the organisation and the supporting group of donors, based on the review report and the plan/budget for the coming year.
- Each organisation and the donor-consortium behind it should sign an MOU, specifying the objectives of the strategic partnership and the commitments on both sides, which includes clauses on mutual accountability and responsible withdrawal.

2.2 Committed donor engagement

Fundamental to a strategic partnership between the NGO and its donors is a set of long-term commitments that each donor agrees to, including:

- 1. The NGO's mission;
- Open dialogue and exchange between the partners on progress, which is based on respect, trust, transparency and the recognition of the NGO as the owner of the process; and
- 3. Contributing to the NGO's core budget and adherence to the framework of the partner-ship's coordination and management mechanisms.

3. The Mechanisms

3.1. Identifying common goals

Strategic partnership with the NGO constitutes more than financial support to the NGO's core budget. It should be regarded as a process in which the NGO and its major donors participate as "strategic partners". The strategic partnership would hinge on the partners together aiming at a common set of goals, specifically those outlined in the strategic plan produced by the NGO. Central to the strategic partnership concept is that the NGO and its partners together take collective responsibility for the achievement of specific agreed results.

3.2 Establishing mutual accountability

A strategic partnership has several implications. It would require the following:

- 1. A well-structured and realistic strategic plan and an annual work plan and budget. Objectives, expected outcome, planned activities and required input would be elaborated. Furthermore, quality monitoring mechanisms and indicators would also be included.
- 2. Open dialogue between the NGO and the donor group in which the general direction of the NGO, its expenditure and strategic plan are covered.
- 3. Timely, professional, well-planned and well-managed implementation of the NGO's strategic plan.
- 4. Reporting and accounting of high standard and integrity.
- 5. Annual reviews.
- 6. Timely donor disbursements.
- 7. Recognition of the NGO as the owner of the process.
- 8. Adherence to one strategic partnership management cycle.
- 9. Commitment to the core funding of the NGO in the medium term.
- 10. Agreement to one standardised annual narrative report.
- 11. Agreement to one standardised audited annual accounts.
- 12. The strategic plan will serve as the funding proposal.
- 13. Dialogue, trust and respect among the major donors and between the donors and the NGO.

3.3 Making a Strategic Partnership Operational

To implement the strategic partnership concept, an expression of the common vision and commitment to the concept is required. With this in view, a **Memorandum of Understanding** (MOU) and **Standard Agreement** should be prepared.

All parties should sign the MOU. It outlines the principles of the partnership discussed above and the key values. The Standard Agreement is a funding contract that is to be signed by the NGO and each individual funding agency. The Agreement should be drafted to constitute the largest common dominator in terms of the different donor requirements. It also outlines the management mechanisms discussed in the paragraphs below.

3.4 Management Mechanisms

A common management cycle that is calibrated to the NGO's financial year is required to implement the strategic partnership. To ensure that the partnership is solidly founded, the following seven components are necessary:

- A. Strategic plan
- B. Annual work plans and budgets
- C. Annual report
- D. Annual audited accounts
- E. Annual review
- F. Two strategic partnership meetings each year
- G. Request for funds

In the sections that follow, each component is presented and discussed.

A. Strategic Plan

The purpose of the strategic plan is to provide a strategic framework for the NGO's objectives and the implementation of its activities. It should serve as a steering instrument for the implementation and monitoring of activities, output and impact.

The strategic plan is a well-structured and realistic document that establishes the objectives and activities for a three to five year period. The overall programme should be rolling and revised annually and take into account the annual review report, as well as the results, failures, developments and rising opportunities experienced. The strategic plan should:

- 1. Present problem analyses;
- 2. Provide rationales for the NGO's programme's activities including risks and external factors:
- 3. Outline the NGO's capacity to address the issues at stake;
- 4. State clear objectives;
- 5. Specify expected results/outcomes;
- 6. Determine activities to be undertaken;
- 7. Establish required inputs;
- 8. Specify indicators and monitoring mechanisms; and
- 9. Establish an indicative budget for the strategic plan period.

The annual review and the other monitoring mechanisms should feed into the process of preparing and updating the strategic plan. Any changes in emphasis within the programme areas should be discussed. The updated document should be completed and submitted to the strategic partners by a predefined date.

B. Annual work plan and budget

The annual work plan and budget (AWAB) constitutes an implementation and monitoring guide for the NGO's activities. The budget should provide an overview of the estimated income and expenditure and thereby provide a framework for determining the level of donor contributions required each year.

The work plan and budget should be prepared at the end of the financial year and submitted to the strategic partners. In line with the objectives, output and activities specified in the strategic plan, the work plans should specify "who", "what", "where", "when" and budget for each planned activity.

C. Annual Report

The annual report should consist of two main parts: a narrative report and the annual accounts. The narrative report should describe, and most importantly, analyse the implementation and monitoring in the past year. It should:

- Cover the results obtained/not obtained;
- Summarise to what extent objectives have been achieved using monitoring indicators established in the strategic plan;
- Discuss lessons learnt from the implementation experiences during the year;
- Discuss changes in emphasis within the programmes for the following year.

The annual accounts should be prepared according to the NGO's financial management guidelines. All contributions from donors should be mentioned under income, but the annual accounts will not specify the purposes for which each individual contribution has been used. The annual report should be completed and sent to strategic partners within the first couple of months of the financial year.

D. Annual Audited Accounts

The audit of the annual accounts should be conducted according to the NGO's financial management guidelines. The audited accounts should be submitted to the strategic partners no later than three months after the start of the NGO's new financial year.

E. Annual Review

The purpose of the annual review is to assess progress and promote learning. The objectives and indicators in the strategic plan shall provide the framework for assessing developments. The annual review constitutes an important monitoring mechanism. It serves as input for the NGO's

internal learning with the aim of improving results in the future. It should also be an important mechanism for dialogue within the NGO and between the NGO and its strategic partners.

The annual review should:

- Review the results achieved by the NGO in terms of output, impact and costeffectiveness;
- Analyse the strengths and weaknesses of the implementation of the programmes; and
- Analyse the priorities of the NGO in light of the changing environment it operates in.

The analysis should be problem-oriented and distinguish between external and internal factors affecting the implementation of the programmes.

The annual review may have a specific focus to be agreed upon by the partners. For the third year an external evaluation should substitute the annual review. The annual strategic partnership meeting to be held in the second year should prepare the terms of reference for the evaluation and appoint an evaluation team. The evaluation would draw extensively on the annual reviews. The NGO should budget for the costs of the annual reviews and the evaluation.

F. Strategic Partnership Meetings

Two strategic partnership meetings should be held each year between the NGO, its strategic partners and other interested donors. The purpose of the meetings is to provide an opportunity for dialogue between the parties.

The NGO should prepare the agenda of the meetings that will include:

- Presentation of the annual report and a discussion on the results of the past year;
- Presentation of the work plan & budget and a discussion on the future direction of the NGO;
- Indications of the intended contributions/disbursements from donors;
- A presentation of the most recent annual review report and agreement on the specifics of the upcoming annual review/evaluation; and
- Presentation and discussion of issues of mutual interest.

Agreed minutes should be prepared. Leading members of the Executive Board and the day-to management should represent the NGO. There should be sufficient room within the agenda of the annual strategic partnership meetings to allow it to serve as a forum for discussion of broader policy issues.

G. Request for Funds and Disbursements

A formal "Request for Funds" should be prepared and sent to donors with the work plan & budget. The disbursement of funds to the NGO should be made in a timely and transparent manner with a stable, foreseeable flow of funds that allows the NGO to focus on programme implementation.

Annex 6: Survey Results

The survey of southern CSO partners was designed to give answers to key questions of the Evaluation Framework and to the expected mechanisms and outcomes identified by the Theory of Change. The survey had five sections:

- 1. Identification questions (country, type of organisation, organisational income)
- 2. Questions evaluating funding delivered through Danish NGOs
- 3. Questions evaluating funding delivered through Danish embassies
- 4. Questions evaluating funding delivered through Pooled Funds
- 5. Questions evaluating Danida Civil Society Strategy (Strategic Goals 1 and 2)

The survey was conducted online through survey monkey and available in three languages: English, French and Spanish. Translations were conducted using professional translators. A pilot was conducted prior to sending out the survey involving 12 CSOs. The survey was subsequently sent out to 1042 organisations in 11 countries. In addition, CISU and 3F forwarded the link to their partner organisations. As a result it is not possible to know the total number of organisations that received links to the survey.

In the case of Nepal, DanidaHUGOU, RDIF, the embassy, the Danish NGOs with a presence in Nepal and CISU either supplied email addresses of Nepalese partner CSOs, or forwarded a link to the survey. In total, 33 Nepalese CSOs replied, 15 of which received funding from Danish NGOs. Since the survey was designed to guarantee respondent confidentiality, it is not possible to identify which CSOs responded.

The survey was closed on Tuesday 8th January 2012. Following the closure of the survey responses were cleaned using a two stage process:

- Stage 1: Incomplete responses were deleted. Incomplete responses were defined as those that had just answered identity questions (Section 1) and not evaluative questions (Sections 2-5).
- Stage 2: Inaccurate responses were deleted. Inaccurate responses were those responses where
 we can either prove or suspect that respondents entered data in the wrong place e.g. answered questions relating to Danish NGO funding when they should have answered questions relating to Pooled Funds.

The survey collected a mix of qualitative and quantitative data. Data from Sections 2 (Danish NGOs), Section 3 (Danish embassies), and Section 4 (Pooled Funds) was extracted and compared using Microsoft Excel in order to compare the three separate mechanisms. Responses to qualitative and quantitative questions in Section 5 (on Danida Civil Society Strategy Strategic Goals 1 and 2) were disaggregated by collector. This enabled comparisons and conclusions relating to the performance of each mechanism.

The strengths of the survey include:

- Strong mix of qualitative and quantitative data
- Good response rate spread across a range of countries and mechanisms
- Ability to compare results across funding mechanisms

- Captured views of southern CSO in receipt of Danida funding
- Additional source of data, which allowed triangulation of evidence gathered though case studies and interviews.

The challenges encountered by the survey include:

- Only CSOs with Internet connection could participate
- The contact information received from different NGOs, embassies, and pooled funds varied, thereby potentially biasing the population upon which the survey was based if an NGO/embassy/pooled fund did not send complete or accurate contact information for CSOs, those organisations would have been excluded from the population.
- A significant number of organisations did not know which mechanism they received their funding from, meaning that some respondents answered the wrong questions. This meant that a number of responses had to be deleted, which reduced the overall response rate of the survey.

Some of the responses from the Nepalese CSOs are provided below.

To what extent to you agree or disagree with the following statements?

	Strongly disagree	Disagree	Disagree	Neither agree or Disagree	Agree	Strongly agree	Rating average
1. The application process is clear and transparent							
Embassy/Danida/HUGOU					36%	55%	4.60
Danish NGO support				13%	47%	40%	4.27
2. The funding requirements are easy to meet							
Embassy/Danida/HUGOU				9%	36%	55%	4.45
Danish NGO support		7%	20%	53%	20%		3.87
3. The funding requirements are ea	asy to m	eet					
Embassy/Danida/HUGOU					55%	45%	4.45
Danish NGO support			20%	67%	13%		3.93
4. The funding is flexible							
Embassy/Danida/HUGOU				18%	36%	46%	4.27
Danish NGO support		14%	14%	43%	29%		3.86
5. The funding is provided in a timely fashion							
Embassy/Danida/HUGOU				10%	10%	80%	4.70
Danish NGO support		7%	7%	53%	33%		4.13
6. We feel able to influence decisio	ns						
Embassy/Danida/HUGOU				36%	27%	36%	4.00
Danish NGO support		7%	21%	64%	7%		3.71

To what extent has the funding supported your organisation to build capacity?

	Danish NGO Support	HUGOU/ Embassy Support
Capacity building generally		
Average rating out of 5	3.93	4.45
% Respondents replying very supportive	29%	64%
% Respondents replying supportive	35%	27%
% Respondents replying average to not supportive at all	36%	9%
Internal systems e.g. finance, HR		
Average rating out of 5	3.33	3.60
% Respondents replying very supportive	20%	<i>30%</i>
% Respondents replying supportive	20%	30%
% Respondent replying average to not supportive at all	60%	40%
Leadership and governance		
Average rating out of 5	3.73	4.20
% Respondents replying very supportive	33%	<i>50%</i>
% Respondents replying supportive	20%	30%
% Respondents replying average to not supportive at all	37%	20%
M&E		
Average rating out of 5	3.73	4.40
% Respondents replying very supportive	33%	70%
% Respondents replying supportive	47%	
% Respondents replying average to not supportive at all	20%	10%
Development of mechanisms that support accountability to groups	the poor &	excluded
Average rating out of 5	4.07	4.50
% Respondents replying very supportive	40%	50%
% Respondents replying supportive	40%	50%
% Respondents replying average to not supportive at all	20%	0%
Technical skills and expertise	2070	070
Average rating out of 5	3.87	3.82
% Respondents replying very supportive	27%	36%
% Respondents replying supportive	40%	27%
% Respondents replying average to not supportive at all	33%	27%
Organisational sustainability		
Average rating out of 5	3.43	3.20
% Respondents replying very supportive	14%	10%
% Respondents replying supportive	29%	40%

% Respondents replying average to not supportive at all	57%	50%
Learning and sharing with peers		
Average rating out of 5	4.07	3.80
% Respondents replying very supportive	40%	<i>50%</i>
% Respondents replying supportive	33%	0%
% Respondents replying average to not supportive at all	27%	50%

To what extent has the funding supported your organisation to improve its advocacy?

	Danish NGO Sup- port	HUGOU/ Embassy Support
Advocacy combined		
Average rating out of 5	3.64	4.18
% Respondents replying very supportive	18%	43%
% Respondents replying supportive	32%	34%
% Respondents replying average to not supportive at all	50%	23%
Increased engagement with and influence on local governmen	nt	
Average rating out of 5	3.67	4.00
% Respondents replying very supportive	27%	50%
% Respondents replying supportive	33%	10%
% Respondents replying average to not supportive at all	40%	40%
Increased profile and influence at a national level		
Average rating out of 5	3.29	3.90
% Respondents replying very supportive	7%	20%
% Respondents replying supportive	36%	60%
% Respondents replying average to not supportive at all	57%	20%
Increased support for action by poor and excluded groups		
Average rating out of 5	3.60	4.36
% Respondents replying very supportive	20%	55%
% Respondents replying supportive	27%	27%
% Respondents replying average to not supportive at all	53%	18%
Raising awareness of an issue		
Average rating out of 5	4.00	4.45
% Respondents replying very supportive	27%	46%
% Respondents replying supportive	53%	54%
% Respondents replying average to not supportive at all	20%	0%

To what extent have you been supported to improve your ability to participate in networks and alliances?

	Danish NGO Sup- port	HUGOU/ Embassy Support
Alliances combined		
Average rating out of 5	3.17	3.08
% Respondents replying very supportive	10%	15%
% Respondents replying supportive	38%	25%
% Respondent replying average to not supportive at all	52%	60%
Alliances with other CSOs – local or national level		
Average rating out of 5	3.80	2.64
% Respondents replying very supportive	20%	36%
% Respondents replying supportive	53%	28%
% Respondent replying average to not supportive at all	27%	36%
Alliances with other actors e.g. universities, private sector		
Average rating out of 5	2.62	2.70
% Respondents replying very supportive	0%	0%
% Respondents replying supportive	23%	20%
% Respondent replying average to not supportive at all	77%	80%
Regional and international alliances and networks		
Average rating out of 5	3.08	2.91
% Respondents replying very supportive	8%	9%
% Respondents replying supportive	29%	27%
% Respondent replying average to not supportive at all	53%	64%

Annex 7: Denmark's Modalities for Supporting Civil Society in Nepal

