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EVALUATION OF DANISH-NEPALESE DEVELOPMENT COOPERATION 1991-2016

Synthesis Report

EVALUATION

September 2017

Evaluation of Danish-Nepalese Development Cooperation 1991-2016

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Contents

The following annexes to the Evaluation Report can be downloaded as separate PDF files from evaluation.um.dk.

List of Abbreviations

AEPC	Alternative Energy Promotion Centre
AQMS	Air-quality management system
BID	Balaju Industrial District
BPEP	Basic and Primary Education Programme
CAC	Citizen Awareness Centre
CBD	Convention on Biological Diversity
CBO	Community-based organisation
CCT	Cross-cutting theme
CDG	Community Development Group
CeLRRd	Centre for Legal Research and Resource Development
CFUG	Community Forest User Group
CIAA	Commission for Investigation of Abuse of Authority
CPA	Comprehensive Peace Agreement
CPSL	Central Police Science Laboratory
CREF	Central Renewable Energy Fund
CSO	Civil society organisation
DASU	Decentralisation Advisory Support Unit
DDC	District Development Council
DKK	Danish Crown/Krone
DoE	Department of Education
DQ	Design quality
DTM	Department of Transport Management
ECED	Early Childhood Education and Development
ECN	Election Commission of Nepal
EFAP	Education for All Programme
EPSO	Education Programme Support Office
ER-PIN	Emission Reduction Programme Idea Note
ESAP	Energy Sector Assistance Programme
ESPS	Environment Sector Programme Support
EQ	Evaluation question
EQK	Earthquake
EV	Electric vehicle
FECOFUN	Federation of Community Forestry Users, Nepal

FY	Fiscal Year
GDP	Gross domestic product
GESI	Gender equity and social inclusion
GHG	Greenhouse gas
HGD	Human rights, good governance and decentralisation
HID	Hetauda Industrial District
HRBA	Human rights-based approach
HUGOU	Human Rights and Good Governance Advisory Unit
IEM	Institute of Environmental Management
ICIMOD	International Centre for Integrated Mountain Development
ICJ	International Commission of Jurists
ICS	Improved cooking stove
ICTJ	International Center for Transitional Justice
IDPP	Industrial Development Perspective Plan
IEM	Institute of Environmental Management
IEP	Integrated Environmental Programme
IGP	(Unnati) Inclusive Growth Programme
INSEC	Informal Sector Service Centre
IREF	Interim Rural Energy Fund
ISO	International Standards Organisation
IUCN	International Union for Conservation of Nature
JFA	Joint Financing Arrangement
JOMPOPS	Joint Mechanism for Political Party Support
LB	Local Body (any sub-national government unit)
LGCDP	Local Governance and Community Development Programme
MDG	Millennium Development Goal
MFA	Ministry for Foreign Affairs
MoFALD	Ministry of Federal Affairs and Local Development
MoFSC	Ministry of Forestry and Soil Conservation
MoICS	Ministry of Industry, Commerce and Supplies
MoLTM	Ministry of Labour and Transport Management
MoLJCAPA	Ministry of Law, Justice, Constituent Assembly and Parliamentary Affairs
MoPE	Ministry of Population and Environment
MSME	Micro, small and medium-sized enterprise
NARMSAP	Natural Resource Management Sector Assistance Programme
NCPC	National cleaner production centre

NDC	Nationally Determined Contribution
NDDB	National Dairy Development Board
NEEP	Nepal Energy Efficiency Programme
NEPAP	Nepal Environmental Policy and Action Plan
NER	Net enrolment rate
NGO	Non-governmental organisation
NHRC	National Human Rights Commission
NPR	Nepalese Rupee
NPTF	Nepal Peace Trust Fund
NRREP	National Rural and Renewable Energy Programme
NTFP	Non-timber forest product
OAG	Office of the Attorney General
ODA	Official Development Assistance
OHS	Occupational health and safety
PAC	'Palace coup'
PES	Payment for ecosystem services
PM10	Particulate matter with a diameter of 10 μm or less
PV	Photovoltaic
REDD	Reducing (GHG) emissions by reducing deforestation and (forest) degradation
REF	Rural Energy Fund
RET	Renewable energy technology
RFTC	Regional Forestry Training Centre
RNR	Renewable natural resource
RoLHR	Strengthening the Rule of Law and Human Rights Protection System in Nepal (the 'Rule of Law' programme)
RSC	Regional Service Centre
SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goal
SEAM-N	Strengthening of Environmental Administration and Management in Nepal
SDAN	Sustainable Development Agenda for Nepal
SESP	Secondary Education Support Programme
SHS	Solar home system
SMP	Skimmed milk powder
SSRP	School Sector Reform Plan
STRAM	*Samlet Tilskudsramme* ('overall grants framework')
SWAp	Sector-wide approach programme

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ToR	Terms of Reference
UNCCD	United Nations Convention to Combat Desertification
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
Unnati	'prosperous' in Nepali
UPR	Universal Periodic Review (of human rights performance)
USD	United States Dollar
VAT	Value-added tax
VDC	Village Development Council
WCF	Ward Citizen Forum
Wp	Peak Watt
WWF	World Wildlife Fund/World Wide Fund (for Nature)
WWTP	Waste-water treatment plant

Currency exchange rates:

DKK, Danish Krone = EUR 0.13 on 24 August 2017
EUR 1 = NPR 118.67 on 24 August 2017
USD 1.00 = EUR 0.85 on 24 August 2017

Acknowledgements

Executive Summary

Content and methods

Content of the report
This is the Final Report of the Evaluation of Danish-Nepalese Development Cooperation, 1991-2016. Chapter 1 introduces the evaluation and its methods, and the cooperation context. Chapter 2 describes the main themes of Danida's support, for peace, rights and governance (PRG), education, renewable energy, the urban and industrial environment, and renewable natural resource (RNR) management. It also summarises dairy sector support and the Unnati Inclusive Growth Programme (IGP), as well as the Local Grant Authority, business partnership and research modalities. Chapter 3 presents findings on the contributions of Danida's investments, and Chapter 4 provides conclusions, lessons learned, and recommendations.

Methods of the evaluation
Multiple sources of information were used, including evidence from the documentary record, and interviews with 193 individual informants and 123 members of beneficiary groups, allowing for three main analyses of the interventions: (a) of their design, based on their theories of change and underlying assumptions; (b) of their performance, using OECD/DAC and other evaluation criteria; and (c) of their contributions, using narratives, scores and interviews. Triangulation of findings yielded answers to the 12 evaluation questions (EQs) that were framed in the Terms of Reference and Inception Report.

Answers to evaluation questions 1 & 2

Main contributions to peace, rights and governance
- Peace building, by supporting the demobilisation of former combatants, and participatory development of the 2015 Constitution.

- Democracy, by supporting voter registration, voter education and inclusive participation by all genders and groups, civil society strengthening, and encouraging a free press.

- Decentralisation, by promoting autonomy for Local Bodies, fiscal decentralisation, and performance-based management.

- Inclusion, through new legal protections for Dalits and indigenous peoples, and measures to ensure their equal access to education and other opportunities.

- Human rights, by helping detainees, poor and marginalised people gain access to justice, abolishing bonded labour, and supporting the National Human Rights Commission (NHRC).

- Tax reform, notably through the introduction of value-added tax (VAT) as government's single largest and most reliable source of revenue.

- These contributions are most relevant to Sustainable Development Goal (SDG) 5 on gender equity, SDG 10 on inequality, and SDG 16 on peaceful and inclusive societies.

Main contributions to education
- The inclusion of girls, disabled and pupils from disadvantaged communities.

- Development of the education system as a whole, including in planning, decision making, financial management, data collection, and assessment of student learning, yielding improvements in proxy indicators of quality such as reduced drop-out rates, better pupil-teacher ratios, increased numbers of trained teachers, reduced repetition rates, increased survival rates, and greater commitment among District Education Officers to monitoring learning outcomes.

- Encouraging improvements in knowledge management and evidence-based decision making, and building a culture of research and innovation across the education system.

- These contributions are most relevant to SDG 4 on education, and SDG 5 on gender equity.

Main contributions to renewable energy
- Energy access in rural areas, and reductions in fuelwood consumption and the drudgery and isolation of rural life.

- Strengthening the institutional, policy and financial systems needed to sustain the spread of renewable energy technologies and develop a renewable energy private sector in a holistic, coordinated and sector-wide way.

- These contributions are most relevant to SDG 3 on health & well-being, SDG 7 on sustainable energy, SDG 8 on sustainable growth, and SDG 13 on climate change.

Main contributions to the urban/industrial environment
- There were strong validation of ideas and convincing demonstrations of how businesses can adopt clean technology and energy efficiency standards effectively and sustainably, while also creating important legacy effects for environmental awareness, environmental regulation, and attention to air quality in the Kathmandu Valley.

- These contributions are most relevant to SDG 9 on sustainable industrialisation, SDG 11 on sustainable settlements, SDG 12 on sustainable production, and SDG 13 on climate change.

Main contributions to renewable natural resources management
- There was strong consolidation and replication of the community forestry and catchment conservation model in partnership with government, and Danida's departure from the sector in 2005 did not stop the growth of the Community Forestry User Group (CFUG) system in the mid-hills that helped to ensure decentralised, participatory and inclusive democracy, and that has made Nepal one of the very few countries that have reversed net deforestation.

- These contributions are most relevant to SDG 13 on climate change, and SDG 15 on terrestrial ecosystems.

Major contributions to dairy development
- Planning, capacity-building and technology transfer had been supported since the 1970s, and despite Danida's withdrawal in 2002, there are important legacy effects in the public and private-sector dairy processing industries, including dairy cooperatives that still involve 95% of producers, and in effects such as clean milk production and the institutions that safeguard it through supervision and training.

- These contributions are most relevant to SDG 2 on sustainable nutrition, and SDG 8 on sustainable growth.

Answers to other evaluation questions

Responding to changing needs, policies and opportunities (EQ 3)
Cooperation responded to evolving Nepalese, Danish and global preoccupations and priorities, which are placed on a timeline from 1989. In Nepal they included Danida's reactions to the 1990 restoration of multiparty democracy by promoting democratic practices, the 1996 Maoist insurrection by promoting human rights, the 2005 Palace Coup by suspending some programmes and cancelling others, the 2006 restoration of democracy and Comprehensive Peace Agreement (CPA) by promoting peace-building and implementation of the CPA, the 2005 Paris Declaration on Aid Effectiveness and 2005 EU Consensus on Development by promoting sector-wide approaches, and the post-2006 Nepalese decision to prepare a new constitution by promoting participatory constitution building and good, decentralised governance. All had visible and sustained effects in the records of Danida's interventions in Nepal.

Main contributions to enhancing human rights (EQ 4)
- In the PRG theme, including work with partners to support the mediation of disputes over land, to promote the rights of women and marginalised groups, to coordinate donor activities, to help detainees, poor and marginalised people gain access to justice, and to abolish bonded labour.

- In the education theme, through improving access to education in remote and marginalised areas of the country and for girls, disabled and marginalised groups, and through links that enhanced the position of groups who by becoming literate were able to empower themselves further.

Main contributions to promoting good governance (EQ 5)
- In the PRG theme, especially Phases I and II of the Local Government and Community Development Programme (LGCDP), including the Ward Citizen Forums, Citizen Awareness Centres and Local Governance Accountability Facility, the Election Commission, and NGOs that promoted participation among marginalised groups.

- In the education theme, through decentralised school and district planning, education awareness campaigns, and capacity building at all levels.

- In the renewable energy theme, through a Compliance Unit that devised procedures for procurement, monitoring and financial management, and capacity building among Regional Service Centres and community renewable energy user groups.

- In the RNR management theme, through the CFUGs as participatory democratic structures that persisted for 20 years between elections, and the District Forest Coordination Committees.

Likely sustainability of the Danida interventions (EQ 6)

- Documentary evidence indicating at least moderate sustainability was found for many cooperation activities, but from additional interview evidence it was clear that sustainability was likely to be particularly high in the following areas:

- In the PRG theme, for the NHRC and Election Commission, Phase II of the LGCDP, the Rule of Law Programme (RoLHR), most partner NGOs, support to value-added tax, and the whole system of governance based on the 2015 Constitution and 2017 local elections.

- In the education theme, for numerous changes and policies adopted by government, including multi-grade teaching, multilingual education, online applications for scholarships, and efforts to promote educational equity.

- In the renewable energy theme, for hydro-electricity schemes to be integrated with the national grid.

- In the urban/industrial environment theme, for legacies such as compliance with ISO 14001 where environmental management regulations exist.

- In the RNR management theme, for legacies that include the CFUGs and the whole community forestry approach.

- In the dairy sector theme, for the parastatal institutions and many dairy plants.

Overcoming difficulties (EQs 7 & 11)

Few significant difficulties were detected. In the PRG theme, Danida and other donors ended their support to the National Peace Trust Fund in 2015 over differences on its compliance with international standards on treating the victims of conflict and human rights violations. In the renewable energy theme, tensions arose around corruption investigations by the Compliance Unit and management difficulties in the exit phase since 2016. In the urban/industrial environment theme, one component was poorly designed and impacted other components. In the RNR management theme, there was a lack of government interest in certain technical aspects, differences of opinion over the type of inputs required for institutional strengthening, and the 1996-2006 insurgency affected government's participation in field work. In the dairy theme, political interference led Danida to withdraw from the sector. In general, problems were worked around, adapted to, or settled amicably, the major exceptions being the decision in 2005 to abort the agreed Integrated Environmental Programme (IEP), which affected stakeholders across the environment and RNR management sectors, and the decision in 2015 to leave Nepal as a bilateral donor entirely, which affected numerous participants and beneficiaries.

Lessons learned (EQ 8)

Danida's experiences in Nepal offer lessons on how to promote cleaner production and improve urban air quality, and on the value of managing living systems in ways that take into account both community interests and ecological realities. They also offer lessons on how to address the following generic issues:

- **Transition planning.** In navigating change, whether between modalities or in closing a programme, planners should: (a) identify systems that depend on previous arrangements and consider how to mitigate impact upon them; (b) anticipate the impact of their own plans on other actors, and given them fair warning; (c) respect the views of other actors; (d) make changes as slowly as possible and against a clear timetable with milestones; and (e) consider, and if possible specify, exit strategies during programme preparation, perhaps also foreseeing the need for specific expertise on exit planning.

- **Joint-funding arrangements.** In entering a basket or revolving credit fund, planners should ensure: (a) that it is jointly designed by all participants; (b) that expectations are clear on all sides; (c) that there are clear procedures for dealing with the misuse of funds; and (d) that it is clear how disengagement can be accomplished fairly and legally.

- **Improving complex systems.** Planners should anticipate: (a) slow progress in which durable change comes from understanding, persistence, adaptability, and consistently investing in institutional development; (b) a need to invest in managing knowledge; (c) a need to understand and use all partners' unique skills and interests; (d) a need for checks and balances against political interference and personal tensions; and (e) the potential need for special arrangements (e.g. autonomous advisory or compliance units) to allow for work to be done in places or subjects that are socially or politically sensitive.

- **Coping with conflict.** Planners should: (a) recognise when a conflict is 'solution ready', based on understanding its causes, sources of support for each party to it (and their capacity to intervene), and the state of willingness to settle it; (b) accept that minimising harm may be the best available option before conflicts are solution ready; and (b) ensure that post-conflict settlement processes are allowed enough time and resources to permit everyone to participate fully and to their own satisfaction.

- **Spending fast and well.** Occasionally a new component is offered to a programme to accommodate additional funds that 'have to be spent quickly', but managers should insist that the addition is justified against pre-approved but unfunded elements of the programme itself (such as education or climate proofing), or else allocated only to low-risk, high-benefit, 'no-regrets' actions that do not threaten the integrity of the programme and that improve its context, impact or sustainability (such as climate change mitigation and/or adaptation).

Main contributions to improving life for the disadvantaged (EQ 9)
- In the PRG theme, including through activism by the Dalit organisations, the 'social families' approach (Annex G.4), legal aid and access to justice, police training, and gender targeting on access to justice, media, and rights.

- In the education theme, through better services in remote areas, access and facilities for disabled people, girls and minorities, affirmative action on scholarships, hostels and training for women and disadvantaged groups, and mainstreaming key strategies increasing access, participation and equity.

- In the renewable energy theme, through benefits to women and children from improved cooking stoves and biogas, reduced drudgery and cleaner air indoors, and specific gender equity and social inclusion (GESI) mainstreaming efforts.

Coordination among partners (EQ 10)
Records and interviews confirmed good levels of coordination among donors and government in the LGCDP, education and renewable energy programmes (albeit compromised during the processes of Danida withdrawal), and in specific areas such as support for the NHRC, Election Commission and other rights-based commissions (e.g. on Dalit, women), the Rule of Law Programme, and on strategic activities such as the Universal Periodic Review on human rights.

Danish added value (EQ 12)
Sources suggest various Danish special interests (e.g. in GESI and justice), notable characteristics (e.g. of moderation, neutrality and reliability), preferences (e.g. for partnerships and progressive change), and areas in which Danish leadership was exerted (e.g. on decentralisation, education, elections, human rights, and environment). The evidence suggests that, of all the individual donors with which Nepal might have had a long-term relationship, Danida was among the best suited to its particular needs for intimate, non-judgemental, long-term encouragement while it worked out how to solve its own problems in its own way.

Other findings, and recommendations

Design quality and performance
Evidence-based scores for design quality and eight performance criteria were given to 43 intervention components. These data showed: (a) that design and performance are strongly correlated, confirming that it is feasible through better design to improve aid performance per unit cost to the public; (b) that the interventions were designed to a high standard; (c) that the interventions performed to a high standard; (d) that among the five main themes, the best performers were the 2003-2018 PRG and 1992-2012 education interventions; and (e) that the cooperation activities as a whole scored particularly strongly for relevance and effectiveness. Thus, the interventions were on average and with few exceptions well designed, well-targeted, and very effective. These findings were confirmed and explored in greater detail through the contribution analysis.

Unfortunate decisions
Aborting the IEP in 2005 had two main consequences. It left unfulfilled the need to prevent the deterioration of environmental and particularly air quality in the Kathmandu Valley (now some of the worst in the world). And it left unresolved both the harmonisation of the roles of CFUGs and Community Development Groups (CDGs) in local development, and the consolidation of the CDGs, which would otherwise have supported implementation of the 2015 Constitution. To be added could be the abrupt and ill-timed departure from the education sector, and latterly from the cooperation programme with Nepal itself. In a 25-year engagement with a complex and changing

country, however, such errors may be admissible even though lessons should be learned from them.

Nepal's journey from fatalism to freedom

An anthropological view is that in the 1980s the prevailing attitude in Nepal was one of fatalism: a feeling that destiny is determined by birth, class, caste, gender, disability, or some other accidental, natural, social or supernatural factor, over which no control is possible. Milestones on a path away from this attitude included the 1989-1991 People's Movement and restoration of democracy, which was repeated in 2006 after the 1996-2006 insurrection, and thereafter through the 2008 election of a Constituent Assembly, the 2015 agreement of a new national constitution, and the 2017 elections for leadership of the 744 Local Bodies that are now responsible for significant budgets under the supervision of local people. Accountable local power inevitably undermines fatalism, since it allows people to do meaningful things on their own behalf. All of Danida's interventions in Nepal since 1991 consistently encouraged this outcome, although it should be stressed that the process itself was essentially a Nepalese one.

Recommendations

- **Compare and learn from closing country partnerships.** Final evaluations at national partnership scale are rare learning opportunities, and studies might look for broad patterns of design quality and performance against relevance, impact, sustainability and replicability criteria, trends over time, consistent influences of Danida's policies and global events, effectiveness of various aid modalities and exit strategies, and conclusions on what worked and what did not, and why.

- **Engage with regional initiatives that build on legacies of previous cooperation.** In this case a change from 'bilateral' to 'regional' thinking would allow Nepal's own ecological and social features to be seen as parts of a single Himalayan system, connected internally and externally by flows of water, wildlife, weather, ideas and economic transactions, and within which cooperation among all peoples and attention to all localities is essential to address common challenges such as climate change.

- **Use Nepal's experience to explore conflict and solutions to it.** Conflicts between peoples, nations and classes are likely to proliferate, requiring the development of skills to understand, calm and resolve conflicts, and to assist in the consolidation of settlements to restore lasting peace. These are hard tasks, and Danida would need to study the experience of many actors, alongside the root causes of conflict, in order to obtain both a predictive understanding of conflict and a menu of options that can be adapted effectively to particular circumstances.

- **Build on Denmark's reputation and preferences for promoting 'soft' values.** Many valuable outcomes can be traced to Danida's role in defending the rights of the voiceless and powerless through attention to marginalised groups, gender equity, education, and dialogue-based and non-imposed collaboration. By remembering too that future generations, non-human species and ecosystems are also 'voiceless and powerless', as well as essential, Danida can defend its long-term stance on promoting these values.

1 Introduction

1.1 Scope and purpose

This is the Final Report of the Evaluation of Danish-Nepalese Development Cooperation, 1991-2016, a study done according to Terms of Reference (ToR) reproduced in Annex A. It builds on work described in the Inception Report, Field Mission Aide-Mémoire and Preliminary Findings Report (Caldecott *et al.*, 2017a-c), and comprises four chapters:

- Chapter 1 introduces the evaluation and its methods, and the cooperation context;

- Chapter 2 describes Danida's support, as a whole and in terms of its main themes, and also the other projects and modalities that were used;

- Chapter 3 presents findings on the contributions of Danida's investments; and

- Chapter 4 presents an overview of conclusions, lessons learned, and recommendations.

The scope of the evaluation covered the years 1991-2016, and it therefore excludes the details of the exit phase that will bring to an end Denmark's bilateral aid relationship with Nepal in 2018. Issues arising from this are treated here only in so far as they are relevant to the sustainability and replicability of particular interventions, and lessons learned. Also to be noted is that the Unnati Inclusive Growth Programme (Unnati IGP), which began in 2014, was excluded from the evaluation by its ToR, although parts of the IGP approach are visible in the latter stages of the renewable energy programme, and are also relatable to the evolution of Danish development policy (see below). In this report, 'government' means the national Government of Nepal (formerly His Majesty's Government of Nepal) unless otherwise stated.

1.2 Methods

Meta-analysis
A meta-analysis assesses a documentary record using the criteria of objectivity, consistency, rigour, clarity, and completeness. In a long-range summative evaluation, the attribute of most interest is completeness, particularly among the documents that are needed to understand what was done, why, and with what consequences. The meta-analysis checked that the raw materials for the desk study were available, and identified gaps in coverage and how to fill them, such as by comparing records and interviewing eye-witnesses, or by using the reports of other donor agencies. Other observations – such as on the plausibility and utility of past performance assessments – were included where relevant.

Desk study
The desk study was used to prepare a description of the cooperation activities, documenting the timelines, volumes, themes and phases of the whole portfolio. It focused initially on the volume of aid flowing to the different themes and modalities, and then sought to document the context of cooperation, including the physical, political and economic events that occurred in Nepal, in Denmark and in some cases the rest of the world, where these were considered likely to have affected priorities and operations. These events are placed on a timeline in Annex B. The desk study then used key documents – contextual analyses, programme documents, completion reports and summative evaluations (or the summative parts of formative evaluations[1]) – to describe the various interventions themselves, and as sources of evidence for the design quality and performance analyses (see below).

Inception phase
The inception phase is when a project is thought through in practical detail, and the resulting inception report thus covers: methods of data collection and analysis (and preliminary analyses and findings to illustrate them); the uses to which the stories emerging from analysed data are to be put; the approach to be used in explaining the subject's relevance; any challenges that have been identified and ways to overcome them; the plan of work going forward; the contents list of the report that is expected to emerge; and supporting annexes. In this case, the eight evaluation questions (EQs) in the ToR were reviewed for clarity, utility, completeness, and in light of what other important questions could feasibly and usefully be answered from the material available. A further four EQs were proposed and accepted by the client, making 12 in total (see below).

Semi-structured interviews
Interviews are used to increase and verify understanding of events and their significance by obtaining insights and accounts from eye-witnesses and other knowledge holders, and to obtain and compare different points of view. They are described as semi-structured because although they were guided by a general protocol, the aim was to understand what happened and why as well as to elicit opinions about matters that the interviewee considered important to the general and specific lines of enquiry. This required a mixture of open-ended questions and specific requests for information adapted to the particular interview and interviewee, combined with an awareness of matters of interest to the evaluation as a whole, and the flexibility to take note of and follow-up on subjects arising that could not be predicted in advance. The list of interviewees and correspondents is given in Annex C.

Field work
Field work in Nepal between 16 May and 2 June 2017 was for direct observations and on-site interviews, mostly in the Kathmandu Valley but also through visits to Banke District in the south-western part of the country, and to Kavrepalanchok and Sindhuli Districts south-east of Kathmandu (see map in Annex D, which shows the 75 districts of Nepal).

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1   A summative evaluation, such as an end-of-project review, allows learning from a completed intervention; a formative evaluation, such as a mid-term review, is intended to shape an on-going intervention.

Design quality analysis

Design quality is considered high if there is evidence that an intervention was formulated based on a rational theory of change supported by plausible assumptions. A theory of change states what the designers hoped to achieve, why, and by what means. It depends on assumptions among the designers about cause and effect. These assumptions are often linked, and all contribute to the theory of change, so the plausibility of each must be assessed using evidence or reasonable inference. A chain is only as strong as its weakest link, so judgements on design quality depend on the defensibility of all the assumptions and also the links between them. All the main interventions were analysed by reconstructing the theory of change as far as possible from the documentary record. The assumptions that appeared to underlie each theory of change were also stated, and the plausibility of those assumptions and the strength of the logic linking one to another were assessed. An indicative score for design quality was derived from this process, mainly to draw attention to any consistent strengths and weaknesses, and to allow further testing of the hypothesis mentioned in the Inception Report that design quality is a predictor of later performance. All of the design quality analyses are presented in Annex E.

Performance analysis

An evaluation criterion is a point of view from which to look at an intervention, with each offering a way to obtain a different kind of information about it. Table 1 defines the criteria for assessing various aspects of performance, and explains what constitutes evidence to support judgements about performance (from Caldecott, 2017). All the main interventions were analysed in this way, amounting to a total of 48 components or small, single-themed programmes distributed among the five main themes, and interventions on the dairy sector and on the prevention of HIV/AIDS and care for those affected. Evidence on performance was mainly used to support answers to the Evaluation Questions that were framed in the ToR and Inception Report (Table 2). For eight of the 11 criteria it was possible to assemble enough meaningful evidence to support an indicative score for performance (noted as 'scored' in Table 1).

The scoring system used seven levels, from 7 (best) to 1 (worst). If the evidence suggested perfection then a score of 7 was awarded; if there were any doubts it was scored 6; and if the intervention was basically good but with some flaws it was scored 5. If the intervention had no merits at all then it was scored 1; if there were some possible merits, it was scored 2; and if it was basically weak but with some good points it was scored 3. The remaining score of 4 was used for those that were moderate in value and had good and bad points. Being supported by evidence, the scores for each criterion and each programme component are individually meaningful, but they can be added and averaged across components to yield mean scores for performance criteria, and for the performance of all the interventions. One purpose of using multiple evaluation criteria and evidence to support a judgement on each is to allow strengths and weaknesses to be identified so they can be further understood. In the case of a final evaluation, the main utility lies in learning lessons (an important part of the ToR in this case), but the overall component scores also shed light on the contribution analysis (see below). All of the performance analyses are presented in Annex F.

Table 1: Evaluation criteria, evidence for performance, and scoring approach.

Relevance (scored) is considered high if there is evidence that the intervention responded in a balanced way to the objective needs of the partners in their political, economic and ecological contexts, and also to the policies of all the partners. Where it is considered that needs diverge from policies, or that partners diverge in their policies, these cases will need to be explored and their influence on events fully explained.

Efficiency (scored) is considered high if there is evidence that the intervention contained measures that through elegance and accountability promote sound management and value for money, yielding confidence through counterfactual ('what if not') analysis that the same or better results are unlikely to be achieved through different means or with lower overall expenditure or with different rates of expenditure. In a long-range summative evaluation, of most interest from the point of view of efficiency are consistent patterns (e.g. in governance, capacity or relationships) that may have affected how interventions were managed.

Effectiveness (scored) is considered high if there is evidence that results contributed to achieving the intervention's specific purpose. Evidence for direct effectiveness may be quantitative or qualitative, depending on the subject of study. Evidence for indirect effectiveness includes information on side effects and expected or unexpected consequences. Reasons to expect this kind of intervention to be effective can also be based on other knowledge (e.g. similar kinds of intervention in the same country or other parts of the world), especially if reasons for consistent outcomes can be identified. In a long-range summative evaluation, of most interest from the point of view of effectiveness are consistent patterns (e.g. in governance, capacity or relationships) that may have affected whether results were obtained.

Impact (scored) is considered high if there is evidence that the intervention had effects that were wider and longer-term than its results, including strategic changes attributable directly or indirectly to the intervention, which may be more or less subtle, beneficial or sustainable in nature. Impacts might include changes in skills, education, relationships, institutions, legislation, and administration. Negative impacts should also be noted, and could include unintended economic externalities, perverse incentives, population movements, and ecological deterioration. Effectiveness, impact and sustainability are connected ideas, but respectively stress immediate (short-term), systemic (strategic), and transformational (irreversible) changes.

Sustainability (scored) is considered high if there is evidence that the intervention had effects that continued after it ended, due to induced changes: in policies, laws and regulations, systems and working practices, establishment of new forums, or creation of new permanent staff positions; to fiscal arrangements and budget allocations, or creation of thriving businesses with local participation in benefits; in trends in environmental deterioration and ecosystem restoration, or introduction of incentives and resource management systems that reward sustainable use of ecosystems; and in the introduction of new ideas, groups and activities that contributed to environmental or social protections.

Partner satisfaction is considered high if there is evidence that the intervention's partners were satisfied with its results. The existence of a partnership can be confirmed using records of activities (visits, joint workshops, reports, etc.) which show that goods and services are being exchanged, and may provide information about the terms on which this happens. The quality of the partnership then depends partly on the frequency and content of these exchanges, but mainly on the extent to which participants are enthusiastic about them, which can be assessed using interviews. An additional factor is that partnerships must adjust themselves to remain relevant to changing priorities on both sides, and require both sides to see enough mutual advantage to be willing to invest in overcoming challenges. This will be particularly relevant to considering the whole period of cooperation between Denmark and Nepal.

Danish added value describes the contribution to an intervention of knowledge, skills, approaches, priorities (including scale or duration of funding relative to competing priorities), and processes that are specifically Danish in nature. Such criteria are notoriously hard to apply, but it is fair to ask whether a donor can be distinguished in terms of cultural values that yield distinctive priorities, ways of relating to others, and performance attributes, and in technical competencies that are influenced by economic and educational activities in the home country. The line of enquiry has some explanatory power, but needs to be applied with caution.

Cross-cutting themes (CCTs) include human rights (i.e. as set out in the UN Charter and the Universal Declaration of Human Rights), good governance (i.e. stable, lawful, and effective governance maintained by accountability to an informed electorate), gender equity and social inclusion (GESI, i.e. ensuring due attention to groups who are disadvantaged because of landlessness, caste, poverty, ethnicity, gender, age, faith or other reasons), and environmental sustainability (maintaining the full integrity of ecosystems and hence their ability to nurture and protect human interests). These CCT themes are common to the different sectors and face the identical challenge of ensuring that they become part of standard institutional procedures (i.e. through 'mainstreaming'). The issue for evaluation is therefore to assess to what extent each of the CCTs has been mainstreamed within the intervention, and to identify possible barriers to respecting the CCTs that prevailed in the culture where the intervention occurred.

Coherence (scored) is considered high if there is evidence that an intervention has ways to promote synergy with, and to manage interference from, the plans and actions of other actors, including other donors and the impact of one donor's actions on another. There is often insufficient evidence to examine different aspects of coherence separately, and coordination arrangements such as forums for stakeholder dialogue are then used as a proxy.

Replicability (scored) is considered high if there is good reason to expect that the intervention will yield lessons that can be used to improve actions in the future or elsewhere, based on the expectation that previous choices, policies or planning approaches will be effective against new but similar challenges. Knowing that this has actually occurred would be strong evidence for high replicability.

Connectedness (scored) is considered high if there is evidence that the intervention was designed and implemented to anticipate and mitigate external factors and influences to which it may be vulnerable but over which it has little or no control, such as climate change, macroeconomic pressures, or civil discord.

Table 2: Evaluation questions framed in the ToR and Inception Report

Questions framed in the ToR
Q1. What are the key long-term changes achieved through the Danish-Nepalese partnership between 1991 and 2016?
Q2. What concrete development results in different sectors were achieved?
Q3. How has Danish assistance responded to changing needs, to policy reforms and to new opportunities in Nepal?
Q4. How has Danish assistance contributed to the enhancement of human rights, particularly in the period since the end of the armed conflict?
Q5. How effective has Danish assistance been in contributing to the development of good governance?

Q6. Are the changes arising from the cooperation programme likely to be sustained?

Q7. What notable difficulties arose in the Danish-Nepalese partnership and how were the challenges overcome?

Q8. What lessons can be learned from the partnership that may be relevant for Danish assistance elsewhere, for the Nepalese stakeholders and in terms of the sustainable development goals (SDGs)?

Questions framed in the Inception Report

Q9. How has Danish assistance contributed to improving the circumstances of those who are disadvantaged because of caste, gender, or other reasons?

Q10. How effectively have the various partners involved in Danish assistance or related activities coordinated their plans and actions?

Q11. How well has Danish assistance planned for and responded to the influence of macroeconomic, political and environmental externalities?

Q12. Are there consistent features of Danish support in the Nepalese context that imply knowledge, skills, approaches, priorities and processes that are specifically Danish in nature, or that would not have occurred without Danish involvement?

Contribution analysis

Of particular interest is the contribution that Danida made to changes recorded over time. This was approached by first describing 'before' and 'after' conditions for each intervention in each sector. Then triangulated information (on the quantity and focus of contributions by different donors relative to government investments, the insights of interviewees, the trajectory of change within Nepalese society, and the design quality and performance of Danida-funded activities) was used to form an impression of the degree of change that could be attributed to Danida. This was applied to all the main themes of cooperation, and at an aggregate level. It will be understood that such an analysis is at the edge of what is possible in evaluation work.

Case stories

The ToR required that six or seven case stories of Danish-Nepalese cooperation be developed for use in informing the Danish and Nepalese public about the results. In the event, 10 such stories were selected, based on their design quality, Danish added value, their performance (especially by the impact, sustainability and replicability criteria), or some other feature that made them worthy of particular attention and publicity. These stories are presented in Annex G.

Evaluation matrix

The 12 evaluation questions in Table 2 collectively highlight transformative outcomes, long-term achievements, responsiveness to changing needs, overcoming challenges, notable strengths and weaknesses, and lessons learned. The answers were composed by triangulating all information from all sources. Since Denmark's support covered a very broad range of activities, the main report summarises overall findings and conclusions, but empirical evidence for these is presented in Annexes E and F. This accords with the principle that every judgement on design quality (i.e. the theory of change and its underlying assumptions) or performance (i.e. the 11 criteria defined in Table 1), whether presented as a score or not, must be traceable to specific evidence. This also applies wherever possible to conclusions of a less specific nature, such as on errors, exit strategies

and contributions to complex developmental processes. A summation of the findings is presented in the form of an evaluation matrix in Annex H, where the answers are also related to the Sustainable Development Goals (SDGs). These were adopted by the UN in 2015 (although all are rooted in thinking and experience over previous decades, including the Millennium Development Goals), and are defined in Table 3 along with what are considered to be the most relevant Danida interventions in each case.

Table 3: The Sustainable Development Goals (SDGs) and Danida actions in Nepal

SDG	Description	Most relevant interventions
1	End poverty in all its forms everywhere.	All sectors.
2	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	Dairy sector, Unnati IGP.
3	Ensure healthy lives and promote well-being for all at all ages.	All sectors, with direct relevance in the renewable energy sector via indoor air quality.
4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Education sector.
5	Achieve gender equality and empower all women and girls.	Education, governance/human rights and community forestry sectors.
6	Ensure availability and sustainable management of water and sanitation for all.	Forestry sector through soil conservation and water catchment management, and renewable energy when used for powering water pumps.
7	Ensure access to affordable, reliable, sustainable and modern energy for all.	Renewable energy sector.
8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	Dairy and renewable energy sectors, Unnati IGP.
9	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.	Urban/industrial environment sector, Unnati IGP.
10	Reduce inequality within and among countries.	All sectors.
11	Make cities and human settlements inclusive, safe, resilient and sustainable,	Urban/industrial environment sector.
12	Ensure sustainable consumption and production patterns.	Urban/industrial environment sector, and Unnati IGP.
13	Take urgent action to combat climate change and its impacts.	Important enabling actions in the renewable energy (carbon accounting), urban/industrial environment (energy efficiency) and forestry sectors (REDD+).

SDG	Description	Most relevant interventions
14	Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	The forestry sector has indirect relevance through increased forest cover and reduced soil erosion into riverine and coastal systems.
15	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	Forestry and renewable energy sectors.
16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	Governance/human rights and community forestry sector.
17	Strengthen the means of implementation and revitalise the global partnership for sustainable development.	Notable Danida role in sector leadership, donor coordination and sector-wide approaches in line with the aid effectiveness agenda.

1.3   Cooperation context

National context

The following key phases and changes may have influenced decision-making in Nepal:

- 1991-1996: following the overthrow of the Panchayat system, the first trial of multi-party, parliamentary democracy.

- 1997-2005: following a breakdown in constitutional consensus, civil war and the palace coup of February 2005.

- 2006-2012: following the Comprehensive Peace Agreement (CPA), the second democracy, alongside donor-facilitated reconciliation and comprehensive governance reform.

- 2013-2016 and beyond: difficulties of consolidation and sustainability due to fundamental unresolved social issues. The earthquake in 2015 exposed the fragility of Nepal's progress in terms of poverty reduction.

In addition, in 1996-2005 there was a wholesale breakdown in social relationships, especially in the western and far-western regions, whereby all males 16-40 years of age were presumed to be absent – in the army, with the Maoist forces, or in foreign employment – and traditional social structures and forms of authority changed accordingly. The scarcity of young men continued after the insurgency, as migration for foreign employment increased, resulting in a sustained feminisation of agriculture and resource governance in rural areas. These changes reduced rural labour capacity during and after the insurgency, but also opened space for social participation and leadership by women at local level.

Danish context

The following key phases and changes may have influenced decision-making about Nepal in Denmark:

- 1991-1996: project-based bilateral programming in Nepal in the absence of a country strategy.

- 1997-2005: bilateral sector programming guided by a country strategy but constrained by civil unrest in Nepal.

- 2005-2006: facilitation of peace-building as the highest strategic priority in Nepal, guided by an 'Interim Strategic Framework' focused on democratic development, human rights and a peaceful resolution of the conflict.

- 2007-2012: sector-wide multi-bilateral programming influenced by the Paris Declaration and the European Consensus on Development.

- 2013-2016 and beyond: politicised rethinking of aid objectives, and the decision to disengage from the ODA community in Nepal.

The main features of Danish development policy are summarised in Table 4. It is hard to tell much from such high-level policy statements, but it will be noted that in the 1990s and early 2000s there was an emphasis on sustainability, participation, equity, and human development, while in the 2010s this had evolved towards freedom, opportunity, growth and accountability. These changes seem to be linked to changes in Danida's approach: from an emphasis on central planning and market-correcting subsidies administered and regulated by state and parastatal institutions (e.g. in the dairy, environment and renewable energy interventions), and on highly participatory ways of organising stakeholders (e.g. Community Forest User Groups, Community Development Groups, dairy co-operatives), towards a greater focus on private enterprise. If so, it would be consistent with a political trend among many donor countries over the same period, and the initiation of the Unnati IGP in 2014 would be its most recent expression. It might be added that public-sector Nepalese stakeholders (i.e. government, CSOs, NGOs and CBOs) seem to have resisted the change and remain enthusiastic participants in collective activities, even while an increasingly vigorous private sector is driving Nepal's GDP to new levels.

In addition, there was increasing concern in Denmark over human rights violations in Nepal during the 1996-2006 conflict, and the prevention of abuses and documentation of human rights cases gained prominence from 2001 among Danida-supported interventions. Danida and the embassy were active in promoting the human rights agenda as part of the policy dialogue, and at one stage embassy staff even helped to escort prominent human rights activists from the country. This contributed to Denmark's reputation for supporting human rights, but led to some adverse comment by government officials.

In October 2015, the Danish Ministry of Foreign Affairs informed the Nepalese Government of Denmark's decision to exit Nepal. This reflected the Danish government's wish to focus more on Africa, and Denmark decided to phase out its development assistance in several other countries at the same time. Thus, there was no particular emphasis on Nepal, but rather a geographical shift in Danida's priorities. As noted in Table 4, all Danida strategies have mentioned a focus on Africa, but this has historically allowed for

interventions in Latin America and Asia as well. After October 2015, the focus on Africa simply became much stronger.

Table 4: Danish development policies, 1990s-2010s

A Developing World: Strategy for Danish Development Policy Towards the Year 2000 (Danida, 1994).

Objectives	To foster economic growth while ensuring social progress and good governance. Three-pronged poverty reduction strategy: (a) Promotion of sustainable and socially balanced economic growth. (b) Development of the social sectors, including the promotion of education and health services as prerequisites to the development of human resources. (c) The promotion of popular participation in the development process, the development of a society based on the rule of law and good governance as prerequisites for stability and economic, social and political progress.
Goals	Developing and implementing the sector programme concept, moving development cooperation away from project assistance to Sector Programme Support (SPS).
Themes	Concentrating Danish assistance on 20 programme countries (down from 60) to increase effectiveness over a period of five years. Distributing Danish assistance approximately 60% to Africa, 30% to Asia, and 10% to Latin America. Intensifying cooperation with Danish business and industry in implementing development assistance.
CCTs	Gender, environment, human rights and democratisation.

Denmark's Development Policy Strategy: Partnership 2000 (Danida, 2000a).

Objectives	Poverty Reduction by promoting sustainable development through pro-poor growth: (a) Sustainable development through broad-based, pro-poor economic growth with equal participation by men and women. (b) Promoting human development through expansion of social sectors, including education and health. (c) Promoting democratisation and popular participation in the development process, the establishment of rule of law and good governance.
Goals	Long-term, realistic and strong partnerships with developing countries, with the aim of strengthening the ability of developing countries to create sustainable development processes that benefit the poor.
Themes	Concentrating on 20 programme countries and two to four sectors, with Africa as the priority. Emphasising quality of development assistance. Basing cooperation on country strategies informed by countries' national policies. Facilitating processes of national plan development and implementation through popular participation. Ensuring that development assistance is coordinated and coherent with national policies. Developing sector programme support. Promoting cooperation with international organisations for poverty reduction. Supporting regional institutions and initiatives. Supporting development of favourable conditions for a dynamic private sector. Supporting the development of active civil society. Promoting public understanding of the need for development cooperation. Supporting cultural cooperation to promote understanding and solidarity.
CCTs	Gender, environment, human rights and democratisation.

Strategy for Denmark's Development Cooperation 2010: Freedom from Poverty, Freedom to Change (Danida, 2010)

Objectives	Danish development policy will contribute to reducing poverty by promoting freedom and creating sustainable development. Fighting poverty is about giving each individual the opportunity and the ability to influence their own situation in life, politically, economically and socially.
Goals	Partnership for change, based on development need, relevance, impact and results.
Themes	Basing development engagement on partnerships with actors who can and wish to create change. Strengthening international cooperation on global challenges and the international division of labour. Strengthening the EU's role as an actor in development cooperation. Engaging primarily with partner countries, with Africa as the priority. Strengthening regional cooperation. Ensuring better results through more focused and effective development cooperation. Strengthening coherence between policy areas and instruments for the benefit of development.
Cross-cutting priorities	Guided by the Millennium Development Goals, with five political priorities: (a) Growth and employment. (b) Freedom, democracy and human rights. (c) Gender equality. (d) Stability and fragility. (e) Environment and climate.

Strategy for Denmark's Development Cooperation 2012: The Right to a Better Life (Danida, 2012)

Objectives	In accordance with the International Development Cooperation Act: (1) "to combat poverty and promote human rights, democracy, sustainable development, peace and stability in conformity with the United Nations Charter, the Universal Declaration of Human Rights, and United Nations conventions on human rights." (2) "contribute to advancing Denmark's interests in a more peaceful, stable and equal world. Denmark's development policy is thus a central and integral element in Danish foreign policy, where it is recognised that developing countries are not merely affected by development policy initiatives, but also by measures in other policy areas." (3) "pursued through partnerships with developing countries and within the framework of internationally recognised principles and goals for development cooperation, as well as principles for humanitarian aid."
Goals	To apply the Human Rights Based Approach to development.
Themes	Human rights and democracy. Green growth. Social progress. Stability and protection. A continued focus on Africa.
CCTs	Non-discrimination. Participation and inclusion. Transparency. Accountability.

Regional context

Nepal is a mountainous, landlocked country lying between China and India, two of the world's most culturally-influential and economically-powerful nations. Nepal has a substantial Tibetan minority displaced from China's annexation of Tibet, and many of its other people's participate in cultural systems that are Himalayan or specifically Tibetan in origin or influence. This has led to some tension with China, but Maoist influence in Nepal's government since the 2006 Comprehensive Peace Agreement (CPA) has imparted a pro-Chinese flavour to some aspects of international relations and China has become a major aid donor to Nepal. Set against this, the Terai in Nepal is largely populated by 'Madhesis' with close cultural ties to India, and any appearance that their

interests are being disfavoured in political negotiations tends to provoke a defensive reaction from India on their behalf – most recently a blockade against Nepal in 2015, linked to attempts to devise a new constitution. This had a real impact because India has become a massive trading partner of Nepal, both officially (largely in India's favour) and unofficially (more evenly balanced because of remittance payments), but it also strengthened Nepal's political and trade relations with China. As India and China have competed for influence within Nepal, and Nepal has sought advantages from both, both have become involved in large infrastructure investments, further contributing to the complex interplay of cultural, economic and political interests in the region, which also involve Western and donor interests.

Global context
The following key phases and changes may have influenced decision-making at the global level:

- 1991-2007: following the end of the Cold War, a deregulated, globalised, financial-ised phase of rapid economic growth and biosphere consumption.

- 2008-2012: following the global financial crisis, stagnation and patchy growth alongside recognition of climate change, ecosystem/water crises and mass extinc-tion as existential threats to human development.

- 2013-2016 and beyond: tensions between more or less nationalist, elitist, ecologi-cally informed, cooperative and equitable models of development.

Relevance in changing and interacting circumstances
Cooperation activities evolved as a product of interaction among changing Nepalese, regional, global and Danish preoccupations and priorities. Drivers of these changes are noted in the timeline in Annex B, and also in the answer to EQ 3 in the evaluation matrix in Annex H. Among the latter are Danida's responses to the 1990 restoration of multiparty democracy, the 1996 Maoist insurrection, the 2005 Palace Coup, the 2006 restoration of democracy and CPA, the 2005 Paris Declaration on Aid Effectiveness and the 2005 EU Consensus on Development, and the post-2006 Nepalese decision to prepare a new constitution. All had effects that are clearly visible in the records of Danida's interventions in Nepal summarised below and in Annex F.

2   Danida interventions

2.1   Overview of cooperation activities

Figure 1 provides an overview of aid disbursements from Denmark to Nepal in 1998 to 2016. The period before 1998 was characterised by a profusion of small projects, so 1998 marks the start of a much less fragmented phase of cooperation, when the first country strategy focused on concentrating development cooperation within three sectors. This was accomplished, although one sector programme was divided into two: for environment (1999 to 2004), and for renewable natural resource (RNR) management (1998 to 2004). A sector programme within education was developed, for basic and primary education (1998 to 2002) and secondary education (2003 to 2008), and the energy sector assistance programme (1999 to 2003) was extended to 2005. Thereafter, while the sector approach was important, it did not involve the human rights and good governance interventions which were very significant throughout.

Figure 1. Overview of annual disbursements 1998-2016
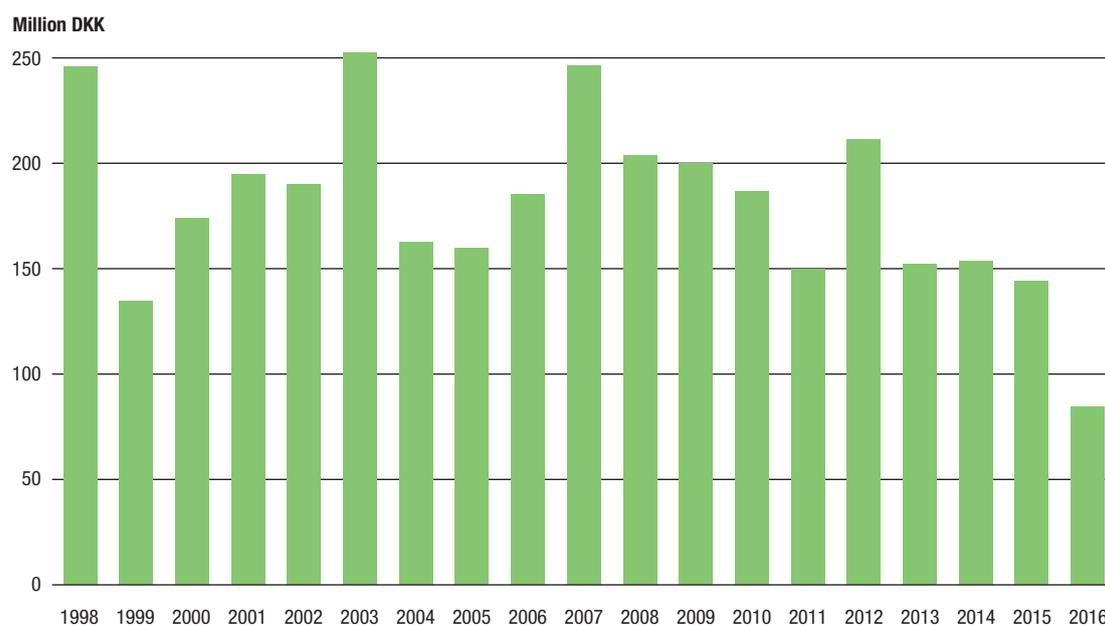
Source: MFA STRAM financial reporting system.

Disbursements in this period totalled almost DKK 3.5 billion, of which nine-tenths was bilateral assistance, about 5% was spent through NGOs, and about 5% was for various multilateral, research and humanitarian relief partnerships. The bilateral component was dominated by support in five main areas: peace, rights and governance (PRG), education, renewable energy; urban/industrial environment, and renewable natural resource (RNR) management (Table 5). A sixth item in Table 5 is support to the agricultural sector – a major and consistent priority of government in a country where three-quarters of livelihoods are based on farming – which started in the 1970s in the dairy sub-sector,

and continued from 2014 with the Unnati IGP. The latter reflected an increased focus on sustainable and inclusive economic development, and development of the private sector with a focus on agribusiness. These six areas together absorbed 86.3% of all programme expenditure and 94.2% of bilateral expenditure in 1998 to 2016. There was a shift in 2006, after the Comprehensive Peace Agreement (CPA in Table 5), and the major thematic programmes accounted for 80.1% of programme expenditure or 89.4% of bilateral expenditure in 1998 to 2006, but 92.3% and 98.8% respectively in 2007 to 2016. This pattern was only marginally altered in 2015 when DKK 20 million were diverted to earthquake response (EQK in Table 5).

Table 5: Expenditure on the six main themes of Danish-Nepalese development cooperation, 1998-2016

	Millions of Danish Crowns (Kroner, DKK) by year																		
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016[2]
1. Governance & human rights	25	23	27	33	30	23	17	39	36	74	30	70	59	57	87	58	58	55	35
2. Education sector support	102	46	42	42	28	123	73	65	108	121	110	85	70	62	110	18	1	2	0
3. Renewable energy	0	3	16	20	35	25	26	27	15	36	41	32	37	18	7	60	45	28	6
4. Urban/industrial environment	0	6	15	26	27	28	16	1	2	0	0	0	0	0	0	0	0	0	0
5. RNR management	8	17	31	36	34	28	20	8	0	0	0	0	0	0	0	0	0	0	0
6. Dairy (1998-02) & Unnati IGP (2014-8)	5	2	3	2	3	0	0	0	0	0	0	0	0	0	3	15	45	32	41
Total (1-6)	140	97	134	159	157	227	152	140	161	231	181	187	166	137	207	151	149	117	82
Whole programme	247	136	173	195	192	253	163	161	186	248	205	201	188	150	213	152	154	144	87
% (1-6) of the whole programme	56.7	71.3	77.5	81.5	81.8	89.7	93.3	87.0	86.6	93.2	88.3	93.0	88.3	91.3	97.2	99.3	96.8	81.3	94.3
Crisis events								PAC	CPA									EQK	

Source: MFA STRAM financial reporting system.

2   Provisional figures.

2.2   The five main themes

Each main theme comprised a sustained programme of investment, often using more than one modality, which evolved over time and made a cumulative contribution to a consistent aspect of Nepalese development. The interventions were designed to a rather high average standard, with mean design quality over all components being scored at 4.6, which in a seven-point scale is equivalent to 'strong'.

Theme 1: peace, rights and governance

This theme received Danish assistance from the very start of its development cooperation with Nepal in 1991, through a series of projects that supported the 1990 democratic revolution. Up to 1997 more than 40 projects aimed to consolidate the democratic processes of the time, through approaches that were later developed more fully: on awareness raising and media independence, decentralised governance, judicial reform, protection of legal, human and equal rights, and the holding of free and fair elections. Even though the idea of governance is an over-arching one, this theme is addressed as 'peace, rights and governance' because: (a) peace-building and human rights were such urgent priorities in the 1996 to 2009 period; (b) both are essential preconditions for good and decentralised governance; and (c) addressing them helped shape the future trajectory of governance in Nepal.

Theme 2: education sector reform and development

Education has been a key government priority since at least the 1970s, and public investment in education as a percentage of gross domestic product (GDP) increased from less than 2.9% in 1999 to over 4.7% in 2010 (CBS, 2012). With GDP rising at an annual average rate of 4.4% during this period, education received a significant increase in investment in absolute terms. More than 80% of the government's annual education budget goes to school education (grades 1-12). In addition, grants at District Development Council (DDC) and Village Development Council (VDC) level are allocated for supporting education, as well as significant support provided by parents and households. Danida supported education in Nepal in 1992 to 2013, by participating in a succession of government and multi-donor programmes with a high degree of underlying similarity and continuity. The first was the Basic and Primary Education Programme (BPEP) with two phases in 1992 to 2004; then came the Education for All Programme (EFAP) in 2004 to 2009, with an expansion into secondary schools through the Secondary Education Support Programme (SESP) in 2003 to 2009; and finally a support programme for the School Sector Reform Plan (SSRP) in 2009 to 2012. The SSRP continued after Danida's departure from the sector in 2013, and was succeeded by the on-going School Sector Development Plan (SSDP), 2016 to 2023.

In parallel, Denmark also supported the education sector through the global Education for All Fast Track Initiative, which later became the Global Partnership for Education (GPE), starting in 2004 but doubling its commitment to the GPE in 2010 to 2012 (Danida, 2015). This support for the GPE offered an alternative model for engagement with the education sector, even though multilateral approaches tend to promote investment in standard priorities (e.g. textbooks and teacher training) rather than in bilateral priorities that can be based more reliably on specific local needs (e.g. in the areas of gender, disabilities, minority groups and non-formal education). The multilateral approach being less demanding than a bilateral one, its convenience was presumably a factor in Danida's disengagement from the education sector.

The overall trajectory within Nepal's education sector was from fragmentary donor projects and partial coverage of parts of the school system towards a comprehensive Sector Wide Approach programme (SWAp) modality, which was largely attained through EFAP and continued under SSRP and SSDP. Under the influence of global dialogue that would shortly lead to the 2005 Paris Declaration on Aid Effectiveness, EFAP was set up as a national SWAp for the first time. It established a unified financing mechanism to channel donor support to an agreed core investment programme, while using a single set of monitoring, reporting, financial tracking instruments and procurement procedures. It had the three objectives of ensuring access and equity in primary education, enhancing quality and relevance of primary education, and improving efficiency and institutional capacity. Funding was for USD 629 million, contributed by the IDA, the UK, Denmark, Norway and Finland, with a government contribution of 82% (at least USD 110 million of it borrowed). A similar approach was taken in the support programme for the SSRP in 2009 to 2016, which used a basket fund to which nine 'pooling' donors contributed, with Danida being a main donor until 2012. Another five 'non-pooling' partners provided support outside of the SWAp but within the SSRP framework. The SSRP covered the entire school education sector as well as Early Childhood Education and Development (ECED) and non-formal education. It focussed on policy reforms on matters such as school restructuring, entitlement, quality improvement, social inclusion, assessment, the curriculum, teacher training, capacity building, governance, and financing. The SSRP's main innovation was a shift in emphasis from primary (grades 1-5) to basic education (grades 1-8), with the goal of universal access under a free and compulsory basic education policy.

Theme 3: rural and renewable energy
In Nepal, energy production takes three main forms: 'traditional' (fuel-wood, farm residue, and dung), 'commercial' (on-grid electricity, coal, and petroleum), and 'alternative' (i.e. renewable energy). Nepalese households have been and still are largely dependent on traditional energy sources, particularly fuel-wood (WECS, 2014). Decentralised off-grid service delivery using renewable energy, such as micro-hydro and solar power, is seen as having great potential in the rural areas, where only about 30% of households are grid connected, as against almost 90% of the urban population (Banerjee *et al.*, 2013). Enhanced electricity access is widely understood to help improve living conditions and reduce poverty, and renewable energy fits well with Nepal's development plans. The 2013 Three Year Plan aimed to improve rural living standards, increase employment and productivity, reduce dependency on traditional energy sources, and attain sustainable development by integrating alternative energy sources with the socioeconomic activities of rural communities. The 2016 Three Year Plan set targets for off-grid renewable energy. There are also various supportive policies regarding hydropower, rural energy and rural energy subsidies (e.g. the 2016 *Rural Energy Policy, Subsidy Policy for Renewable Energy,* and *Subsidy Delivery Mechanism for Renewable Energy*). Nepal endorsed the Sustainable Energy for All (SE4ALL) initiative by signing a Framework Agreement in September 2014, while also being committed to SDG 7 ("Ensure access to affordable, reliable, sustainable and modern energy for all.").

While electrification is increasing in line with these commitments, there is still a large deficit of access in rural areas. In addition, power-cuts due to load shedding from insufficient energy production are not yet things of the past. The Alternative Energy Promotion Centre (AEPC) was established in 1996 as a semi-autonomous institution within the Ministry of Population and Environment (MoPE). Its mandate includes policy and plan formulation, resource mobilisation, coordination, and quality assurance,

and programmes relating to micro/mini-hydro, improved water mills, solar energy, biogas, improved cooking stoves, wind energy and geothermal energy (Banerjee *et al.*, 2013). Its purpose is partly to promote commercially-viable renewable energy systems through private sector development, and its development has been inter-twined with Danida's role in the sector since 1999, with the first phase of the Energy Sector Assistance Programme (ESAP). The latter continued through ESAP II in 2007 to 2012, by which time a sector-wide National Rural and Renewable Energy Programme (NRREP) had been set up to merge all renewable energy projects and programmes. The aim of NRREP was to improve access to renewable energy technologies (RETs) among 1.5 million rural households, and to encourage and enable another 0.3 million to explore income-generating activities using new renewable energy sources. It had a joint assistance frame-work to accommodate multiple donor participants, and the total budget was estimated at DKK 1,004 million, of which DKK 397 million was to come through Danida as the lead donor. There was also a planned government contribution of 40%, and resources from the ADB, UK, EU, Germany, Norway, the Netherlands, UNDP, the UN Capital Development Fund (UNCDF), and the World Bank. Compared to ESAP I and II, NRREP was more comprehensive in supporting institutional strengthening, economic end uses of electricity, and GESI mainstreaming. The transition to NRREP was difficult, however, especially for AEPC management, since there was no transition from control by international advisors to full control by the AEPC (MREPDT, 2016).

Theme 4: urban/industrial environment support
The Eighth Five-year Plan (1992 to 1998) and Nepal Environmental Policy and Action Plan (NEPAP, 1993) stressed environmental management and awareness in the context of sustainable economic growth. Both were written in the early 1990s as drafts of the Rio Treaties (UNFCCC, CBD and UNCCD) and Agenda 21 were being developed. Ideas that were then being explored included the 'polluter pays' principle and its variant of 'user charges' (later developed into PES and REDD). These ideas were needed in Nepal, where serious pollution and low occupational health and safety (OHS) standards were the norm in industrial enterprise zones, and businesses were hostile to environmental issues and energy efficiency (Danida, 2005a, b). Likewise, air pollution was a serious problem in the Kathmandu Valley, with high concentrations of pollutants in the lower atmosphere leading to respiratory disorders, eye, throat, and skin problems, and cardiovascular diseases (Pradhan *et al.*, 2012). Policies like NEPAP and IDPP Vision 2020 called for action, but little was done until Danida designed Environment Sector Programme Support (ESPS) in the 1990s. Four components were planned (Danida, 1999) but a fifth on air quality was added later (Danida, 2000b), influenced by the emerging 2003 Sustainable Development Agenda for Nepal (SDAN). A similar course was followed by a sub-component on energy efficiency, which was added a year or so later.

Theme 5: renewable natural resources sector support
Danida's investments in renewable natural resource (RNR) management in the 1990s focused on soils and forests, which are linked through the idea of water catchment[3] management. Soils were at risk from cultivation and excessive grazing in hilly areas that are vulnerable to soil erosion, often made worse by competition between land users where land ownership was disputed. Solving this would need work by community

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3   A *water catchment* is an area where all incoming water flows to a common destination, bounded by a *watershed* which is a line of terrain from which water can flow elsewhere. The terms are often confused.

groups supported by technical advice and laws, and close cooperation between government and local people. Responsibility for implementing it lies with the Department of Soil Conservation and Watershed Management of the Ministry of Forest and Soil Conservation (MoFSC). The Nepal-Denmark Watershed Management Project (1996 to 2001) supported the approach in nine districts. Meanwhile, forests were at risk from over-harvesting of timber and fodder, fires, and clearance for farming. The underlying challenge here was friction between the ownership of forest lands by government and their use by people to sustain their own livelihoods. Government foresters claimed the right to manage forests, while people needed to use them, often in competition with one another as well as with foresters.

By the late 1970s the World Bank was predicting widespread desertification, and began working with government on the idea that forests could be safeguarded and improved if communities had the authority, knowledge and skills to control specific forest areas and use them exclusively and permanently in their own interests. Thus, community forestry was conceived as a way to reduce deforestation and improve people's livelihoods. It was endorsed by the government's *Master Plan for the Forest Sector* (1988), and in the early 1990s government adopted the concept of Community Forest User Groups (CFUGs) and started handing over patches of the national forest estate to them for management as Community Forests. A succession of laws and policies in 1995 to 2005 provided a firm legal basis for this, making handing over forests to CFUGs simpler, and recognising them as responsible for the management of their community forests according to an approved Operational Plan (OP). This was tested through the Nepal-Australia Community Forestry Project, and then replicated through the Danida-funded Community Forestry Training Project under a World Bank Hill Community Forestry Project (1989 to 1998), which established five Regional Forestry Training Centres. These efforts were concentrated in the 38 mid-hills districts, reflecting a preference by MoFSC's Department of Forests for areas where most forests were located and few donors were active in the community forestry sector.

There was also Danida's Tree Improvement Programme (TIP, 1992 to 1998), which was based on the idea that natural forests in Nepal were in decline, and were increasingly being handed over to local control as community forests, but communities lacked the knowledge and skills to manage them sustainably, and government foresters lacked the skills needed to advise them. At this point, the idea of cultivating trees (i.e. silviculture) joined that of maintaining their genetic diversity (i.e. preventing the loss of valuable species and cultivars), which are both necessary to sustainable outcomes but require a long-term strategy since trees grow and breed so slowly. Thus, the TIP focused on: establishing a basic seed supply and tree improvement programme for some of the most commonly-used species; formulating a seed procurement policy for use by government; and applying techniques of silviculture and selective breeding to selected species. Although technically oriented the TIP involved communities extensively, since it worked with what were being increasingly seen as their resources and their lands, but few benefits were obvious after only five years and it was decided that a longer project was needed.

The three Danida projects of the 1990s, on watershed management, community forestry training, and tree improvement, had established the basis for a Natural Resource Management Sector Assistance Programme (NARMSAP) in 1998 to 2005. Thus, NARMSAP inherited three strong Danida traditions of field work in Nepal, all with a strong community orientation but implemented with MoFSC. All three featured strongly in NARMSAP, through the Soil Conservation and Watershed Management Component (extended

to 20 districts), the two community forestry components (active in 38 districts), and the Tree Improvement and Silviculture Component. With two extensions, NARMSAP ran from February 1998 to mid-July 2005 (Danida, 2005c-h), and it received net disbursements of about DKK 181 million. An Integrated Environmental Programme (IEP) to carry forward NARMSAP, ESPS and renewable energy interventions was designed for implementation in 2005 to 2010 (Danida, 2004, 2005i). The IEP had been agreed with government but was suspended by Danida in response to the 2005 Palace Coup, and only renewable energy re-started in 2006; thus, environmental and forestry cooperation was brought to a premature end.

Theories of change and practical aims of Danida interventions
These are summarised in the following tables. Thus, Table 6 covers **peace, rights and governance,** and is based on material in Annexes E.1-E.6 and F.1-F.6; Table 7 covers **education sector reform and development,** and is based on material in Annexes E.7 and F.7; Table 8 covers the **rural and renewable energy,** and is based on material in Annexes E.8-E.9 and F.8-F.10; Table 9 covers the **urban/industrial environment sector (ESPS),** and is based on material in Annexes E.10 and F.11; and Table 10 covers the **renewable natural resources sector (NARMSAP),** and is based on material in Annexes E.11 and F.12.

Table 6: Design of the peace, rights & governance interventions, 1999-2017

Theory of change	Practical aims
Recent overview	
Peace, rights, justice, democracy and governance, 2014-2017. Peace was seen as requiring continued effort by government and civil society, to promote social cohesion, build trust, and address the root causes of the conflict at local level. The peace process is linked to democratic participation, which requires stronger democratic institutions including well-run, representative and competitive elections that are seen as legitimate by the Nepalese people. There was also a need for conflict transformation efforts by state institutions (as 'duty bearers') and civil society (as 'rights holders'), to foster a more collaborative, inclusive and responsive approach with a focus on the local levels, and to mainstream the HRBA principles of non-discrimination, participation, transparency, and accountability among all actors. Efforts on justice and rights had been narrowly focused on specific institutions and projects, with Danida having had an impact on strengthening prosecutorial and monitoring capacity at the OAG, modernising the police, the Universal Periodic Review of human rights reporting, justice sector reform targeting access by vulnerable women, in establishing a multi-donor basket fund on transitional justice, and for example through CeLRRd and the Advocacy Forum on community mediation, trafficking, reporting human rights violations and legal aid for victims. Opportunities were being seen to work with various partners to promote more systemic change in the justice sector, peace building, democracy, and human rights.	**Build necessary partnerships,** with the Supreme Court and the Ministry of Law, Justice, Constituent Assembly and Parliamentary Affairs (MoLJCAPA), with other donors through the Governance Facility and Nepal Peace Trust Fund, with the Election Commission, and with the National Human Rights Commission (NHRC), the Danish Institute for Human Rights, UNDP, and others. **Contribute to the peace process,** by supporting state and non-state actors, and fostering institutional capacity for building sustainable peace at national and local levels. **Contribute to human rights,** by strengthening the capacity of CSOs, the NHRC and communities to monitor and promote human rights, by providing increased access to community-based mediation among poor and marginalised people in accordance with international human rights standards, by improving the capacity of the justice sector to defend rights and constitutional guarantees, by enhancing the national legal aid system with revised policy, legal framework and more effective legal aid centres, and by improving the capacity of national human rights and government institutions to fulfil their mandates and treaty obligations in a coordinated way. **Promote democratic participation,** by enhancing the institutional capacity of the Election Commission as a basis for legitimate elections, and supporting Participatory Constitution Building.
Peace	
2006-2017. Social justice and economic security are preconditions for peace, and to be sustainable peace must meet the needs of many groups and interests, so a diverse approach is required that works on many levels in the spheres of politics, governance, rights and development.	The development objective varied slightly from phase to phase, but the second phase captures the content of all three, i.e. to 'contribute to building a peaceful, democratic, socially just and economically prosperous Nepal, through an inclusive peace process'. As such, it targeted numerous and diverse practical elements to do with: elections and the election timetable; the role and size of parliament; development of a new national constitution; anti-corruption and freedom of information efforts; donor coordination; the demobilisation process; truth, reconciliation and compensation processes; human rights promotion; and supporting the United Nations Mission in Nepal (UNMIN).

Theory of change	Practical aims
Rights	
Social inclusion, 1999-2003. Increased public awareness of Dalit human rights among the public at large and relevant agencies and CSOs including the media would increase equality of opportunity in practice for Dalit men and women in many places and circumstances, and reduce the frequency of human rights violations.	(a) Strengthen the Dalit NGO Federation and other groups as supportive organisations for Dalit interests. (b) Improve accessibility of legal support to Dalit women and men (the aim of sensitizing donors was added later).
Social inclusion, 2003-2008. With the spread of the insurgency to areas with many Dalit and low caste inhabitants, social exclusion became a major factor sustaining the conflict. It was necessary to create separate Dalit organisations because Dalits are grossly underrepresented in political organisational life (e.g. not a single Dalit was a member of the last elected parliament despite the fact that they comprise roughly a fifth of the population).	Enable Dalit women and men to promote their rights and interests through lobbying, advocacy and legal aid. National Dalit organisations were to be strengthened to implement their strategic plans to promote self-governing local organisations and to effectively link national and local campaigns for Dalit rights. The objective was: "Democratically functioning Dalit, Janajati and women's organisations effectively engaging in promotion of social inclusion and empowerment of these groups."
Rights, 2003-2008. The political and security situation after the 'Palace Coup' of 1 February 2005 posed a challenge to the role of CSOs in protecting and promoting human rights. Hence there was need for enhanced support and collaboration among human rights initiatives and organisations.	(a) Strengthen NHRC in the areas of human rights monitoring, documentation, analysis and dissemination, complaints handling, and networking, establishing regional and district offices, and staff training. (b) Promote human rights monitoring by NGOs and their alliances, including human rights situation monitoring, documentation and dissemination, assessment of legislation and policies, and research on specific issues. (c) Strengthen NGOs and CBOs by promoting institutional good governance within NGOs and their alliances, and promoting the capacity of human rights CSOs at local level to provide specific services, such as legal aid, counselling and community mediation, and safety and security for human rights defenders. (d) Advocate on human rights issues, including violence against women, caste-based discrimination, and promoting legislative and policy reform, human rights education and awareness, and peace. (e) Promote peace and conflict mitigation through education and awareness on constructive conflict transformation, developing local skills in community-level peace building and mediation, and awareness raising on human rights and humanitarian laws applicable in times of armed conflict, while encouraging all parties to observing those principles in the context of armed conflict.

Theory of change	Practical aims
Rights, 2009-2013. A deeply-embedded culture of impunity in Nepal, reinforced by the armed conflict and the close relationship between the Army and the political establishment, meant that four issues needed to be addressed: a very low level of human rights awareness, particularly at grassroots level and among public officials; an extremely inequitable distribution of land rights, with caste, gender and ethnicity being powerful determinants; lack of access to justice, particularly for vulnerable groups; and weak independence and capacity of the National Human Rights Commission (NHRC), with poor morale and weak links to civil society and OHCHR-Nepal.	(a) Oppose current human rights violations by helping state and non-state actors to monitor, report, raise awareness and campaign on human rights issues. (b) Address issues of access to land, security of tenure rights, and equitable distribution of land by helping state and non-state actors that work in these areas. (c) Promote access to justice through informal justice systems to compensate for weaknesses in the formal justice system, with particular emphasis on community-based mediation and a pilot programme on traditional dispute resolution. (d) Promote access to justice through by supporting legal aid and advice for the formal justice system regarding problems that mediation does not address. (e) Oppose impunity, including for past human rights violations, by supporting those who combat it and by promoting transitional justice.
Governance	
Democracy, 1999-2003. Free and fair elections are a key instrument of good governance, but the elections held in Nepal since the institution of multi-party parliamentary democracy in 1990 featured numerous irregularities and malpractices, with defective electoral rolls, poorly-trained electoral workers, and some biased officials. The state institution responsible for ensuring free and fair elections and reliable voter lists is the Election Commission, which required strengthening if it was to fulfil its mandate.	(a) Restructure the Election Commission's central office in Kathmandu. (b) Restructure the Election Commission's overall set-up through decentralisation to districts and appointment of District Election Officers. (c) Revise the system of voter registration and its establishment, including data gathering and processing. (d) Establish a planning unit for training in the Election Commission. (e) Train officials and others involved in the voter registration and elections, and public awareness raising.
Democracy, 2003-2008. From the evidence of many electoral observer reports, the four elections that had been held in Nepal since the institution of multi-party parliamentary democracy and until the start of the component in 1998, have suffered from a number of irregularities and malpractices. The electoral roll was defective. The electoral workers were not sufficiently well trained. Some officials did not act in an impartial manner. The state institution responsible for ensuring free and fair elections and reliable voter lists is the Election Commission. Free and fair elections are a key instrument to cease the conflicts in Nepal.	**Organise expert forums** to discuss elements of transitional procedures, democratisation processes, issues on constitutional revision, and federalism. **Promote the inclusion of marginalised groups,** especially women and ethnic communities, in political and constitutional processes. **Support voter registration** organised by the Election Commission. **Build stakeholder capacity** among: (a) local CSOs, to enable them to engage in awareness raising and advocacy on constitutional processes, election-related activities and issues of sustainable democracy; (b) district-level political leaders, in terms of political and constitutional processes, including promotion of intra-party democracy; and (c) politically and non-politically affiliated youth organisations, to enable them to promote inclusive and democratic politics in their organisations and institutions.

Theory of change	Practical aims
Democracy, 2009-2013. The CPA and Interim Constitution provide a key policy framework, including their emphasis on strengthening "multi-party democracy with constitutional checks and balances, transparency and accountability in the conduct of political parties", their appeals for the promotion of people's participation, press freedom and civil society, and their recognition of the close link between deepening democracy and the promotion of peace and security. Identical concepts are embedded in the Danish development policy framework, mandating efforts to put them into practice.	(a) Encourage and enable the culture and practice in political parties and their sister organisations to become more democratic, inclusive and transparent, including through linking the Danish Institute for Parties and Democracy to the Joint Mechanism for Political Party Support. (b) In partnership with the Election Commission, improve legal frameworks for elections and political parties and voter registration system. (c) In partnership with the UK, Switzerland and Australia, facilitate dialogue on political issues, including questions of identity, diversity and social cohesion. (d) Build capacity among young and emerging leaders, female and male, to participate in and influence democratic processes.
Parliament, 1999-2003. The Parliament Secretariat was to support members with administrative, technical, security, and information services as well as legal advice and assistance to committees, but its capacity was low. Strengthening the Secretariat was seen as key way to strengthen the legislature, and promoting communication between Parliament and the public was seen as contributing to good governance.	Implement the Parliament Secretariat's Development Plan.
Law enforcement, 1999-2003 and 2014-2017. Police procedures were highly prejudicial to arrested individuals, who were often denied their rights to information and legal advice. The capacity of the police to use modern scientific evidence in criminal investigation was very low, as was the capacity of the forensic service to fulfil scientific requirements for providing reliable objective evidence, so prosecutions were often based on oral testimony leading to miscarriages of justice.	(a) Strengthen the Central Police Science Laboratory (CPSL) through the supply of equipment and training in its use, and through the subsequent establishment of Police Laboratories in up to four regions of Nepal. (b) Training programmes in Denmark with follow-up in Nepal for the staff from the Central Police Science Laboratory and for staff at the regional level in Nepal, including small work station projects and study visits to Denmark and the Danish Police.
Justice system, 1999-2003. Access to clear Criminal Procedure Guidelines would reduce disagreements and conflicts among institutions and the escape of some duty-bearing institutions from their responsibilities.	(a) Strengthen and improve the capacity and performance of all actors involved in the criminal justice system (through CeLRRd, the Nepal Bar Association and the Judges Society). (b) Strengthen access to, as well as capacity and performance of the Village Development Committees in two districts in mediating and settling of legal disputes. (c) Raise public awareness of rights in relation to settlement of civil and criminal cases in the same two districts.

Theory of change	Practical aims
Justice system, 2003-2008. The lack of coordination among the different institutions involved in the justice has been very low, which have been a disadvantage for detained persons, and especially for the needs of the marginalised groups. Danida/HUGOU support to the justice sector would emphasise institutionalisation of communication, cooperation and coordination among justice sector agencies.	**Institutionalise communication and coordination between justice-sector agencies and non-state actors,** by: (a) advising the Secretariat of the Justice Sector Coordination Committee; (b) promoting dialogue among formal and informal justice sector agencies and civil society; and (c) reviewing the judiciary's 'Strategic Plan'. **Promote reform of legislation affecting the administration of justice,** by: (a) producing analysis and advocacy materials and draft legislation; (b) promoting public debate on transitional justice mechanisms; and (c) publishing work on transitional justice mechanisms. **Improve staff effectiveness in the justice sector,** by preparing a human rights manual and training non-gazetted judicial and quasi-judicial employees. **Improve access to justice among poor and disadvantaged people,** through professional courts and informal mechanisms, by: (a) resourcing community mediation centres; (b) building capacity for mediation among professional groups; and (c) supporting litigation seeking redress in the formal justice system.
The media, 1999-2003. Improved staff training and capacity in the non-governmental media, an increase in the range of community media, and better balance in access to information, would strengthen democracy and human rights.	Promote the ability of the media to function as a watch-dog and raise public awareness as well as providing public access to public media for the purpose of debate and complaint, targeting the Nepal Press Institute (NPI), Regional Media Resource Centres, the Media Development Fund, and the Media Support Fund.

Theory of change	Practical aims
The media, 2003-2008. Support to the media is an integral part of Danida's policy for the strengthening of democracy and human rights. At the same time, there is a need in Nepal for attending the lack of professionals within the media, a limited range of community media and imbalance in access to information. With the political situation in Nepal, it is thought to be even more important to support to media in order to inform about the situation in the country. The media's fight against governmental restrictions needs to be supported in these critical times.	**Promote professional skills, knowledge and standards of journalists** by: (a) training district-based journalists at Regional Media Resource Centres; (b) advising NPI on 'Training of Trainers' systems; (c) developing training curricula; (d) offering training, scholarship and orientation courses on conflict, human rights, good governance and women, Dalit and ethnic minority issues; (e) training aspiring women journalists on feature writing; and (f) organising round-table sessions with journalists and editors. **Strengthen mainly district-based print and radio media** by: (a) offering low-interest loans to mainly print media outlets outside the Kathmandu Valley; (b) providing equipment for community radio stations; (c) training radio journalists, programme producers and community radio managers; (d) supporting development of the Association for Community Radio Broadcasting; and (e) producing guidelines for the role of community radio in conflict resolution and peace-building. **Promote media freedom, the right to information, pluralism and the media's role in peace-building through research and advocacy,** by: (a) producing documentaries and books on journalism and the struggle for media freedom; (b) supporting litigation seeking court justice to protect media freedom; (c) conducting and publishing comparative and analytical studies on media laws and policies; (d) organising workshops on legal and policy reforms related to media freedom; (e) publishing a compilation of Supreme Court verdicts on media-related cases; (f) supporting the Federation of Nepalese Journalists; (g) establishing a Media Research Documentation Centre; (h) publishing research-based media reference books and media journals; and (i) offering fellowships for media research.

Theory of change	Practical aims
Local governance, 1999-2003. The 'People's War' from 1996 drew much of its energy from public outrage over remote, unaccountable, corrupt and ineffective governance. Decentralisation reforms were seen as a way to start re-building public confidence. Urgent needs included capacity building among local elected bodies and staff, numerous amendments to national legislation on division of competences and resources between national and local levels, reorganisation of government administration, and greater integration between line ministries and elected local authorities.	(a) Support implementation of decentralisation laws, including the Local Bodies Fiscal Commission and promoting a performance-based management system. (b) Support two pilot DDCs and all their VDCs through training in how to implement decentralised governance, through help with planning, budgeting and accountancy systems, and through integration of their work with that of line agencies. (c) Support the local government associations and the Local Development Training Academy.
Local governance, 2003-2008. Effective and accountable local government is central to peace and development, and enables people to organise and participate in decision making at local level. Trust in this process encourages growth in democratic values and skills and can result in enhanced representation of political, social, ethnic and religious groups, which can then lead to greater citizen involvement and political legitimacy.	**Build capacity of the Local Government Associations,** by: (a) developing fiscal and sectoral databases to inform advocacy; (b) preparing advocacy materials in favour of good local governance; and (c) participate in national-level meetings on relevant subjects. **Disseminate information on local governance,** by: (a) training local facilitators to enable local people to claim rights from Local Bodies; (b) collecting information on service delivery from Local Bodies and line agencies; (c) forming local pressure groups to lobby for better governance; (d) training Local Body officials and CSO representatives on good local governance; (e) monitoring the performance of Local Bodies and line agencies; and (f) disseminating information on local service delivery through local print media and radio stations.
Local governance, 2009-2013. Government efforts to consolidate donor activities through the Local Government and Community Development Programme (LGCDP) were relevant in Nepal's post-conflict environment, but the LGCDP was marked by inaccessible and inequitable public services, skewed planning and project selection dominated by elite interests, and weak accountability from local government institutions to the people they were supposed to serve. Supporting donor coordination while contributing to the LGCDP and promoting local-level Ward Citizen Forums and Citizen Awareness Centres to increase service expectations would promote effectiveness and efficiency in service delivery.	Contribute to a basket fund to support the LGCDP, which promoted: empowerment of citizens and communities to engage actively with local governments, while strengthening downward accountability; block grants for community-led development to the DDCs, municipalities and VDCs; capacity development of local governments for effective service delivery; policy support for decentralisation and local governance (on devolution, fiscal decentralisation, human resource development, action research); and gender equity and social inclusion.

Theory of change	Practical aims
Local governance, 2014-2017. Danida's support in the first phase of LGCDP had helped build capacity for devolved local government and new relationships between local agencies and local people. Participatory systems and structures that had been established, such as the Citizen Awareness Centres (CACs) and Ward Citizen Forums (WCFs), were seen as needing consolidation and/or institutionalisation, which would be done through a second phase of support.	(a) In partnership with the Ministry of Federal Affairs and Local Development (MoFALD), strengthen management capacity and the institutional framework for improved efficiency and effectiveness in delivering services such as health care and the registration of birth and citizenship. (b) In partnership with MoFALD, ensure that citizens and communities are actively engaged with local governments and hold them to account.
Anti-corruption, 2003-2008. There was widespread public demand for an effective anti-corruption strategy, but such a strategy should be based on a balanced mixture of measures that target the relevant actors, and sectors, and the tools and techniques to be used.	(a) Build public awareness of corruption, by promoting campaigns through local NGOs, CSOs, government agencies, and the media. (b) Support preventative action against corruption by researching its causes, consequences and potential remedies, promoting investigative reporting, and publishing case studies. (c) Deter corruption by supporting the Commission for Investigation of Abuse of Authority (CIAA).
Tax reform, 1997-2015. Attempts were being made to collect a multiplicity of taxes on goods and services, but non-compliance, evasion and corruption in the fiscal system were rampant, and government revenues were weak and unpredictable. Introducing a fair, sound, simple, efficient, transparent and legal system of taxation was thought likely to result in increased levels of tax awareness and compliance among tax-payers, and decreased levels of tax evasion, thus enabling greater government investment in economic and social reforms.	(a) Establish a single and effective revenue authority by reforming the Internal Revenue Department (IRD) and Internal Revenue Offices (IROs), including tax-payer audit and increased collection of arrears, training for IRD and IRO staff, and internal (anti-corruption) monitoring. (b) Design and introduce a revenue system to replace numerous piecemeal taxes on goods and services with one VAT in line with the VAT Act 1996, and computer systems to put it into effect.

Table 7: Design of the education sector interventions, 1992-2012

Theory of change	Practical aims
Improving access, 1992-2012. Improved literacy and education were seen as essential if Nepal was to succeed in a globalised world, but large numbers of children, Dalits, Janajatis and women were being excluded from education. Structural issues in schools and communities impeded access and progress in education and needed to be addressed for all children to be able to go to school and stay in school.	(a) Improve the educational services on offer (through construction and rehabilitation of school buildings – particularly early in the programme – and teacher training and teacher management reforms, including an increase in the numbers of female teachers and teachers from minority groups). (b) Build public understanding of the importance of schooling (through campaigns and communications and the involvement of parents, communities, NGOs and CSOs in making decisions on educational priorities – particularly early in the programme). (c) Encourage demand for educational services (through offering scholarships, hostels for girls from disadvantaged groups, and other inducements to participate in education among girls, disabled, children and disadvantaged ethnic, caste and socio-economic groups. (d) Reform school book policies for printing and distribution, including an emphasis on increasing the durability of books. (e) Providing direct support to School Management Committees. (f) Support the decentralisation of funding to local level for teacher recruitment and other priorities (particularly later in the programme). (g) Provide Alternative Schooling (at primary level) and adult literacy/basic education/skills programmes, and – particularly later in the programme – the expansion of school and community based Early Childhood Education and Development (ECED) managed by communities and local governments.
Improving educational achievement, 1992-2012. The low quality of graduates was perceived as a serious challenge within the education sector. Achieving sustained results from investments in educational access was seen in terms of reaching the development goals of the country and would need to be accompanied by interventions that ensured outcomes of sufficient quality, i.e. that school graduates were literate and capable of contributing effectively in society and to their own well-being.	(a) Support curriculum reform, including mainstreaming of gender and equity in curricula. (b) Strengthen educational institutions (see below). (c) Focus on teacher training (pre- and in-service) and the development of norms and standards for teaching service. (d) Focus on School Improvement Planning (SIP) and the involvement of communities in school management. (e) Improve learning assessment (later in the programme through the introduction of the Continuous Assessment System and the National Assessment of Student Achievement). (f) Improve access to and quality of instructional materials. (g) Invest in ECED and non-formal education (adult literacy) to improve entry-level conditions into education and create a supportive environment in communities and from parents.

Theory of change	Practical aims
Strengthening educational institutions, 1992-2012. Capacity constraints were understood to be seriously limiting management and decision making in education, and capacity development was therefore identified as key area of focus in the successive phases of Danida support. Addressing it was considered essential to improving access and quality.	(a) Raise the competence and improve the qualifications of teachers. (b) Promote decentralised management of schools through strengthening school-level capacities for school planning and management and support to SIP. (c) Develop the capacity of sub-district-, district-, regional-, and central-level education personnel for effective provision of educational services. (d) Develop systems for monitoring and evaluating overall progress and trends. (e) Provide support overall to the sector-wide process, in particular by strengthening national-level planning, budgeting, monitoring and reporting, and linking this to the efforts at decentralised management. (f) Support pilot initiatives and innovation (through a specific TA/innovation facility – known successively as PAT, ESAT and EPSO – which paralleled joint funding with other donors). (g) Organise long-term capacity development and training in Denmark.

Table 8: Design of the rural and renewable energy interventions, 1999-2017

Theory of change	Practical aims
Strengthening institutions	
Energy Sector Assistance Programme, 1999-2012, and National Rural & Renewable Energy Programme, 2012-2017. The Alternative Energy Promotion Center (AEPC) was established in 1996 to be the national institution responsible for the promotion of renewable energy sources in Nepal. The AEPC was to prepare policies and support programmes to be financed by national and donor sources and monitor and evaluate activities of NGOs and other private organisations that execute projects financed under its programmes. Institutional weakness was inhibiting the delivery of renewable energy systems to rural stakeholders, however, and could be improved through development of a rural energy policy, capacity building among partners, and better cooperation among donors.	(a) Improve the capacity of the AEPC to coordinate, develop, implement and monitor rural energy policy/programmes, through an organisational analysis, in-house training programmes, a databank on rural energy activities, establishing a Compliance Unit (at the recommendation of the Danish and Norwegian embassies) to oversee and improve financial and administrative management, and developing M&E tools and procedures. (b) Support development of government policies and strategies on renewable energy and its financing in ways that enhance access to affordable renewable energy systems for the rural poor. (c) Facilitate discussions on renewable energy development within government, among parliamentarians, and with potential donors. (d) Promote coordination for delivery of rural energy services with a focus on decentralisation, Regional Service Centres, and the private sector. (e) Promote investment in the renewable energy sector by working with banks and applying subsidies and credit. (f) Promote renewable energy and build capacity at local government levels. (g) Encourage alignment of national and external partners to the national rural energy sector policy and institutional framework. (h) Promote GESI mainstreaming.
Promoting investment	
Energy Sector Assistance Programme, 1999-2012. Potential demand for renewable energy technologies among communities and households in rural Nepal was being inhibited by a lack of adequate and affordable financing, so establishing a Rural Energy Fund (REF) to offer subsidies and loans to these stakeholders would result in them investing in renewable energy.	(a) Raise sufficient funds from national and external development partners to meet the demand of rural people for installing renewable energy technologies. (b) Train inspectors for micro-hydro power output and household verification. (c) Ensure that funds are managed in a transparent and efficient manner (e.g. in accordance with ISO 9001:2008 Quality Management Certification requirements). (d) Facilitate necessary revisions of government policy and delivery arrangements for renewable energy subsidies, and ensuring that those arrangements are followed. (e) Ensure sound financial appraisal of renewable energy investment projects for subsidy approval and for investment by financial institutions.

Theory of change	Practical aims
National Rural & Renewable Energy Programme, 2012-2017. Following on from the earlier phases of renewable energy support, it was understood that a barrier to the uptake of these technologies was adequate financing, in the form of grants and loans credibly managed and marketed, and that if a suitable system was established, communities and households would invest in renewable energy.	(a) Establish the Central Renewable Energy Fund (CREF) as the core financial institution responsible for the effective delivery of subsidies and credit support to the renewable energy sector, particularly through RET deployment at the household and community levels. (b) Ensuring proper management of the CREF establishment process (to include: enacting appropriate legislation; recruiting a qualified management team to manage the Fund; validating and approving its operating rules and procedures, and its strategy, objectives and targets; and delivering an appropriate credit support mechanism as well as a revised subsidy programme in close cooperation with the AEPC.

Technical support	
Energy Sector Assistance Programme, 1999-2012. Energy sources available in rural Nepal include forest and farm-waste biomass, sunlight and flowing water, all of which can be turned into accessible, useful and affordable heat or electricity using technology adapted to the needs and resources of local people. With institutional and financial support through components 1 and 2, the technical components would support adoption of biomass, solar energy and micro-hydro systems to allow multiple lifestyle, livelihood and health benefits from increased renewable energy use by rural households.	(a) **In the biomass sub-sector,** improve the capacity of local organisations to offer high-quality and affordable improved cooking stoves and biogas units to rural communities, ensuring that gender, health, environment and socio-economic issues, including reduction of women's and children's drudgery, are addressed as far as possible through the introduction of biomass energy systems, and popularise the adoption of biomass energy systems among rural communities. (b) **In the solar sub-sector,** reinforce the national framework for dissemination of high-quality solar energy systems, while ensuring as far as possible that solar energy systems are available and affordable among the rural poor. (c) **In the mini-/micro-hydro sub-sector,** reinforce the sectoral framework for policy formulation, strategy development, planning, programme implementation, and harmonisation of on- and off-grid rural electrification at national and local level, while promoting increased and sustainable access to and use of electricity in rural areas.

Theory of change	Practical aims
National Rural & Renewable Energy Programme, 2012-2017. Earlier stages of renewable energy support had shown that there is demand for renewable energy technologies in rural areas, and that these have the potential to reduce environmental damage and improve the lives of women, girls and those from disadvantaged groups. Making appropriate technology and technical assistance available would therefore be expected to accelerate renewable energy service delivery with better quality, comprising various technologies, to remote rural households, enterprises and communities, to benefit men and women from all social groups, leading to more equitable economic growth.	(a) **In the biomass sub-sector,** deliver better-quality Improved Cooking Stoves to an increasing number of rural households, in particular to the poor in remote districts, with a focus on strengthening promotion of biogas in the household market and expanding promotion into the institutional market. (b) **In the solar energy sub-sector,** deliver lower-cost domestic solar electric systems more efficiently to an increasing number of rural households, and solar thermal applications will be promoted in a GESI and poverty relevant manner. (c) **In the rural electrification sub-sector,** enhance the financial viability of community electrification schemes, while seeking to maximise availability of useful (especially commercially-useful) electricity at the village level. (d) In supporting the AEPC, support implementation of the AEPC's Strategic Organisational Development plan which is designed to make AEPC an effective, efficient and GESI-proactive institution for the promotion and development of the renewable energy sector.
Business development, 2012-2017	
National Rural & Renewable Energy Programme, 2012-2017. There is a history of the energy from micro-hydro plants being under-used in Nepal due to very few 'micro, small and medium-sized enterprises' (MSMEs) being in place and operating during the daytime. A broad range of activities will be needed to foster rural MSMEs by removing key barriers to private sector development. Sustainability depends on generating revenues adequate for the operation and maintenance. Living standards of women and marginalised groups in rural areas must also be improved, so renewable electrification must translate into equitable economic development in rural and remote areas, which is not automatic and requires specific targeting.	(a) Enhance the capacity of existing MSMEs (through training, particularly in business management skills). (b) Create and operationalise new and innovative MSMEs with a specific emphasis on integrating women and marginalised sections of the population (through GESI-responsive guidelines, training manuals and an end-use catalogue). (c) Ensure that appropriate business development services are available to MSMEs in renewable energy supply areas (through a national service provider in 13 districts).

Table 9: Design of Environment Sector Programme Support, 1999-2005

Theory of change	Practical aims
Institute of Environmental Management. There was a serious lack of capacity for environmental management in the industrial sector, which training, standards, laws and enforcement would be required to correct. The opportunity was seen to deliver training and standards through a new institution, and to place it on a sustainable footing, with a market for its services and the capacity to sell those services effectively and profitably.	(a) Facilitate the initial establishment of the IEM and use it to build capacity to reduce pollution and increase OHS among key ministries, commercial federations, industrial regulators and managers, trades unions and environmental consultants. (b) Build the IEM into an autonomous, independent and sustainable training institution.
Cleaner production and industrial OHS. The opportunity was seen to demonstrate the feasibility and cost-effectiveness of achieving cleaner production and energy efficiency, and improving OHS, to test supportive financial services. It seemed reasonable to expect: that businesses would participate in learning about the commercial advantages of cleaner production, energy efficiency, and improved OHS; that options, design of investments, facilitated financing, and demonstration of success through monitoring at industrial facilities would lead to accelerating up-take; and that the up-take of cleaner production, energy efficiency, and improved OHS would be so beneficial financially and socially that demand and willingness to pay among businesses for technical advice and financing would grow, resulting in transformation of sectoral conditions, and that the whole system would soon become sustainably self-financing.	(a) Promote awareness of cleaner production and OHS needs and opportunities at businesses in the Hetauda and Balaju industrial districts (HID and BID), by assessing them all and inviting them to request a detailed design for cleaner production measures which would then be prepared in collaboration with their own staff. (b) Enable investment in cleaner production by establishing a Cleaner Production Fund and offering loans (and grants) to eligible businesses. (c) A sub-component on energy efficiency was added later, to enhance the energy efficiency aspects of cleaner production, and to encourage and enable further development of government policy to promote energy efficiency.
Wastewater Treatment in Hetauda. Uncontrolled discharge by industries and industrial districts was polluting surface and ground waters, and the need to establish waste water treatment facilities routinely in all industrial districts was widely recognised in government policies (e.g. NEPAP), plans and vision statements (e.g. IDPP Vision 2020), although little had been done. The opportunity was seen to establish a capacity for waste water management in HID. It was also intended that the WWTP would demonstrate an investment model, a set of technologies, and the 'polluter pays' principle, thereby promoting replication to other locations.	(a) Establish a WWTP to ensure that all waste-water discharged into the Karra River from the HID complies with effluent standards. (b) Construct a sewerage system to collect and convey industrial and domestic waste-water into the WWTP. (c) Build a storm-water system to collect and convey storm water into the Karra River.

Theory of change	Practical aims
Institutional strengthening of ministries (MoPE, MoICS & MoLTM). None of the target ministries was equipped to fulfil its respective mandate, and this was to be corrected by delivering a wide variety of environmental and OHS standards (e.g. for water and air quality), protocols for monitoring, and training courses in fields such environmental administration, management systems, toxicology and technology, cleaner production and energy efficiency, OHS, vehicular emissions control and monitoring, as well as specialised subjects for target audiences such as on OHS for safety officers and women, chemical hazards, fire safety and first aid, safety in construction work, etc.	(a) Build capacity for integrating environmental management and industrial development at MoICS. (b) Build capacity for formulating and enforcing environmental laws, regulations and standards, for carrying out monitoring and control, and for raising awareness about the environmental problems and how they can be remedied at MoPE. (c) Build capacity for applying and monitoring OHS in industrial and other sectors at MoLTM, and specifically for control of vehicular pollution at its Department of Transport Management (DTM). (d) Build capacity of the business membership organisations and trades unions for integrating environmental management in industrial units, thus encouraging and enabling all businesses to comply with environmental management and OHS standards.
Air quality management in the Kathmandu Valley. Air pollution in the Kathmandu Valley was a serious and increasing environmental health problem. Policy, technology, public opinion and pilot programmes in the 1990s had made it feasible to begin phasing out many sources of air pollution.	**Promote the use of electric vehicles (EVs),** by: (a) setting up a lobbying group to seek policies, regulations and tariffs favourable to the EV sector; (b) training mechanics, technicians and drivers working in the EV sector; and (c) establishing a Clean Vehicle Promotion Fund to make grants to promote EV use. **Promote the use of vehicle emission standards,** by: (a) recommending amended and new standards to MoPE; and (b) providing equipment and training to the Kathmandu Valley traffic police and the DTM for testing vehicles under a Vehicle Anti-Pollution Programme. **Develop an ambient air quality monitoring system (AQMS),** by: (a) establishing six permanent and one mobile stations to monitor particulates, benzene, nitrogen and sulphur oxides and report on air quality; (b) establishing a permanent working group with the participation of all five Kathmandu Valley municipalities, MoPE, other knowledge holders, and contracted laboratories; (c) reporting on the daily health implications air quality; and (d) using the AQMS to inform policy and regulatory change. **Support the new system,** by: (a) establishing a Vehicle Engine Maintenance Training Centre; (b) providing advisers to support strategy, training, advocacy, monitoring and testing; (c) supplying equipment and funding to meet operating costs; and (d) resourcing partnerships between governmental institutions, local bodies, NGOs, private academic institutions.

Table 10: Design of the renewable natural resource interventions in NARMSAP, 1998-2005

Theory of change	Practical aims
Community forestry. Policies and laws allowed CFUGs to be appointed as exclusive managers of Community Forests in the national forest estate, which were then expected to have an interest in improving forest condition and inventing ways to generate livelihood benefits from them. The legal constitution of CFUGs and Community Forests, the preparation of Operational Plans to guide forest management, and the training of CFUG members and government foresters would all be needed.	(a) Facilitate the legal formation of CFUGs and the constitution of Community Forests. (b) Train CFUG members and government foresters on community forest management. (c) Train CFUG members on income-generating activities and social and economic issues. (d) Facilitate the preparation and/or revision of Operational Plans for managing Community Forests sustainably to meet community needs for fodder, fuel wood, timber and non-timber forest products (NTFPs).
Soil conservation and watershed management. The cultivation, deforestation, and over-grazing of catchment lands can be relieved by giving local communities the knowledge, skills and capital needed to use the land and its ecosystems more carefully. To do this, Community Development Groups (CDGs) were to be established and engaged through environmental education and training to employ new farming, forestry and grazing systems, supported by technical advice and laws, policies and governance systems that encourage and enable adaptive and accountable participation in ecosystem management and equitable access to benefits. This could best be done in small sub-catchments (an average size 58 sq. km), where a critical mass of interventions would be focused, and its impact demonstrated, leading to near-spontaneous replication.	(a) Support government partners and CDGs in preventing natural hazards, protecting infrastructure, conserving productive land, and exploring opportunities for income-generating activities, using bottom-up planning, household budgeting and extension teams of District Soil Conservation Office, Mid-Level Technicians and Community Motivators. (b) Build capacity among the CDGs, focused on accounting, literacy, leadership, and environmental education. (c) Deliver extension services, focused on area planning and topics such as stabilising stream banks, rehabilitating degraded land, fruit-tree planting, and income-generating activities supported by loans, mostly concerning furred and feathered livestock, vegetable farming, perennial cash crops, annual cash crops, water mills, bamboo planting, veterinary training, and ginger processing.
Tree improvement and silviculture. Residual natural forests were being handed over to local control as community forests, but communities lacked the knowledge and skills to manage them sustainably, and government foresters lacked the skills to advise them. To manage forests sustainably requires adequate knowledge and skills on forest genetics, the genetic dimension of ecosystem restoration, the conservation of naturally-occurring genetic lineages, and the selective management of lineages for human use, and on the handing and management of seeds, seedlings and saplings as they become useful adult trees within functioning natural or artificial ecosystems. These ideas and services would contribute to improved and more sustainable land use and livelihoods across Nepal.	(a) Ensure the supply of seeds for commonly-used species, by establishing Regional Seed Centres and Breeding Seedling Orchards, identifying and registering seed stands in Community Forests, and collecting and distributing seeds. (b) Train people in how to grow trees better, by establishing silvicultural demonstration plots in different forest types of the mid-hills, and by producing a manual and a handbook on silvicultural management of forests. (c) Formulate a seed procurement policy for use by government. (d) Prepare ecological potential vegetation and seed zoning maps of Nepal. (e) Promote 'conservation through use' (i.e. the care, harvesting, processing and marketing of NTFPs from local tree species). (f) Support existing seed cooperatives in two districts and applied research and starting gene conservation on valuable and endangered species.

Theory of change	Practical aims
Institutional strengthening. Weak MoFSC capacity undermined its ability to fulfil its necessary roles in the processes that NARMSAP sought to encourage. These were at first identified as a lack of training, equipment and cash-flow, but were later seen as a lack of strategic organisational purpose. Once corrected, MoFSC would have a greater capacity and willingness to participate in NARMSAP operations.	(a) Support workshops and consultations to enable an improved planning process. (b) Provide in-service training and educational opportunities to enhance staff capacity. (c) Meet equipment procurement and maintenance/running costs, and other recurrent costs, to allow MoFSC participation in and support for NARMSAP operations.

2.3 Other interventions

The dairy sector

In 1972, Nepal's parastatal Dairy Development Corporation (DDC) appealed for international assistance. Responses included contributions from Denmark, FAO, Switzerland, New Zealand and the Dutch city of Utrecht (Upadyay, 1972). They included support for the establishment of cheese factories and milk processing plants, and later arrangements by which first the World Food Programme (WFP) and then (in the late 1980s) USAID provided skimmed milk powder (SMP) and butter oil for recombining into milk, the revenue from which was used to strengthen the Milk Producers' Associations and expand the DDC's milk collecting and processing network.

Few records exist of Danish support to the dairy sector in the 1970s and 1980s, but it is known that Danida funded studies on how to expand the dairy industry in the western and mid-western regions of Nepal. Denmark also financed (through DDC) an SMP plant at Biratnagar, a cold storage facility for butter and milk at Kathmandu, milk processing facilities in Hetauda and Pokhara, and a cheese factory at Nagarkhot, while also renovating and re-equipping several dairy plants. This allowed development of milk, butter, cheese and cream businesses, later diversified into yoghurt and ice-cream. Partner institutions included the Kold College agricultural school in Odense, Danish Turnkey Dairies, Svendborg Technical College and Aarhus University.

A thriving relationship with DDC evidently developed, with DDC benefiting from diverse forms of capacity building and access to appropriate technologies, good relations between Danish counterparts and managers at various dairy facilities, practical training of dairy personnel at five dairy plants, and a general improvement of product quality. Over the years virtually all Nepalese dairy technology staff were exposed to modern ideas and technology for milk quality and processing – in Denmark itself, in Nepal, or through the expansion of dairy training at the Dharan Food Technology Institute. Although a planned restructuring of DDC and intended liberalisation of milk prices did not materialise, as of 2017 the DDC continued to exist under government ownership. Concepts such as milk quality and hygiene and the dairy co-operative movement are considered to have been almost exclusively supported by Denmark. As several respondents noted, this all had a significant and continuing impact on dairy processing and milk quality in Nepal. One commented that "whatever development in the dairy sector can be seen in Nepal – the major contribution was from Denmark", and another that "In the Nepalese dairy industry everything is Danish!"

Danida prepared a 1990 to 2000 Dairy Development Plan, which proposed the establishment of a policy-making National Dairy Development Board (NDDB). The latter was constituted by Act of Parliament in 1992. With Danida support, the NDDB represented the dairy industry with members comprising farmers, and their organisations (co-operatives), and milk traders and processors. Continuing the approach used by the WFP and USAID, Danida also funded the supply of SMP and butter oil in the early 1990s, which were processed and marketed for the benefit of the NDDB. A Danida programme to support the NDDB Secretariat was approved in November 1995, with the aim of helping NDDB to implement the Dairy Development Plan, but Danida advisers were in place only from July 1998 to April 2001. Its three components aimed to strengthen the NDDB Secretariat, to develop the dairy co-operatives, and to improve the quality of milk and milk products. The Danish contribution was DKK 12.9 million (and some unbudgeted collaboration with Danish institutions and experts), alongside a government commitment of NPR 19.5 million (of which less than half was spent). Further details are provided in Annex E.12 and F.13.

The Unnati Inclusive Growth Programme
The Unnati IGP was designed in line with later Danish development policy, with the aim of promoting sustainable and inclusive growth that reduces poverty and raises living standards by targeting private-sector development in the agriculture and rural economy sectors, addressing market linkages and value addition (Danida, 2013a, b). There is no contribution by government, other than some staff time. The programme works with partners that include local government, commodity, producer and business associations, MSMEs, and financial institutions. The idea is to use a value-chain approach to link business-oriented farmers to micro and small agro-based businesses enterprises and consumers. Technical support is provided to farmers, farmers' groups, co-operatives and entrepreneurs via technical staff, districts, commodity associations and line ministries, with a particular focus on tea, ginger, dairy and cardamom.

The programme started in January 2014 and will run to the end of 2018, with a total budget of DKK 400 million and three components, on value chains (DKK 105 million), infrastructure (DKK 190 million), and the enabling environment (DKK 35 million). As well as other actions focusing on technical assistance and training, these components also embrace the four windows of the Unnati Challenge Funds, which target 'value chains', 'market infrastructure', 'expanding financial frontiers' and 'advocacy' respectively. These windows allow grants to be made in response to calls for proposals, proponent co-financing, and independent appraisal, aiming to support replicable business innovations in the agriculture sector by helping farmers and MSMEs meet their needs for equipment, infrastructure, and capacity building. In total, 170 proposals were approved within the value chain window, two from the market infrastructure window, 10 from the expanding financial frontiers and 31 from the advocacy challenge fund (as of March 2017, Unnati 4th Semi-Annual Progress Report).

The Value chain sub-component 1.1: Commercialization of Selected Value Chains (tea, ginger, dairy and cardamom) is demonstrating good progress. Technical support is provided to plant health, capacity building and inputs. Sub-component 1.2 Access to Finance, implemented by UNCDF has provided capacity building on value chain finance, financial platforms and a study tour. The 'infrastructure' (road building) component 2 has been delayed by technical and financial issues at district level. Slow start-up and slow progress have been observed in all contracts, and this has some risks for completing the work before the end of the contract. Sub-component 3.1 Public-Private

Dialogue, with the Nepal Business Forum, now has a guiding MOU (11.2016), its own bank account and is beginning work. Sub-component 3.2 Advocacy for Rights and Good Corporate Governance, implemented by ILO since May 2015, is aimed at improving advocacy for responsible business development, including rights and responsible business practices (i.e. through advocacy to promote compliance with the ten principles of the UN Global Compact, which focus on human rights, labour and environment commitments[4]) in the selected four value chains, i.e. orthodox tea, ginger, milk and cardamom; and implementation of the Challenge Fund to support advocacy and dialogue.

It was hoped that links would develop between the Unnati IGP and other Danida-funded programmes such as NRREP and LGCDP, but the results are unclear. Moreover, the Unnati IGP and its challenge funds amount to a complex project, working with various modalities in a new field, so delays are to be expected and have indeed proved significant. A longer period for implementation would probably have been needed to see stronger results, and to test and clarify all operational arrangements. In an effort to promote sustainability, it has been agreed that the Ministry of Agricultural Development will take over some activities of the Unnati IGP under its Agricultural Development Strategy (ADS). The programme will support capacity building of the ADS implementation unit, the development of a results-based monitoring framework, the planning of initiatives over three to five years, and the identification of a joint financing mechanism.

Local Grant Authority and business partnerships
Danida has funded numerous small projects in Nepal through various mechanisms including the Local Grant Authority (LGA), and the Danida Business to Business Programme (B2B) and its successor Danida Business Partnerships (which was closed in 2014). An LGA allowance is agreed annually between the MFA and each Danish embassy, which embassies can use to support 'minor projects' that contribute to existing projects or programmes (including by meeting rapid-response, bridging or phasing-out needs), or that advance other Danish policy objectives (e.g. on the cross-cutting themes), and 'mini projects' that are small-scale activities linked to an existing project or programme or else involve local emergency humanitarian relief. The ceiling for minor projects is an aggregate total (i.e. including all phases and contingencies) of DKK 5.0 million in each case, and for mini projects it is DKK 75,000 (MFA Denmark, 2009). Diverse small projects have received support over the years in Nepal, and mostly lack extant documentation, but examples include:

- The UNDP project 'Livelihoods Stabilization and Enterprises Recovery (LSER) in Earthquake Affected Areas' with a Danida contribution of DKK 4.6 million. Its objective was to provide "immediate support to earthquake affected people to start and revitalise their enterprises and stabilise their livelihoods" (Danida, 2016 p. 1).

- Two projects under B2B in which Danish companies partnered with Nepalese companies in an effort to identify and collaborate on potential business opportunities, such as those implemented by Chaudhary Group and Biosynergy A/S. The first, with a grant of about DKK 4.5 million, aimed to develop herbal farming and production of essential oils of international quality in Nepal in 2007. The second,

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4   See: www.unglobalcompact.org/what-is-gc/mission/principles.

with funding applied for in 2011, aimed to explore opportunities of producing other types of herbal-based products with high health supplement value.

- The HIV/AIDS prevention and care project described in more detail below.

HIV/AIDS prevention and care
As of September 2006 a total of 7,904 AIDS cases were self-reported in health facilities, but HIV infection rates were feared to be many times higher, since there were few testing facilities in the country, and self-reporting was inhibited by ignorance and fear of discrimination. Nepal was in the stage of a concentrated epidemic among migratory populations, commercial sex workers and their clients, and intravenous drug users, although street children, transport and construction workers, police and military personnel, prisoners, and people living in urban slums were also at risk. The partner, Nava Kiran Plus was established by a group of people living with HIV/AIDS, and the programme was implemented in two phases between 2007 and 2010. The main aims were: (a) preventing HIV infections among youth; (b) increasing 'treatment literacy' to encourage compliance with treatment regimens and better management of side effects; and (c) providing emergency, residential and community-based care of orphans of the epidemic. Further details are provided in Annexes E.13 and F.14.

Research
Denmark's academic community participates in numerous research partnerships with institutions in Nepal and elsewhere, partly financed by Danida (DRP, 2017). The titles of 29 Danida-funded projects involving Nepal since 2002 are listed in Annex I. The total budget for 27 of them was DKK 87.2 million, distributed with about 40% below DKK 50,000, a quarter between DKK 50,000 and DKK 5 million, and a third in the range from DKK 5 million to just over DKK 10 million. It is notable that 38% of the projects and 52% of the budget focused on climate change and ecosystem management, suggesting that Denmark's research community retains an active interest in issues of global and existential importance.

3 Danida contributions

Prevailing conditions before and after the main interventions are summarised in the following tables, along with an estimation of Danida's contribution in each case and by the mean performance score across all criteria for each component as listed in Annex F.15. Where Danida was noted as the lead donor in a particular sector, it is implied that Danida is disproportionately responsible for any results. Table 11 covers **peace, rights and governance**, and is based on Annexes E.1-E.6 and F.1-F.6; Table 12 covers **education sector reform and development,** and is based on Annexes E.7 and F.7; Table 13 covers the **rural and renewable energy,** and is based on Annexes E.8-E.9 and F.8-F.10; Table 14 covers the **urban/industrial environment sector (ESPS),** and is based on Annexes E.10 and F.11; and Table 15 covers the **renewable natural resources sector (NARMSAP),** and is based on Annexes E.11 and F.12. In addition, the **dairy sector interventions** are covered in Annexes E.12 and F.13, but here the patchiness of documentation is such that it is hard to provide a useful summary even though the investments were substantial and the legacy effects significant.

As summarised in Annex F.15, among the five main themes, the strongest performers were: (a) the 2003-2018 peace, rights and governance interventions (including tax reform), with a mean score across the eight scorable criteria for the various interventions ranging from 4.5 to 5.3, which in a seven-point scale are all equivalent to 'strong'; and (b) the 1992 to 2012 education sector reform and development interventions with a score of 5.1 (also 'strong'). The others (renewable energy, environment, RNR management) scored on average in the range 3.8 to 4.4, all equivalent to 'moderate' performance.

Also as summarised in Annex F.15, the mean performance score across all 48 intervention components and eight scorable criteria in 1991 to 2016 was 4.4, which is equivalent to 'moderate' (but only 0.1 away from being rounded to 'strong', and the score is indeed 4.6 or 'strong' among the 43 components listed in Annex F.16, for which both design quality and performance scores are available). This is based on such a large sample that it is considered very robust; it is a good performance score for any series of interventions considered as a single programme (Caldecott *et al.*, 2010, 2012a-d, 2014; Caldecott, 2017), and should be a source of satisfaction to all its participants. Moreover, according to the criterion of relevance its mean score was 5.6 ('very strong'), suggesting very close targeting on correct and high-priority issues, and for the crucial criterion of effectiveness the mean score was 4.7 ('strong').

Many subtleties are visible in the data that will not be explored further here. As an example, though, the criterion of sustainability might be mentioned. This describes a judgement on the anticipated legacy of an intervention, beyond its impact over a year or two, based partly on what irreversible or long-acting changes might have been introduced by it. It is only possible to assess a legacy long after the event, which is a luxury not available to most evaluations. Here, however, interviews were being done more than a decade after the end of the first peace, rights and governance and energy assistance programmes, and after the conclusion of the environment sector support and community forestry programmes. In these cases, strong legacy effects were noted that are not captured by the scoring system and can only be described, but they do help to inform answers given in the Evaluation Matrix (Annex H).

It would be reasonable to expect design quality to affect performance, even though other factors will also do so. If the scores for design quality and performance are compared across all the 43 components for which both are available (Annex F.16), they are indeed positively and significantly correlated ($\sum d_i^2$ = 2,661.5, r_s = 0.995, t = 11.137, p > 0.001). The same relationship has previously been found in the Finnish aid programme (Caldecott *et al.*, 2010) and the Swiss climate change portfolio (Caldecott *et al.*, 2014). These findings help confirm that the scores represent real phenomena, and that the performance of aid portfolios can be enhanced by applying sound design principles. The latter implies that it is feasible through better design to improve aid performance per unit cost to the public (Caldecott, 2017).

Taken together with design quality, the key finding is that the Danida interventions in Nepal were on average and with few exceptions well designed, well-targeted, and strongly effective. This is consistent with the judgement that they made a significant contribution to Nepal's development over many years, even though some errors were made and the actual drivers of that development have primarily been the Nepalese themselves. This conclusion is about as positive as it can be for any aid programme of this diversity and duration subjected to this intensity of scrutiny.

Table 11: Contributions of the peace, rights & governance interventions, 1999-2017

Conditions before	Later conditions, and Danida's contribution to change
Recent overview	
Peace, rights and governance, 2014. Much had been achieved in the years following the 2006 CPA: physical infrastructure had largely been repaired, most former combatants had been reabsorbed into society, there had been national elections and a new national constitution was taking shape, the Election Commission had prepared new voter rolls, and civil society awareness of human and political rights had grown greatly. There was a sense that peace, rights and governance required completion: of commitments under the CPA, of the new Constitution, of public financial management and administration, and local elections, while the 'soft' values and habits of inclusion, participation and democracy required consolidation.	**Supporting peace, rights and governance, 2014-2017.** This programme is still being implemented and has evolved in response to the 2015 Constitution and 2017 local elections. Component 1 targets institutions and systems for consolidating peace and democracy (i.e. the NPTF and Election Commission). Component 2 promotes accountable and effective local governance through the LGCDP Phase II, and aims to help improve the relation between citizens and the state through its support for the Ward Citizen Forums and other local initiatives in which an estimated 4-5% of the total population is directly engaged. Component 3 enables better access to justice through the Rule of Law Programme (RoLHR), the NHRC and the Governance Facility, and contributes to updating key legislation and promoting the interests of vulnerable groups through local-level activities such as socio-legal aid, community mediation centres, and a reduction of NHRC's backlog of conflict-era cases, while enforcement agencies (including the Nepalese Police) also obtain new knowledge on human rights. This component led to the phasing out DanidaHUGOU and its replacement by the multi-donor Governance Facility to support governmental and non-governmental actors on peace and reconciliation, rights and access to justice, and voice and accountability. **Mean component performance:** score 4.1 ('moderate').
Peace	
Peace, 2006. Residual violence persisted along with the consequences of previous violence in the form of bereaved, injured, displaced, impoverished and resentful people, unexploded ordnance, infrastructure damage, etc. The NPTF was established in 2007 as a mechanism for donors, including Denmark, to contribute to the peace process through direct contributions to the government.	**Supporting peace, 2006-2013.** A pathway had been followed from exhaustion among the combatants through a political settlement and the CPA in 2006, a post-conflict environment with diverse and wide-ranging efforts to calm and restore the country in 2007 to 2009, and thereafter the continuation of social evolution through generally peaceful means, with the hope of achieving a new and stable form of normalcy as the new national Constitution was developed. Changes include: integration and rehabilitation of former combatants; provision of security to local communities through reconstruction and construction of police units, including women's barracks for female staff; and 'improvement of lives', through financial compensation and other special support to persons and communities affected by the conflict. **Mean component performance:** score 4.6 ('strong').

Conditions before	Later conditions, and Danida's contribution to change
Nepal Peace Trust Fund, 2014. The NPTF had focused its support on the repair of physical infrastructure, closure of cantonments, and the rehabilitation and integration of former Maoist combatants. It had not addressed 'softer' aspects of the peace process or participation by civil society, and faced challenges on transaction costs, slow disbursement of funds, fiduciary risk, and planning.	**Supporting the Nepal Peace Trust Fund, 2014-2017.** The support noted above continued until 2015 when Danida and most other donors withdrew from the NPTF (leaving only USAID and the EU), citing among other things what was seen as an inadequate mandate for the Truth Commission. **Mean component performance:** score 4.0 ('moderate').
Rights	
The Dalits, 1999. Violation of the human rights of the Dalit people frequently took place without much notice from the public at large and relevant agencies and civil society organisations including the media.	**Supporting the Dalits, 1999-2003.** Rights violations still took place, but Dalits were more organised and awareness was raised. Regarding access to justice, a number of cases have been filed, and some of these have even been decided in favour of the Dalit people. **Mean component performance:** score 5.0 ('strong').
Human rights, 2003. Frequent human rights violations in Nepal were attributed to its hierarchical society, its divisions by caste, ethnicity, gender and geography, its patterns of poverty, inequality and educational exclusion, and its widespread oppression of women through domestic violence, allegations of witchcraft, demands to pay dowry, lack of ownership over property, trafficking for prostitution and restricted freedom of movement. There was little public awareness of human rights, and human rights violations were not sufficiently opposed or punished by the state.	**Promoting human rights, 2003-2008.** National alliances comprising some 5,000 member organisations were actively engaged in human rights monitoring and advocacy at national and local levels, and had reported on fulfilment of the UN Convention to UN Treaty Committees. The NHRC had been strengthened in terms of staff capacity, policies, systems and procedures, and was engaged in human rights monitoring, with four regional offices expanding its outreach. Thousands of human rights defenders were engaged in human rights campaigns nationwide, with their networks including the UN system and other international organisations. **Mean component performance:** score 4.9 ('strong').
Human rights, 2009. There was a deeply-embedded culture of impunity, reinforced by the armed conflict and the close relationship between the Army and the political establishment.	**Promoting human rights, 2009-2013.** There had been some progress on the four main problem areas of human rights awareness, inequitable distribution of land rights, lack of access to justice, and weakness at the NHRC, but none had been completely resolved. **Mean component performance:** score 5.0 ('strong').
Human rights, 2014. There was incomplete public awareness of human rights and the duties of democratic participation.	**Promoting human rights, 2014-2017.** Much greater awareness of human rights had been created, particularly in relation to civil and political rights. Public knowledge of democratic citizenship in a broader sense remained fragmented, unsystematic and of varying quality. **Mean component performance:** score 4.0 ('moderate').

Conditions before	Later conditions, and Danida's contribution to change
Social exclusion, 2003. There had long been persistent exclusion of Dalits, Janajatis and women from the national mainstream, and although there had been some Dalit self-organising and advocacy, social exclusion continued to prevail overall.	**Promoting social inclusion, 2003-2008.** While it is clear that awareness had been promoted, organisations strengthened, and individuals empowered, it is not entirely clear (except for the recognition of single women) which rights they have claimed, and what responses they have received. Other components sought to promote social inclusion after 2008, for example in the case of the Dalits (see case story in Annex G.2). According to Human Rights Watch India (2017), "Dalit rights groups [in Nepal] have gained in strength over the last few decades. State policies, jurisprudence and the constitution now acknowledge the need to protect Dalit communities from violence and ensure their rights", and Danida played an important role in strengthening the Dalit movement in Nepal. **Mean component performance:** score 4.4 ('moderate').
Governance	
Democracy, 1999. Elections were not free and fair. The Election Commission could not fulfil its mandate. There was no unit within the Commission dedicated to fulfilling its training and education responsibilities. All local level functions of the Election Commission literally were carried out by the government agencies. The Election Commission did not have its training manuals nor had it a Training Department. The Election Commission was working with the voter registration system, which had more than 24 formats and procedures to be filled in by enumerators and voters.	**Supporting democracy, 1999-2003.** The Election Commission had a training unit and representation in districts. Voter registration has been improved, but not fully updated. The cumbersome procedures of filling many forms by enumerators and voters had been reduced. **Mean component performance:** score 3.8 ('moderate').
Democracy, 2003. There were weaknesses in voter registration (despite Danida support in a previous phase), CSOs had little capacity to promote democratisation, and political parties were quite authoritarian.	**Supporting democracy, 2003-2008.** The Election Commission updated the voters' register and voter registration had improved. CSOs were involved in developing the new national Constitution. **Mean component performance:** score 4.9 ('strong').
Democracy, 2009. Just after the CPA in 2006, structural conditions that led to the conflict persisted, including a lack of accountability, exclusion of youth and marginalised groups from all political, economic and social development, subversion of the rule of law, weak institutions, and an unresponsive state, while the political parties squabbled unhelpfully.	**Supporting democracy, 2009-2013.** The political parties maintained big differences but handled those without turning to a violent conflict. Youth groups and minority organisations had been involved in dialogue on democracy and empowerment, including voters' education school. **Mean component performance:** score 5.0 ('strong').

Conditions before	Later conditions, and Danida's contribution to change
Democracy, 2014. The Election Commission had been established as a permanent body legally entrusted with a mandate to prepare, conduct and supervise all elections. It was a respected and independent institution accepted by all parties. Although supported by Danida for two decades, and having greatly reformed electoral rolls, voter registration required further expansion.	**Supporting democracy, 2014-2017.** A permanent voters register had been developed, as had a district-level Geographic Information System. **Mean component performance:** score 4.0 ('moderate').
Parliament, 1999. At the time of formulation Nepal had only had seven years to re-establish multi-party democracy and to develop a democratic political culture and attitude. A common Secretariat had been established for the House of Representatives and the National Assembly. It supports the MPs and the work of the Parliament with administrative, technical, security, and information services as well as legal advice and assistance to the committees. However, its capacity to provide support and expertise to MPs and the committees in the Parliament was considered to be low	**Supporting Parliament, 1999-2003.** The Parliament Secretariat had received training and equipment, which had improved its working conditions. However, the unforeseen dissolution of Parliament in May 2002 meant that the Parliament Secretariat had little work to do thereafter. **Mean component performance:** score 2.3 ('weak').
Law enforcement, 1999. The police made little if any use of scientific evidence in criminal investigation. The capacity of the forensic service was very low and did not fulfil scientific requirements for providing reliable objective evidence. Prosecutions were mainly based on oral testimony and confessions, which often led to the acquittal of perpetrators and conviction of the innocent.	**Supporting law enforcement, 1999-2003.** With modern equipment at the Central Police Science Laboratory (CPSL), and training in how to use it, investigation became more evidence oriented. Criminal justice stakeholders had been sensitised to the importance of forensic evidence. Evidence that had previously vanished into police files was being produced in court, and courts had begun to rely on it in dispensing justice. Officers had been trained on the investigation of crime scenes and collection of evidence, leading to an increase of samples being analysed at the CPSL (although other social, cultural and traditional influences on police behaviour remained in effect). **Mean component performance:** score 4.3 ('moderate').
The judiciary, 1999. A lack of clear procedures in criminal justice significantly obstructed access to justice.	**Supporting the justice system, 1999-2003.** Criminal Procedure Guidelines had been prepared and approved, and studies on conflict resolution had been done. **Mean component performance:** score 5.0 ('strong').

Conditions before	Later conditions, and Danida's contribution to change
The judiciary, 2003. There had been a lack of coordination between the different institutions involved in the justice sector. The so-called Justice Sector Coordination Committees (JSCCs) had been constituted at the central, appellate and district level, but after the Palace Coup (1 February 2005), and changing political scenario, the earlier strategy of supporting the justice sector through JSCCs no longer seemed viable.	**Supporting the justice system, 2003-2008.** A strategic plan for the Nepalese judiciary had been prepared, which stimulated coordination among the key stakeholders in the sector. **Mean component performance:** score 4.0 ('moderate').
The judiciary, 2014. Development efforts were narrowly focussed on specific institutions and projects.	**Supporting the justice system, 2014-2017.** There are opportunities for systemic change by building on past Danida support to: the Office of the Attorney General (strengthening prosecutorial capacity, baseline survey, crime trend research, manuals on human rights and related training); the Police (modernisation, criminal investigation and forensics); the Office of the Prime Minister (Universal Periodic Review of human rights); the International Commission of Jurists (access to justice faced by vulnerable women affected by gender violence); the International Center for Transitional Justice (basket fund on transitional justice); the CeLRRd (community mediation, trafficking, and legal aid in prisons); and the Advocacy Forum (legal aid for detainees, reporting human rights violations and filing cases, and supporting victim groups on transitional justice issues). **Mean component performance:** score 4.0 ('moderate').
The media, 1999. Most media did not have professional trained staff. The first non-government and non-commercial radio station in Nepal and South Asia had been established in 1997 to challenge the monopoly of the government-owned radio Nepal.	**Supporting the media, 1999-2003.** Training and advocacy programmes had enhanced the media's professional capacity and raised the profile of Dalit and other issues, while affirmative-action fellowships had particularly benefited women and members of disadvantaged groups. **Mean component performance:** score 5.0 ('strong').
The media, 2003. Years of political upheaval and a worsening conflict situation had created serious obstacles to a free and independent media. They faced especially difficult times during the State of Emergency, which demonstrated that in the post-1990 era media freedom can never be taken for granted by media practitioners. There were legitimate fears that in the post 1 February 2005 context, Nepalese media may continue to be intimidated and directly or indirectly censored.	**Supporting the media, 2003-2008.** The mid-term review (2005) was impressed by the component's strong drive for social justice, measures for consensus building on key issues such as human rights, good governance and conflict issues, and for the democratisation and decentralisation of the media through support to community media, particularly community radio in rural areas. The Project Completion Report (2008) mentions increased media professionalism and public access to information and expression. **Mean component performance:** score 5.5 ('very strong').

Conditions before	Later conditions, and Danida's contribution to change
Local governance, 1999. Danida's support had led to the Local Self-Governance Act, and decentralisation reforms had started in circumstances where there was low capacity among local elected bodies and staff, and a need for numerous amendments to national laws on the division of competences and resources between national and local levels, for reorganisation of the civil service, and for greater integration of the work of line ministries and elected local authorities. The decentralisation agenda stalled in 2002 and for the next three years, due to conflict and political crisis.	**Supporting local governance, 1999-2003.** Despite difficulties, progress was made on policy development and local capacity building. Preparations were being made for replication of a successful capacity-building programme, and interviews in 2017 suggested that these efforts, and others such as support to the Local Bodies Fiscal Commission (but not to the Local Development Training Academy), had significant legacy effects. **Mean component performance:** score 4.0 ('moderate').
Local governance, 2003. Implementation of the Decentralisation Programme was hindered by the conflict and political crisis.	**Supporting local governance, 2003-2008.** Mechanisms for local government capacity building and decentralisation were established and tested, but no local elections were held in the programme period, and the main impacts were thought likely to be in the future. **Mean component performance:** score 5.0 ('strong').
Local governance, 2009. The LGCDP was relevant in Nepal's post-conflict environment, which was characterised by inaccessible and inequitable public services, skewed planning and project selection dominated by elite interests, and weak downward accountability by local governance by bodies to the people they were supposed to serve.	**Supporting local governance, 2009-2013.** Ward Citizen Forums and Citizen Awareness Centres had been set up to monitor service delivery and agitate for improvements, which had indeed occurred. **Mean component performance:** score 5.4 ('strong').
Local governance, 2014. The most significant achievements of LGCDP I had been the re-establishment of links between state and citizens in the aftermath of the conflict, the reinforcement of participatory planning process in the absence of elected officials and the creation of citizens' institutions across the country. The allocation of fiscal transfers has been rationalised and a performance culture has been introduced at the local level. LGCDP I had been highly successful in mainstreaming disadvantaged groups into the development process by taking a rights-based approach to local governance.	**Supporting local governance, 2014-2017.** LGCDP II had further improved citizen-state relations through the WCFs and the CACs, in which 4-5% of the total population is engaged, although grants to communities were too small to address all demands. MoFALD consolidated a results-based management system in the Local Bodies (LBs), where performance-based grants have been rolled out and most LBs have complied with relevant minimum conditions. While this system has worked well, and has been an important contribution to fiscal decentralisation in Nepal, many grants to the Local Bodies were not linked to the performance-based grant system in FY 2014/15, implying that the system was not as performance-enhancing as it had the potential to be. Denmark has not had an overall coordinating role during this phase, since other donors have been chairs. **Mean component performance:** score 4.5 ('strong').

Conditions before	Later conditions, and Danida's contribution to change
Corruption, 2003. Corruption was a huge problem in Nepal.	**Supporting anti-corruption, 2003-2008.** Corruption remained a huge problem, and there was no evidence that it had been reduced although awareness of it had increased. **Mean component performance:** score 3.3 ('weak').
The tax system, 1997. Attempts were being made to collect a multiplicity of taxes on goods and services, non-compliance, evasion and corruption in the fiscal system were rampant, and government revenues were weak and unpredictable.	**Supporting tax/VAT reform, 1997-2015.** Collection of the unified VAT was going well, and government revenues from all sources including VAT have expanded dramatically and sustainably in absolute and real terms, while remaining at a fairly constant share of (a massively increased) GDP. An informant observed that the introduction of VAT was a remarkable achievement, since "in a short period Danida successfully introduced a VAT system that has become a highly valued source of government revenue." **Mean component performance:** score 5.3 ('strong').

Table 12: Contributions of the education sector reform and development interventions, 1992-2012

Conditions before	Later conditions, and Danida's contribution to change
Access	
Educational access, 1992. Gaining access to education was a serious challenge for many. Large numbers of children were being excluded, or else would quickly drop out of school even if they were enrolled, with very few managing to complete their basic education, and even fewer reaching secondary level. Equity was also a serious concern, at least partly because of low numbers of female and minority-group teachers, as figures for girls' access, participation and completion were consistently worse than for boys, and persistent exclusion of disadvantaged groups such as Dalits and Janajatis was a particular problem, as was access to education in remote and inaccessible parts of the country. There were also complex problems of a cultural, political and economic nature that affected demand for education and the attractiveness of the education on offer.	**Improving access, 1992-2012.** Access and equity had increased in primary, basic, secondary and non-formal education. Net enrolment rates (NERs) had reached 86% for basic, 96% for primary, and 75% for secondary levels, and there had been a marked decline in repetition and dropout rates. Gender parity in NERs had been reached at primary and secondary levels. The number of teachers from minority groups had increased, as had the number of women teachers who now numbered 42% of the total. An increase in pre-schooling had helped boost the numbers of students entering Grade 1. School buildings and facilities had improved markedly. Children with disabilities had better access to education: more were enrolled in school, services have been put in place to assess their challenges and allow inclusion in the regular education system if possible, and learning resources had been developed to help those with particular difficulties (e.g. for blind pupils). Sector-wide progress can be attributed to Danida in direct proportion to its share of programme support (i.e. about 10% of total donor support to BPEP, EFAP, SESP and SSRP in 1992 to 2012). In some areas, Danida's contribution was significantly higher than 10%, reflecting Danida's consistent priorities and the fact that it provided support in areas where other donors were less present. They included equitable access for girls, inclusion of out-of-school and disabled pupils, and those from disadvantaged communities. **Mean component performance:** score 5.3 ('strong').
Achievement	
Educational achievement, 1992. Many school graduates were illiterate and barely capable of finding work in a developing economic system or contributing effectively to national development goals, and this was a serious cause for concern. Education outcomes were low, with less than 50% achievement in grade 5. In 1998, fewer than half of all teachers had any form of qualification. Proxy indicators of quality were poor, with high student to teacher ratios (45:1, and large regional disparities), and high 'repetition' rates (children who repeat a grade) and low 'survival' rates (children who started grade 1 and who reach grade five).	**Improving educational achievement, 1992-2012.** Education quality indicators have been stubbornly resistant to change, and school-leavers are still produced who have not acquired the competencies to improve their economic situation. There was strong progress on child literacy, but less on adult literacy. Proxy indicators of quality showed improvements: the student to teacher ratio having reached 29:1, and the number of trained teachers having increased to 89%, while repetition rates had declined and survival rates had increased. But caste-related disparities in learning outcomes persisted, including low literacy rates among Dalits compared with other groups. Sector-wide progress can be attributed to Danida in direct proportion to its share of programme support (i.e. about 10% of total donor support to BPEP, EFAP, SESP and SSRP from 1992 to 2012). There were higher Danida contributions in certain areas reflecting Danida's consistent priorities, including teacher training, GESI, and pre-schooling. **Mean component performance:** score 4.5 ('strong').

Conditions before	Later conditions, and Danida's contribution to change
Institutions	
Institutional capacity, 1992. Weak capacity in key areas such as planning, budgeting and monitoring was seriously limiting management and decision making in education, making it hard for the system to function effectively or to use its limited resources efficiently. There were also complex problems of a cultural, political and economic nature that affected demand for education and the attractiveness of the education on offer. Decision making was highly centralised, and planning was top-down. There was little research to inform decision-making. The education sector did not have specialised institutions to deal with specific technical areas in education (e.g. curriculum and monitoring).	**Improving institutional capacity, 1992-2012.** The efficiency with which goods and services were delivered to schools had improved. The involvement of local communities in managing schools had increased from practically none to an elaborate structure of consultation and dialogue. Almost all teachers had basic teacher-training qualifications. Management at school and district levels had been strongly decentralised and planning was being done through a bottom-up process. Teachers were being paid more reliably, often through regular bank transfers. The Department of Education had been fully established as a technical arm of the ministry, with a clear mandate and better-qualified staff. Technical units focused on various education services (curriculum, assessment, etc.). Content, quality, accessibility and utility of the ministry's Education Management Information System had been greatly improved. Across various areas of the education system there was a strong focus on using research to inform decision-making. The MoE had become a more self-sufficient entity, able to organise events, interact with other development partners, and attract support to the education sector. The areas in which 50% or more of the progress is reasonably attributable to Danida's investment include: decentralised school management; long-term staff development; sector-wide planning; and pilot initiatives and innovation. Other areas which Danida consistently and specifically prioritised include: teacher competence and knowledge management. **Mean component performance:** score 4.8 ('strong').

Table 13: Contributions of the rural and renewable energy interventions, 1999-2017

Conditions before	Later conditions, and Danida's contribution to change[5]
Institutions	
AEPC, 1999. Having been established only three years before, AEPC had weak capacity and few resources to develop institutionally.	**Strengthening AEPC, 1999-2007.** AEPC possessed managerial systems and had developed into a central link between government, the public and the private and NGO sector. It was highly respected and the quality of its work and procedures were perceived to be high. According to the World Bank, it had become a world-leading promoter of community and private sector led expansion of renewable energy technologies in rural areas. On the other hand, its long-term sustainability and autonomy continued to be under threat, as it remained legally based on a Cabinet Order and was thus officially a 'temporary' body. Although it had attracted a number of donors (including Norway, the World Bank, UNDP, the Netherlands, Germany and the EU), coherence was weak at the programme level. Danida was the only donor supporting AEPC from 1999 to 2003. **Mean component performance:** score 4.4 ('moderate').
AEPC, 2007. AEPC had been significantly strengthened, but there was little commitment from government or within AEPC to undertake further organisational development and improvement. There was a lack of a coherent rural energy/electrification policy in line with national development goals, and lack of a shared long-term vision and strategy for rural energy development in Nepal. Subsidy policy seemed not to be reaching the poor, women and disadvantaged groups adequately.	**Strengthening AEPC, 2007-2012.** Renewable energy promotion had been incorporated into government's three-year plans and its rural energy and subsidy policies. A 20-year perspective plan for AEPC had been prepared, and the Renewable Energy Act, and Regulations for Central Renewable Energy Fund (CREF) put into effect. Progress had been made in aligning government and donors around financial support to the sector, and credit facilities had become available at the pilot project level with six partner banks involved in credit delivery to SHS and micro-hydro projects. The initial focus was on building the capacity of AEPC to manage a SWAp, and a later widening of scope to strengthen the whole sector caused a loss of focus, as well as organisational and management difficulties within AEPC. **Mean component performance:** score 3.4 ('weak').

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5   Danida was the lead donor until 2016 in all sub-sectors listed here.

Conditions before	Later conditions, and Danida's contribution to change[5]
AEPC, 2012. Most donors were funding separate projects. Technical advisers had financial and administrative control, but there was significant momentum by the donors towards a SWAp.	**Handing over control to AEPC, 2012-2017.** Along with other donors, Danida strongly promoted the change to a SWAp. Full implementation of NRREP was placed in the hands of AEPC in July 2012, with few phasing-in arrangements. The new demands stressed AEPC's managerial systems, and evidence of irregularities began to emerge. This became especially clear with the introduction of NRREP's Compliance Unit, which reports directly to the Steering Committee and the Lead Donor (i.e. Danida), and which established much stronger internal systems, supported the move to using the Government Procurement system, and carried out monitoring and internal auditing. Its work led to a number of investigations of the misuse of funds[6]. There were also management changes within AEPC, which led to some internal difficulties and delays in decision-making, and resistance to the establishment of CREF as a separate entity handling subsidies and credit, which delayed its start. As noted in Annex E.8, the prequalification and subsidy systems used by CREF also contributed to compliance problems and increased prices. The ability of AEPC to manage and correct these issues was limited, and glacial progress equated to a loss of effectiveness in managing the SWAp. Nevertheless, AEPC and NRREP have contributed to the development of policies and institutional frameworks, including the *Renewable Energy Subsidy Policy* (2016), the *Renewable Energy Subsidy Delivery Mechanism* (2016), the *Urban Solar Energy System Subsidy* and *Loan Mobilization Directives* (2015), the *Subsidy and Delivery Mechanism of Institutional Solar System* (2013), the *Subsidy Delivery Mechanism on Additional Financial Support to MHPs* (2013), the *Biomass Energy Strategy* (2016), and an *Investment Prospectus for CCS4ALL: A Roadmap to National Goal of Providing Clean Cooking Solutions for All* (2016), as well as various guidelines, technical standards, and manuals. These will continue to support the renewable energy sector in the future. **Mean component performance:** no specific component (institutional strengthening was addressed in all components through mainstreaming).

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6   http://um.dk/da/danida/oplysning/bekaempelse-af-svindel/omfanget/rapportering/rapporteringer

Conditions before	Later conditions, and Danida's contribution to change[5]
Investment	
Investment environment, 1999. Renewable energy systems could not compete with conventional ones because of higher installation and maintenance costs per kWh produced and higher financing costs due to the small-scale lending involved.	**Interim Rural Energy Fund, 1999-2007.** An Interim Rural Energy Fund (IREF) had been designed, established, financed and was lending much faster than expected, while also managing to monitor projects effectively and to ensure transparent subsidy delivery, thus stimulating demand and supply of micro-hydro and SHS technologies. AEPC had a key regulatory role in SHS development, and IREF had promoted expansion of the market of pre-qualified suppliers as well as establishment of 78 Electricity User Co-operatives. Yet the district electrification sub-component had been delayed, no business plans for co-operatives had yet been prepared, physical transmission system capacity had been exceeded in places, and the original estimate of power demand was too low by a factor of three. Danida support contributed strongly to the creation of the IREF as a credible and effective mechanism for financing and therefore stimulating renewable energy demand and supply, and its subsequent success. **Mean component performance:** score 4.9 ('strong').
Investment environment, 2007. The IREF was in place, about to explore the possibility of ISO certification, and about to transition to a Rural Energy Fund (REF). The affordability of technologies at the rural household level was still a challenge, and access to credit remained restricted. Few existing financial institutions were investing in the rural and renewable energy sector.	**Rural Energy Fund, 2007-2012.** The REF had become a major channel for donor and government funds, and the establishment of a national rural energy subsidy policy and its effective and efficient implementation had been a great success. **Mean component performance:** score 4.6 ('strong').
Investment environment, 2013. There was no system for credit specifically linked to renewable energy, although commercial banks and micro-finance institutions had shown interest in including it in their portfolios.	**Central Renewable Energy Fund, 2013-2017.** Implementation is on-going. There had been many delays, but by July 2016 the CREF was fully established, subsidy processing had been fully streamlined, credit and outreach enhancement tools were being formulated, and loans were being disbursed by seven partner banks. Targets were amended to seek incremental change in available funds and disbursements, and the full implementation of outreach enhancement tools. Demand for credit was still weak according to the banks, but this has not been tested independently and it is possible that the banks were uninterested because they considered the risks too high. Funds were disbursed to all partner banks but their credit lending was not monitored. The end of Danish cooperation in Nepal meant that the funds had to be returned to Denmark. **Mean component performance:** score 4.0 ('moderate').

Conditions before	Later conditions, and Danida's contribution to change[5]
Business environment, 2012. The private sector environment in Nepal was said to be challenging. Although the country's GDP was growing in the 4-6% range in 2011-2013, and MSMEs were contributing to growth and employment, MSMEs in rural areas were assumed to face constraints that deterred innovation, entrepreneurship and productive use of available energy. Energy from most micro-hydro plants was used only at night, so surplus energy was available during the day, offering potential for commercial use.	**Promoting MSMEs, 2012-2017.** The focus had been on training MSME personnel in how to manage businesses and apply GESI guidelines, and offering business support services, but there had been poor progress which was attributed to AEPC giving the component inadequate priority, weak understanding by the designers of the different motivations of community and private business stakeholders, the freezing of funds while irregularities were investigated, and the effects of the 2015 earthquake and Indian blockade. **Mean component performance:** score 3.3 ('weak').
	Technologies
Biomass energy, 1999. In the mid-hills 80% of total energy used came from burning wood, and traditional cooking methods exploited biomass energy with an efficiency of about 16%. There had been ICS programmes in Nepal for more than 40 years, but they had had very limited success due to a top-down approach offering ineffective and inappropriate technology. Neither AEPC nor Danida had much experience in ICS promotion and dissemination.	**Promoting Improved Cooking Stoves, 1999-2007.** About 213,000 ICS had been installed (greatly exceeding targets), each allowing for around a 30% saving in wood fuel. By building capacity among 153 local organisations and training over 3,000 promoters, a system to support the ICS programme was set up that could train, monitor and raise awareness in working areas that covered 711 VDCs (22% of the country's total). Direct benefits were being generated in terms of improved health, fuel savings and reduced environmental pressures, and low-income households benefited disproportionately. The national ICS target was of a quarter-million ICS by 2007, so Danida's support enabled 85% of this to be met which can be logged as an extremely strong contribution. **Mean component performance:** score 4.8 ('strong').
Biomass energy, 2007. Biomass continued to be the most common source of fuel but its use was often at unsustainable rates. Renewable energy technologies remained expensive. More than 1.5 million households in the mid-hills lacked ICS, and the Terai and high-hill areas had been neglected.	**Promoting Improved Cooking Stoves, 2007-2012.** ICS promotion in the Terai and the delivery of Metallic ICS in high altitude areas had been delayed. Elsewhere, mud stoves were distributed effectively but metal ones fell far short of targets, especially in the high hills where local people could not afford them despite the subsidy. Only 36% of institutional ICS were disseminated due to high cost and reluctance to invest in a fixed stove, when many of these settlement areas are temporary in nature. **Mean component performance:** score 4.1 ('moderate').

Conditions before	Later conditions, and Danida's contribution to change[5]
Solar energy, 1999. Although 1,000 solar home systems (SHS) had been sold during the period 1994 to 1997, and there were three medium-sized companies involved in the photovoltaic sector, prices were high and few rural families could afford them. The remoteness of rural areas deterred investment in their commercialisation through installation and after-sale care. There was no national plan for SHS deployment, no clear understanding of how to optimise and phase out a potential financial incentive tool, insufficient quality of SHS components and no battery recycling scheme.	**Promoting solar systems, 1999-2007.** Nearly 70,000 SHS had been installed (greatly exceeding targets), more than 40 companies were active in the sub-sector, and 870 technicians trained and certified by the AEPC's Centre for Technical Education and Vocational Training. Comprehensive guidelines to administer the solar subsidy and an Interim Photovoltaic Quality Assurance Standard had been prepared and applied, with Solar Energy Test Stations set up to ensure the quality of components. "The most important part of benefits from SHS is the direct and indirect social benefits (in education, awareness building, socialization, self-esteem enhancement, etc.) from use of solar electricity in lighting for children's education and in operation of radio, TV, cassette players, etc." (2004 *Progress Report*). The cost per peak Watt (Wp) installed was higher for SHS than for micro-hydro systems, however, and being an individual rather than communal system SHS was taken up by fewer poor households, so had less commercial impact. Demand was also thought likely to depend on the subsidy scheme, and the battery recovery scheme had not succeeded. Danida contributed strongly to SHS installation and associated business activity, and to relevant guidelines and standards. **Mean component performance:** score 4.1 ('moderate').
Solar energy, 2007. There had been no promotion of institutional Solar PV systems. There were 13 prequalified companies for SHS installation. The average price per 20 Wp SHS was NPR 22,000. No battery recycling arrangements were in place.	**Promoting solar systems, 2007-2012.** The number of pre-qualified companies able to supply quality solar PV systems had increased to 37, and 60 repair and maintenance centres had been established. Over a quarter million normal SHS and nearly 30,000 small SHS had been installed, and the average price per 20 Wp was NPR 18,000. A cash incentive voucher scheme to incentivise battery collection had been designed. **Mean component performance:** score 4.0 ('moderate').

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Conditions before	Later conditions, and Danida's contribution to change[5]
Micro-hydro, 1999. About 400 micro-hydro plants had been locally manufactured and installed, and manufacturers were improving their production and maintenance capacities. AEPC had little experience in coordinating micro-hydro development. Guidelines and policies were being prepared.	**Promoting micro-hydro systems, 1999-2007.** A basic regulatory and institutional framework had been established for micro-hydro promotion in rural areas. The quality of micro-hydro service delivery and supervision had improved. An investment subsidy and awareness raising had increased demand for micro-hydro, and this plus quality-assurance requirements had stimulated manufacturing, installation and consultancy, with 54 companies directly involved and 317 micro-hydro systems installed. Reliable micro-hydro electricity supplies had enabled access to radio services and telephone connections, and through better lighting had improved the learning environment at home and extended the length and number of classes in schools, with poorer households benefiting in particular. Danida support contributed strongly to the development of micro-hydro standards, procedural guidelines for preliminary and detailed feasibility studies, procedures and documentation for bidding processes and contracts, social mobilisation guidelines and training manuals and guidelines. **Mean component performance:** score 4.0 ('moderate').
Micro-hydro, 2007. Electricity access remained weak in remote rural communities. There was a lack of coherent national policy addressing rural electrification. Rural electrification was highly dependent on subsidy.	**Promoting micro-hydro systems, 2007-2012.** More than 100 pre-qualified companies were doing surveys, design, manufacturing and installation for mini-grid schemes. Seven NGOs had been built up to support mini-grid developers in all 54 hill districts with micro-hydro potential. Mini-grid electrification was seen as most viable of technologies in Nepal, and demand for it had increased, with 65,500 households connected to 442 micro-hydro schemes, and strong growth expected. On the other hand, the sector remained very dependent on subsidies. **Mean component performance:** score 4.4 ('moderate').
All renewables, 2012. The main sources of energy in rural areas remained wood and farm wastes, and petroleum fuels. Government declared an 'Energy Emergency' in March 2011 and there were regular (often daily) and prolonged periods of load shedding (i.e. power-cuts and brown-outs).	**Promoting all renewables, 2012-2017.** The technical themes (ICS, biogas, solar, mini-hydro, improved water mills, etc.) made patchy progress against their own challenges of levels of interest and affordability, delays in financing, manufacturing, importation (during the Indian blockade). In addition, elements of the programme were frozen due to problems with financial compliance. These added up to significant (minor to severe) under-performance against all targets except for ICS, so in 2016 they were revised to more realistic levels in preparation for exit. On the other hand, a regulation on recycling lead-acid batteries had been issued and incentives for recycling were being developed. Load shedding had declined by 2017, but it is unlikely that this is much to do with NRREP's achievements. **Mean component performance:** score 4.3 ('moderate').

Table 14: Contributions of Environment Sector Programme Support, 1998-2005

Conditions before	Later conditions, and Danida's contribution to change[7]
Institute of Environmental Management	
Urban/industrial environment, 1998. There was a serious lack of capacity for environmental management in the industrial sector, which training, standards, laws and enforcement would be required to correct, and the need for a new institution to deliver these services was recognised.	**Establishing IEM, 1998-2005.** The IEM had been created and resourced, delivered numerous training courses and developed systems and standards for environmental management, cleaner production, energy efficiency, workplace assessment and OHS. On the other hand, willingness to pay for these environmental management training and standards services had not achieved self-financing levels. **Mean component performance:** score 3.7 ('moderate').
Cleaner production and industrial OHS	
Environmental standards, 1998. Heavy industrial pollution and low OHS standards were the norm in HID and BID, and businesses were not interested in making improvements.	**Promoting standards, 1998-2005.** Significant savings in the use of raw materials and energy, and in reducing emissions, had been demonstrated, and industrialists had become much more cooperative. **Mean component performance:** score 5.2 ('strong').
Wastewater Treatment in Hetauda	
Waste-water treatment, 1998. Uncontrolled industrial discharge was polluting surface and ground waters, and the need to establish waste water treatment facilities routinely in all industrial districts was widely recognised in government policies although little had been done.	**Improving waste-water treatment, 1998-2005.** The planned WWTP had been built along with the sewer and drainage systems as needed. The design of the WWTP seems not to have been appropriate to objective need or social demand, and was made less so during construction (also leading to cost overruns that impacted funding for cleaner production), and problems arose with operation, maintenance, utilisation by businesses, etc., seriously undermining the potential of the plant. There may have been some improvement in the management of storm water flow (since the drains had been improved), the capture of sewage into engineered vessels (since these had been built, even if not all connected), and in the quality of water discharged to the river (even if only on those days when there was enough but not too much flow into the WWTP), but these effects are not documented. **Mean component performance:** score 1.4 ('very weak').

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7   Danida was the main donor at the time in all sub-sectors listed here.

Conditions before	Later conditions, and Danida's contribution to change[7]
Institutional strengthening of ministries	
Ministry capacity, 1998. None of the targeted ministries had the capacity to fulfil its respective mandate.	**Capacity building, 1998-2005.** Environmental and OHS standards (e.g. for water and air quality) were delivered, along with protocols for monitoring, and training courses in environmental administration, management systems, toxicology and technology, cleaner production and energy efficiency, OHS, vehicular emissions control and monitoring, as well as specialised subjects for target audiences such as on OHS for safety officers and women, chemical hazards, fire safety and first aid, safety in construction work, etc. Improved institutional capacity at the end of the component was "solely attributed to this component, and the cooperation of the ministries, industry associations, and trade unions involved" (HMGN & Danish Government, 2005e). **Mean component performance:** score 5.8 ('very strong').
Air quality management in the Kathmandu Valley	
Air quality, 1998. Air pollution in the Kathmandu Valley was serious, increasing, and politically unpopular, and government was committed to reducing it. The main sources were obsoletely-designed brick kilns and old, poorly-maintained, fossil-fuelled vehicles. Policy, technology, public opinion and pilot programmes underway during the 1990s had converged to make it feasible to begin phasing out many sources of air pollution, and replacing some of them with EVs.	**Improving air quality, 2000-2005.** Government had established policies including: banning the importation of vehicles not compliant with a new emission standard, second-hand and reconditioned vehicles, and two-stroke engine vehicles; phasing out three-wheeler diesel 'tempos' and all three-wheeler two-stroke engine vehicles from the Kathmandu Valley; phasing out taxis 20+ years old from the Kathmandu Valley (later extended to all vehicles 20+ years old); and banning the new registration of Bull's Trench Kiln brick works in the Kathmandu Valley and requiring all those already in operation to be changed to cleaner technology. Public concern over air pollution led to media coverage and policy influence. On EV promotion, a lobbying group had been established, mechanics and drivers had been trained, and a Clean Vehicle Promotion Fund had been set up. On vehicle emission control and enforcement, the Kathmandu Valley traffic police had been equipped and trained, a Vehicle Anti Pollution Programme supported, and mechanics and drivers had been trained. An AQMS had been established and was generating public information, and a permanent working group on air quality established among Kathmandu Valley municipalities and other stakeholders. Net effects included a 10% reduction in average PM10 concentration in 2004 as compared to 2003. Some of the policy dynamic was rooted in events that pre-dated the ESPS in the 1990s, but the component strongly contributed to its development. **Mean component performance:** score 6.3 ('very strong').

Table 15: Contributions of the renewable natural resource interventions through NARMSAP, 1998-2005

Conditions before	Later conditions, and Danida's contribution to change
Community forestry	
Community forestry, 1998. Community forestry had been explored from 1978 as a way to reduce deforestation and improve people's livelihoods, and endorsed by government ten years later. Policies and laws that followed allowed for Community Forest User Groups (CFUGs) to be granted patches of the national forest estate to manage as Community Forests. The idea had been tested and replicated in the 1990s, and five Regional Forestry Training Centres (RFTCs) and one central training facility had been established with Danida support.	**Supporting community forestry, 1998-2005.** Nearly 165,000 CFUG members and over 18,000 government foresters had been trained in multiple-output forestry, while 2,050 new CFUGs and Community Forests had been established in 38 mid-hill districts and 3,720 Operational Plans for them had been prepared or revised. Extremely strong legacy effects were noted by interviewees in 2017, and there are now 19,316 CFUGs, each with a forest to manage legally, three-quarters of them along with most of the front-line government forest staff in the country trained with Danida support. The net result of this national process, is that forest cover has increased from less than 40% to almost 45% of land area (most of it through natural regeneration), and forest quality has improved (likewise), making Nepal one of the few countries that have reversed net deforestation, and a world leader in community forestry. The CFUGs had also kept alive the idea and practices of participatory democracy between elections and during the civil emergency, giving Danida's role in forestry a vital governance impact. One key knowledge-holder estimated the overall distribution of contributions to the community forestry system in Nepal to be about 20% to the World Bank and Australia for pioneering it, 50% to Denmark for implementing and replicating it, and 30% to the UK and Switzerland for helping to consolidate it after Denmark's departure from the sector. **Mean component performance:** score 4.6 ('strong').
Soil conservation and watershed management	
Catchment management, 1998. Soils were at risk from cultivation and excessive livestock grazing in hilly areas that were vulnerable to soil erosion and reduced soil fertility, often made worse by competition between land users where land ownership was unclear and/or inequitable. The underlying challenge is Nepal's unconsolidated geology, resulting from the deposition of material eroded from the recently-uplifted mountains, combined with steep slopes and intense rainfall.	**Supporting community development, 1998-2005.** Community Development Groups (CDGs) in 20 districts, registered under the Decentralisation Act, were mobilised to plan and take charge of all development affecting 35-50 households in each case. Strong legacy effects were noted by interviewees in 2017, some of whom said that the CDG system worked so well that it would now be just the right model for the country, given local empowerment and decentralisation under the 2015 Constitution. Others noted that many of the component's technical guidelines for decentralised planning are still in use, and of the areas covered by the component that "20 districts have very proud memories." Danida was the main donor in the sub-sector at the time. **Mean component performance:** score 4.0 ('moderate').

Conditions before	Later conditions, and Danida's contribution to change
Tree improvement and silviculture	
Genetic resources in forestry, 1998. Danida's Tree Improvement Programme (from 1992 to 1998), responded to the transfer of forest management to communities that lacked appropriate knowledge while government foresters lacked the skills needed to advise them. The ideas of cultivating trees (i.e. silviculture) and maintaining their genetic diversity (i.e. preventing the loss of valuable species and cultivars) are both necessary but sustainable outcomes require a long-term approach since trees grow and breed slowly. Although technical, the TIP involved communities extensively, since it worked with what were increasingly seen as their resources and their lands, but few benefits were obvious after only five years and it was decided that a longer project was needed.	**Promoting tree improvement, 1998-2005.** Significant progress had been made on registering seed stands in Community Forests, establishing Breeding Seed Orchards, preparing ecological maps of Nepal, supporting seed cooperatives in two districts, and applied research on several species. On the other hand, challenges included inadequate ownership by the government forest service, the lack of government approval of a seed procurement protocol, limited clarity over roles and responsibilities of the Regional Seed Centres, and unfulfilled potential for collaboration with national and global institutions. Danida was the main donor in the sub-sector at the time. **Mean component performance:** score 3.5 ('moderate').
Institutional strengthening	
Institutional capacity, 1998. Weak capacity was as a major obstacle to successful implementation of field activities in soil conservation and community forestry.	**Building institutional capacity, 1998-2005.** Before 2003, MoFSC's priorities were scattered and capacity-building efforts were fragmented and had little effect, but afterwards a more strategic, sector-wide approach focused on coherent and strategic aspects of institutional development, with donor coordination, allowing fuller collaboration in field work, including with the Community Forestry and SCWM components of NARMSAP, and creating the possibility of sustainable institutionalisation change in the direction of a coherent forestry SWAp. **Mean component performance:** score 3.6 ('moderate').

4 Conclusions & recommendations

4.1 Denmark's interventions

Most Danida investments were done in partnership with other donors, and all of them with Nepalese stakeholders. Danida's specific contributions are identified in Tables 11-15 (supported by evidence in Annex F), and summarised in Annex H and in the following paragraphs. Here they are related to the evaluation questions (EQs) in Table 2, the case stories in Annex G, and the SDGs in Table 3.

Main contributions to peace, rights and governance (EQs 1 & 2)
- Peace building, by supporting the demobilisation of former combatants, and the participatory development of the 2015 Constitution.

- Democracy, by supporting voter registration (Annex G.5), voter education and inclusive participation by all genders and groups, and encouraging a free press.

- Decentralisation, by promoting autonomy for Local Bodies, fiscal decentralisation, and performance-based management (Annex G.3).

- Inclusion, through new legal protections for Dalits and indigenous peoples (Annexes G.2 and G.4), and measures to ensure their equal access to education and other opportunities (Annex G.7).

- Human rights, by helping thousands of detainees, poor and marginalised people gain access to justice, the abolition of bonded labour, and enabling the transformative work of the National Human Rights Commission (NHRC).

- Tax reform, notably through the introduction of VAT as government's single largest and most reliable source of revenue.

- These contributions are most relevant to SDG 5 on gender equity, SDG 10 on inequality, and SDG 16 on peaceful and inclusive societies.

Main contributions to education (EQs 1 & 2)
- The inclusion of girls, disabled and pupils from disadvantaged communities (Annex G.7).

- Development of the education system as a whole, including in planning, decision making, financial management, data collection, and assessment of student learning, yielding improvements in proxy indicators of quality such as reduced drop-out rates, better pupil-teacher ratios, increased numbers of trained teachers, reduced repetition rates, increased survival rates, and greater commitment among District Education Officers to monitoring learning outcomes.

- Encouraging improvements in knowledge management and evidence-based decision making, and building a culture of research and innovation across the education system.

- These contributions are most relevant to SDG 4 on education, and SDG 5 on gender equity.

Main contributions to renewable energy (EQs 1 & 2)
- Energy access in rural areas, and reductions in fuelwood consumption and the drudgery and isolation of rural life (Annex G.8).

- Strengthening the institutional, policy and financial systems needed to sustain the spread of renewable energy technologies and develop a renewable energy private sector in a holistic, coordinated and sector-wide way.

- These contributions are most relevant to SDG 3 on health & well-being, SDG 7 on sustainable energy, SDG 8 on sustainable growth, and SDG 13 on climate change.

Main contributions to the urban/industrial environment (EQs 1 & 2)
- There were strong validations of ideas and convincing demonstrations of how businesses can effectively and sustainably adopt clean technology and energy efficiency standards, while important legacy effects were also created on environmental awareness, environmental regulation, and attention to air quality in the Kathmandu Valley (Annex G.10).

- These contributions are most relevant to SDG 9 on sustainable industrialisation, SDG 11 on sustainable settlements, SDG 12 on sustainable production, and SDG 13 on climate change.

Main contributions to RNR management (EQs 1 & 2)
- There was strong consolidation and replication of the community forestry and catchment conservation model in partnership with government, and Danida's departure from the sector in 2005 did not stop the growth of the Community Forestry User Group (CFUG) system in the mid-hills that helped to ensure decentralised, participatory and inclusive democracy, and that has made Nepal one of the very few countries that have reversed net deforestation (Annex G.9).

- These contributions are most relevant to SDG 13 on climate change, and SDG 15 on terrestrial ecosystems.

Main contributions to dairy development (EQs 1 & 2)
- Planning, capacity-building and technology transfer had been supported since the 1970s, and despite Danida's withdrawal in 2002, there are important legacy effects in the public and private-sector dairy processing industries, including dairy cooperatives that still involve 95% of producers, and in effects such as clean milk production and the institutions that safeguard it through supervision and training.

- These contributions are most relevant to SDG 2 on sustainable nutrition, and SDG 8 on sustainable growth.

Main contributions to enhancing human rights (EQ 4)
- In the PRG theme, including work with partners to support the mediation of disputes over land, to promote the rights of women and marginalised groups, to

coordinate donor activities, to help detainees, poor and marginalised people gain access to justice, and to abolish bonded labour.

- In the education theme, through improving access to education in remote and marginalised areas of the country and for girls, disabled and marginalised groups, and through links that enhanced the position of groups who by becoming literate were able to empower themselves further (Annex G.1).

Main contributions to promoting good governance (EQ 5)
- In the PRG theme, especially Phases I and II of the Local Government and Community Development Programme (LGCDP), including the Ward Citizen Forums, Citizen Awareness Centres and Local Governance Accountability Facility, the Election Commission, and NGOs that promoted participation among marginalised groups.

- In the education theme, through decentralised school and district planning, education awareness campaigns, and capacity building.

- In the renewable energy theme, through a Compliance Unit that devised procedures for procurement, monitoring and financial management, and capacity building among Regional Service Centres and community renewable energy user groups.

- In the RNR management theme, through the CFUGs as participatory democratic structures that persisted for 20 years between elections, and the District Forest Coordination Committees.

Main contributions to improving life for the disadvantaged (EQ 9)
- In the PRG theme, including through activism by the Dalit organisations, the 'social families' approach (Annex G.4), legal aid and access to justice, police training, and gender targeting on access to justice, media, and rights.

- In the education theme, through better services in remote areas, access and facilities for disabled people, girls and minorities, affirmative action on scholarships, hostels and training for women and disadvantaged groups, and mainstreaming key strategies increasing access, participation and equity.

- In the renewable energy theme, through benefits to women and children from improved cooking stoves and biogas, reduced drudgery and cleaner air indoors, and specific gender equity and social inclusion (GESI) mainstreaming efforts.

Likely sustainability of the Danida interventions (EQ 6)
- Documentary evidence indicating at least moderate sustainability was found for many cooperation activities, but from additional interview evidence it was clear that sustainability was likely to be particularly high in the following areas.

- In the PRG theme, for the NHRC and Election Commission, Phase II of the LGCDP, the Rule of Law Programme, most partner NGOs, the support to Value Added Tax (VAT), and the whole system of governance based on the 2015 Constitution and 2017 local elections.

- In the education theme, for numerous changes and policies adopted by government, including multi-grade teaching, multilingual education, online applications for scholarships, and efforts to promote educational equity.

- In the renewable energy theme, for hydro-electricity schemes to be integrated with the national grid.

- In the urban/industrial environment theme, for legacies such as compliance with ISO 14001 where environmental management regulations exist.

- In the RNR management theme, for legacies that include the CFUGs and the whole community forestry approach.

- In the dairy sector theme, for the parastatal institutions and many dairy plants.

Responding to changing needs, policies and opportunities (EQ 3)
The interventions responded to evolving Nepalese, Danish and global preoccupations and priorities, which are placed on a timeline in Annex B. In Nepal these latter included Danida's responses to: the 1990 restoration of multiparty democracy (by promoting democratic practices), the 1996 Maoist insurrection (by promoting human rights), the 2005 Palace Coup (by suspending some programmes and cancelling others), the 2006 restoration of democracy and peace (by promoting peace-building and implementation of the CPA), the 2005 Paris Declaration on Aid Effectiveness and 2005 EU Consensus on Development (by promoting sector-wide approaches), and the post-2006 Nepalese decision to prepare a new constitution (by promoting participatory constitution building and good, decentralised governance). All had visible and sustained effects in the records of Danida's interventions in Nepal.

Overcoming difficulties (EQs 7 & 11)
Few significant difficulties were detected. In the PRG theme, Danida and other donors ended their support to the National Peace Trust Fund in 2015 over differences on its compliance with international standards on treating the victims of conflict and human rights violations. In the renewable energy theme, tensions arose around corruption investigations by the Compliance Unit and management difficulties in the exit phase since 2016. In the urban/industrial environment theme, one component was poorly designed and impacted other components. In the RNR management theme, there was a lack of government interest in certain technical aspects, differences of opinion over the type of inputs required for institutional strengthening, and the 1996 to 2006 insurgency affected government's participation in field work. In the dairy theme, political interference led Danida to withdraw from the sector. In general, problems were worked around, adapted to, or settled amicably, the major exceptions being the decision in 2005 to abort the agreed Integrated Environmental Programme (IEP), which affected stakeholders across the environment and RNR management sectors, and the decision in 2015 to leave Nepal as a bilateral donor entirely, which affected numerous participants and beneficiaries.

Coordination among partners (EQ 10)
The coherence criterion focuses on how different actors work together, amplifying or undermining each other's success. Evidence for moderate coherence was found across the range of cooperation activities, but interviews confirmed a particularly strong coordination role for Danida among donors and government in the LGCDP, education and renewable energy programmes (albeit compromised during the processes of Danida

withdrawal), and in areas such as support for the NHRC, Election Commission and other rights-based commissions, the Rule of Law Programme, and on the Universal Periodic Review of human rights.

Danish added value (EQ 12)
A list is given in Annex H of attributes that stakeholders identified, or the records demonstrate, as being of special interest to Danes (e.g. in GESI and justice), notable characteristics of Danes (e.g. of moderation, neutrality and reliability), preferences of Danes (e.g. for partnerships and progressive change), and areas in which Danish leadership or coordination effectiveness were exerted (e.g. decentralisation, education, elections, human rights, and environment). Danish and Nepalese members of the evaluation team found these characterisations satisfactory, but the extent to which they are specifically Danish, or Nordic, or European, or bilateral, is open to question. A similar but not identical list was prepared for Finnish added value in Nepal by Caldecott *et al.* (2012a), and many observers would distinguish EU aid in qualitative terms from Nordic aid, for example, and US or Swiss aid from that of the EU, or would note that the Danes, Swiss and Finns are often good at coordination while the UN agencies, despite their convening power, are not. In any case, each individual donor brings its own distinctive attributes to the development process, some of them rooted in national culture and history, and some simply a function of a relatively small number of people thinking about complex problems in a focused and flexible way, and communicating directly with each other, without the distractions and transaction costs of a multi-national bureaucracy. It can also be supposed from the evidence that, of all the individual donors with which Nepal might have had a long-term relationship, Danida was among the best suited to its particular needs for intimate, non-judgemental and long-term encouragement while it worked out how to solve its own problems in its own way. It is hard to imagine any large, ideologically-driven or multilateral actor performing as well as Danida in such a context.

Design quality and performance
Evidence-based scores for design quality and eight performance criteria were given to 43 intervention components. These data showed: (a) that design and performance are strongly correlated, confirming that it is feasible through better design to improve aid performance per unit cost to the public; (b) that the interventions were designed to a high standard; (c) that the interventions performed to a high standard; (d) that among the five main themes, the best performers were the 2003 to 2018 PRG and 1992 to 2012 education interventions; and (e) that on aggregate the interventions scored particularly strongly for relevance and effectiveness. Thus, the Danida interventions were on average and with few exceptions well designed, well-targeted, and very effective.

4.2 Nepal's own 'country programme'

While all the above was going on, the Nepalese people had their own agenda that transformed the country through growth and change, and which the Danida interventions merely encouraged and in some specific ways enabled. The circumstances of Nepal in the 1980s are described by the Nepalese anthropologist Bista (1991), who depicts a country affected by centuries of feudal rule and influence from its neighbours India and China, and historically the British Raj and Tibet. In this view, Nepal's peoples were divided into many distinctive and competing groups, and the prevailing attitude was one of fatalism, a feeling that destiny is determined by birth, class, caste, gender, disability, or some other accidental, natural, social or supernatural factor, over which no control is possible.

This discouraged the idea that change was possible, and inhibited the sense of agency among people, although they were using a number of strategies for making progress despite it, including mutual-support networks (*afno mannche*), sycophancy (*chakari*) and emigration. The evaluation team included a Nepalese anthropologist, interviewed two of the late Dor Bista's sons, and accepts that widespread fatalism was part of the baseline condition in Nepal in 1990.

There were, however, already cracks appearing in the traditional patterns of Nepalese society and governance (Whelpton, 2005; Jha, 2014). There had been the first phase of parliamentary democracy in the period 1951 to 1960, which was suppressed between 1961 and 1979 but inspired agitation for change in the period 1979 to 1988 that culminated in the 'People's Movement' (*Janandolan*) of 1989 to 1991. Although His Majesty's Government remained in power, Nepal then became a parliamentary democracy and held elections, and began a cautious programme of reforms to defuse opposition to centralised and what was widely perceived as corrupt rule. This prompted Denmark and other donors to begin funding projects to promote awareness of democratic practices, and the skills and rights needed for democratic participation. The global context then included the end of the Soviet Bloc, the Soviet Union, and the Cold War, with Western donors being drawn by the opportunity to encourage the emergence of a new and democratic Nepal.

Subsequent events in Nepal can be interpreted as milestones on a collective path away from fatalism. In such a view, these milestones included the 1989 to 1991 restoration of democracy, which was repeated in 2006 after the 1996 to 2006 insurrection, and thereafter through the 2008 abolition of the monarchy and election of a Constituent Assembly, the 2015 agreement of a new national Constitution, and the 2017 elections for leadership of the 744 Local Bodies that are now responsible for significant budgets under the supervision of local people. The latter are keenly interested in how the money is spent, and this attention is facilitated by local NGOs and CBOs, including 19,316 Community Forest User Groups, a free press, mobile telephones, and an Internet that exposes local transactions to local view and feeds global experiences into local minds, all of which will help deter abuses of power. Accountable local power inevitably undermines fatalism, since it allows people to do meaningful things on their own behalf.

All Danida's interventions encouraged this outcome, by supporting elections, decentralisation, transparency, inclusion, equity, literacy, various measures to promote the habits and mechanisms of participation, and to introduce new ideas and ways of doing things, often through exposure to global and Danish experience. Moreover, many of these interventions amplified one another's effects, with decentralisation and local empowerment over schools, forests and renewable energy systems all contributing to and benefiting from a trajectory towards decentralised, accountable, participatory, lawful and rights-based governance, and all being supported simultaneously by Danida and Nepalese interest groups. There is always room for improving the integration of interventions, even sector-wide ones, with each other, with government priorities, and with the mood of the people. Thus, the MFA *Performance Review* of 2003 found that "the intention of the country strategy of integrating decentralisation as a cross-cutting issue within all the sectors supported, has been achieved to only a limited extent due to lack of political will" (Danida, 2003:6). Interviewees also noted that the sector-wide approach did not in itself result in collaboration between sectors: the programmes would focus on their own objectives, without exploiting opportunities for synergy. In other words, there was a tendency towards a 'silo' arrangement, exemplified by the lack of dialogue between CFUGs and

VDCs, and by the limited integration of the education programme with decentralisation support.

It is nevertheless fair to say that all the Danida interventions helped each other and contributed to the overall process of change by addressing the issues of who owns what, who decides what, how people and groups influence one another, and how disputes among them are resolved. This whole sequence joins Danida's efforts together into one consistent process that was in dialogue with changes occurring over the same period within Nepalese society. The essential symbiosis between Danida's actions and Nepal's development was described by a Nepalese interviewee as Denmark giving Nepal 'milk' to sustain its growing body over time (which he contrasted with the stunting effects of 'alcohol' from quick-fix stimuli). Although it might have been better if Danida had stayed on until 2020 to allow for a better-planned disengagement, it is fair to say that that Danida helped, and rarely if ever stood in the way of, the Nepalese project of freeing itself from fatalism. The mid-hills, those 38 districts where many of Danida efforts have been concentrated (particularly on community forestry), and the Kathmandu Valley, are now strongly aligned with the 2015 constitutional settlement. Nepal is in a much stronger position to cope with any challenge in 2017 than it was in 1990, with a viable Constitution, widespread progress on both representative and participatory democracy, and a better-educated population that is more aware of and better able to defend its rights. But difficulties remain, notably:

- in the relationship of the 'Madhesi' parts of the Terai with the rest of the country, which it is hoped will be solved through peaceful, federal, and constitutional means, but which has the potential to destabilise Nepal in the long-term;

- in the dependency of the economy on remittance payments from abroad, among the key sources being Qatar, which in June 2017 became subject to a blockade by some of its key regional neighbours; and

- in demographic changes by which the populations of 23 hill and mountain districts are steadily declining, especially by shedding young men, with important implications for labour supply and the feminisation of farming and governance.

Another major challenge is to do with adaptation to climate change. This will be needed throughout Nepal at the local level, and simultaneously throughout the community of Himalayan countries with which Nepal is bound to cooperate. Nepal appears able and willing to participate in these efforts, but trans-frontier cooperation is inevitably hard for individual countries to orchestrate. All of this will need to be embedded within global efforts both to mitigate and adapt to climate change, while preserving what can be preserved of the diversity and integrity of the world's natural ecosystems. Denmark will play an important role in these global efforts, thus transcending the specific, bilateral, 'donor' relationship with Nepal, which is now completed.

4.3   Lessons learned

A number of lessons are drawn from the findings of the evaluation and are listed in Annex H. Among their highlights are the following.

- **Transition planning.** In navigating change, whether between modalities or in closing a programme, planners should: (a) identify systems that depend on previous arrangements and consider how to mitigate impact upon them; (b) anticipate the impact of their own plans on other actors, and given them fair warning; (c) respect the views of other actors; (d) make changes as slowly as possible and against a clear timetable with milestones; and (e) consider, and if possible specify, exit strategies during programme preparation, perhaps also foreseeing the need for specific expertise on exit planning.

- **Joint-funding arrangements.** In entering a basket or revolving credit fund, planners should ensure: (a) that it is jointly designed by all participants; (b) that expectations are clear on all sides; (c) that there are clear procedures for dealing with the misuse of funds; and (d) that it is clear how disengagement can be accomplished fairly and legally.

- **Improving complex systems.** Planners should anticipate: (a) slow progress in which durable change comes from understanding, persistence, adaptability, and consistently investing in institutional development; (b) a need to invest in managing knowledge; (c) a need to understand and use all partners' unique skills and interests; (d) a need for checks and balances against political interference and personal tensions; and (e) the potential need for special arrangements (e.g. autonomous advisory or compliance units) to allow for work to be done in places or subjects that are socially or politically sensitive.

- **Coping with conflict.** Planners should: (a) recognise when a conflict is 'solution ready', based on understanding its causes, sources of support for each party to it (and their capacity to intervene), and the state of willingness to settle it; (b) accept that minimising harm may be the best available option before conflicts are solution ready; and (c) ensure that post-conflict settlement processes are allowed enough time and resources to permit everyone to participate fully and to their own satisfaction.

- **Spending fast and well.** Occasionally a new component is offered to a programme to accommodate additional funds that 'have to be spent quickly', but managers should insist that the addition is justified against pre-approved but unfunded elements of the programme itself (such as education or climate proofing), or else allocated only to low-risk, high-benefit, 'no-regrets' actions that do not threaten the integrity of the programme and that improve its context, impact or sustainability (such as climate change mitigation and/or adaptation).

In addition, some specific lessons are available from the environmental and RNR themes of the programme. First, that cleaner production can best be promoted through a *combination* of green credit, regulation, training and certification. Second, that to improve urban air quality *multiple* changes are needed, including legislation, monitoring, enforcement, awareness-raising, targeted investment incentives, and institutional cooperation. Third, that community-based resource management is effective in reducing poverty, increasing equity, maintaining ecosystem goods and services and promoting climate change adaptation, but requires close attention to local cultural and ecological conditions, and to the empowerment of locally-accountable groups. And fourth, that RNRs are diverse living systems able to yield multiple goods and services, including cultural ecosystem and genetic resource services that are subtle, non-obvious, and

require sustained attention and care to maintain. In passing it can be said that ESPS and NARMSAP contained two of Danida's most potent individual interventions: air quality management for maintaining public enthusiasm for Danida in the Kathmandu Valley; and the CFUG system for promoting democratic participation in governance.

4.4   Recommendations

To survive and prosper, all countries must care in a balanced way for both human needs and environmental priorities. Thus, the hopes, fears and health of people must be addressed with equal care for the waters, soils and ecosystems that sustain them. Danida has been rather good at finding practical ways to maintain this balance, including in Nepal and particularly there through the sustained and mutually-reinforcing interventions in the governance/human rights, education, and community forestry sectors. This shows up in the way that Danida's interventions in 1991-2016 contributed so significantly to many of the Sustainable Development Goals, even though the SDGs were formulated only in 2015. One message is that Danida should continue seeking opportunities to balance the needs of people with the needs of the biosphere, and the importance of doing so will only increase with mass extinction and climate change. Inspired specifically by observations of the Danida interventions in Nepal, however, the evaluation offers four additional suggestions.

1.   **Compare and learn from closing country partnerships.** Final evaluations at national partnership scale are rare learning opportunities for Danida and others involved in or affected by overseas aid. The closure of several such programmes at once by a donor with the resources to study the matter offers a chance to synthesise lessons from decades of institutional experience across diverse geographies. Findings from comparative analysis of such large sample sizes would be robust and informative, and should be sought as circumstances allow, including from the final evaluations currently focused on Nepal, Mozambique and Bolivia. Such studies might look for broad patterns of design quality and performance against relevance, impact, sustainability and replicability criteria, trends over time, consistent influences of Danida's policies and global events, effectiveness of various aid modalities and exit strategies, and conclusions on what worked and what did not, and why.

2.   **Engage with regional initiatives that build on cooperation legacies.** The ending of a bilateral aid-based relationship is a transformation that should be welcomed if, as in Nepal, the partner country has reached an important turning point in multiple aspects of its development. The next step is to consider both the nature of the ongoing relationship and what needs to be done for mutual benefit that involves the former partner country but is not necessarily focused upon it. Thus, there are clear advantages to engaging with the Himalayan countries in a regional effort to promote adaptation to climate change, and Denmark would be well placed to facilitate the knowledge sharing that will be essential to this. A change from 'bilateral' to 'regional' thinking would allow Nepal's own ecological and social features to be seen as parts of a single Himalayan system, connected internally and externally by flows of water, wildlife, weather, ideas and economic transactions, and within which cooperation among all peoples and attention to all localities is essential.

3.   **Use Nepal's experience to explore conflict and solutions to it.** Conflicts between peoples, nations and classes are likely to proliferate, since potential root causes are multiplying with changing climates and ecologies, global and national inequality, and aggressive absolutist ideologies, and the tools of violence are now widely available. It will be essential for countries wishing to improve the world beyond their borders to develop the skills needed to understand, calm and resolve conflicts, and to assist in the consolidation of settlements to restore lasting peace. These are hard tasks, and although Nepal is an informative case Danida would need to study the experience of the UN and other actors in detail, alongside the root causes of conflict, in order to obtain both a predictive understanding of conflict and a menu of options that can be adapted effectively to each particular set of circumstances.

4.   **Build on Denmark's reputation and preferences for promoting 'soft' values.** Many of the most valuable outcomes of the Danish partnership with Nepal can be traced to Danida's role in defending the rights of the voiceless and powerless, through attention to marginalised groups, gender equity, education, and dialogue-based and non-imposed collaboration. This may be hard niche to defend in strictly financial and immediate terms, but it is a keystone one for the sustainability and quality of human societies. By remembering too that future generations, non-human species and ecosystems are also 'voiceless and powerless', as well as essential, Danida can defend its long-term stance on promoting these values.

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Note. Other documents consulted in the course of the work are referenced in Annexes B (timeline), F (performance) and G (case stories).

The FCG Team

Dr Julian Caldecott, team leader and expert in environmental and renewable natural resource management. With qualifications in biology and tropical ecology, Dr Caldecott has over 25 years' experience in development cooperation relating to environment, climate change, ecosystem management and biodiversity. Has led many major evaluations, including evaluation of country programmes between Finland and Nepal, Nicaragua and Tanzania, and has published several books, most recently *Aid Performance and Climate Change* (Routledge, 2017).

Finn Hansen, expert in human rights and governance, and Danida-specific issues. With qualifications in development studies and public administration, Mr Hansen has over 25 years' experience in development cooperation, focused on human rights, access to justice, democracy, public sector reform and governance projects, and he has carried out more than 60 assignments for Danida including 17 in formulation and design.

Dr Muriel Visser, expert on education and GESI. With qualifications in communication and evaluation statistics, Dr Visser has over 25 years' experience in development cooperation from long-term and short-term expert assignments, leading or participating in complex multi-donor, multi-sector evaluations, with extensive experience in design and implementation of projects and programmes relating to education, gender, HIV/AIDS and governance.

Pamela White, expert on renewable energy, dairy production, rural development, HRBA, and GESI. Qualified in international development and veterinary science, Ms White has over 25 years' experience in development cooperation, on animal health and production, rural development, renewable energy and energy efficiency, and natural resources management, as well as human rights and gender strategies. She has worked on many complex evaluations and other projects, including in Nepal since 2010.

Dr Govinda Basnet, expert on natural resources management, environment, and Nepalese political, socio-economic and cultural issues. Qualified in anthropology, Dr Basnet has over ten years' experience in renewable natural resource management, livelihood improvement, agriculture, climate change, and community development, including six years spent implementing integrated conservation and development projects in Nepal. He has led or participated in final and mid-term reviews of over 15 projects in Nepal.

Aino Efraimsson, team support on documentary analysis, fieldwork and interviews. With development cooperation experience in Cambodia, Kenya, Nepal and Vietnam, Ms Efraimsson participated in 2010-2012 in a Finnish bilateral project targeting environmental administration in the eastern districts of Nepal, and in 2012-2015 in three large and complex evaluations for MFA Finland, on Aid for Trade, humanitarian assistance, and CSO programme support.

Annex A: Terms of Reference

1.   Background

Danish-Nepalese development cooperation dates back to the 1960s. In 1989 Nepal was selected as a priority country for Danish development aid and an embassy was opened in Kathmandu in 1991. Thus, for over 25 years Denmark has been a partner in Nepal's development efforts, providing financial and technical assistance. From the outset, the focus has been on poverty reduction and human rights, with particular concern for marginalised groups. However, for over 10 years Nepal suffered from an armed conflict which claimed over 17,000 lives and caused widespread disruption of social, economic and political affairs. Since the comprehensive peace accord signed in 2006 Denmark has continued to support efforts to address the root causes of the conflict, allocating around DKK 150 million per year to different programmes (summarised below).

High rates of rural poverty, low rates of investment and weak economic growth combined with political instability continue to impact on development in Nepal, which ranks amongst the poorest countries in the world with a GNI per capita of USD 730 in 2014. Despite some improvements, social indicators also reveal poor development performance, particularly in so far as women and rural indigenous minorities are concerned. There is a long history of social exclusion in Nepal, resulting from a very hierarchical caste system. High unemployment rates are compounded by the failure to improve the investment climate and create jobs. Migrant remittances are a very significant source of income in Nepalese households. It is estimated that up to 5 million of the total population of around 30 million people are working in the Gulf States, India and Malaysia and their earnings account for around 25 percent of GNI.

Given the reduction in Danish development assistance to around 0.7 percent of GNI and the decisions taken in 2015 to focus on fewer countries, Danish-Nepalese development cooperation is coming to an end. The Embassy in Kathmandu will be closed at the end of 2017 and the aid programmes funded by Danida will all have been concluded by the end of 2018. In this context it has been agreed to carry out an evaluation of the main results and highlights of cooperation over the past 25 years.

In the early 1990s Danish development assistance was largely project based. Funds were provided to support dairy development in the agricultural sector, for the organisation of elections as the country "opened up" to multi-party democracy and for efforts to improve primary education. Grants were also given for schemes to improve the functioning of the local government system, based on village development committees (VDCs) and district development committees (DDCs). Danish assistance contributed to the costs of the local elections held in 1997 and to the preparation of the 1999 local self-governance act. There was also support to the taxation authorities, notably for the introduction of value added tax (VAT).

In the mid-1990s and in accordance with the overall development strategy, further assistance was provided through a series of sector programmes. These included the first phase of an education sector programme as well as an energy sector assistance programme (ESAP) and an environment sector programme (ESPS). The education programme was

undertaken in collaboration with other donors and aimed to substantially increase school enrolment, notably for girls. The ESAP was designed as a means for providing electricity to "off grid", remote, rural communities, with subsidised funding for the introduction of solar power units and micro-hydro installations as well as for improved cooking stoves. The ESPS included air quality monitoring and funds for water treatment. There was also a major natural resource management sector assistance programme (NARMSAP) which included soil and water conservation as well as community forestry components.

Addressing the continued difficulties with respect to human rights and good governance was also a priority for Danish development cooperation. Thus, in 1998 a programme and a programme implementation unit (PIU) called "DanidaHUGOU" were set up, through which grants were given to civil society organisations and institutions concerned with human rights, justice and governance. Subsequently two further phases of this programme were funded (from 2003 to 2008 and from 2009 to 2013). By the end of the armed conflict, given the need for peace building and for writing and approving a new constitution through a constituent assembly (CA) process (as envisaged in the comprehensive peace agreement) as well as in the context of changing aid modalities, Danish development assistance was re-organised. It was decided to focus on fewer sectors and to seek closer collaboration with other partners (donors). In this context joint funding of the Nepal Peace Trust Fund (NPTF) was an important step in the effort to assist reconstruction efforts, integrate ex-combatants, etc.

Thus, between 2006 and 2013 a re-design was undertaken, culminating in the strategy defined in the 2013 country policy paper, together with new funding agreements for the period to 2018. Since support for the education sector was channelled through a global education partnership (pooling funds from numerous donors), the bilateral sector assistance programme ended in 2013. Human rights approaches, peace building and democratic development, access to justice and strengthened local governance were combined within a peace, rights and governance programme (PRG, 2014-18). Agreement was also reached with the UK (DfID) and the Swiss to co-fund a new governance facility (replacing DanidaHUGOU) and with the Norwegians and others for joint funding of a new rural and renewable energy programme (replacing ESAP). Finally, in order to contribute to enhanced growth in the agricultural sector, a "value chain, inclusive growth" programme was designed, called UNNATI (meaning "prosperity"). Since this programme has recently started, it is not expected that an assessment will be undertaken during the evaluation.

2. Objectives

The objectives of the evaluation are threefold:

- to document the changes and results achieved through Danish development assistance programmes in Nepal from 1991 to 2016;

- to assess the specific value added of the Danish approach to supporting sustainable, rights-based development, including the ability to adapt assistance to changing contexts and the effectiveness of the partnership;

- to provide lessons learned that are relevant with respect to promoting sustainable, rights-based development.

In other words, as far as results are concerned the main purpose of the evaluation is to provide a record of the longer-term changes achieved through the Danish-Nepalese partnership. Although it is not anticipated that direct attribution will be possible, documenting results is an important means of accounting for public expenditure to key stakeholders, both in Denmark and Nepal. But it is also expected that the evaluation will illustrate highlights in the partnership over the past 25 years.

In exploring the value added of the cooperation, the evaluation will entail "unpacking" the partnerships that have been at the core of the assistance programme since the 1990s. It is important to consider the structure of collaborative arrangements with government agencies and with local authorities and non-governmental organisations, including assessment of shared objectives, financial management systems, etc. Understanding the value added that has resulted from Danish engagement with a range of Nepalese institutions will be of particular interest.

As far as lessons learned are concerned, the evaluation will show how a bilateral cooperation programme has contributed to the success (or otherwise) of efforts to promote human rights, education, economic growth and sustainable resource management, etc. Difficulties and deficiencies will also be analysed. Insights and recommendations from the evaluation will be useful for Danish and Nepalese partners aiming to enhance the global agenda defined by the sustainable development goals (SDGs).

3.　　Scope of work and evaluation questions

The major development cooperation programmes carried out between 1991 and 2016 will be examined during the evaluation, emphasising efforts to lay the foundations for sustainable, rights-based development in Nepal. Broadly speaking the evaluation will focus on the human rights and good governance programmes on the one hand and on the energy and environment programmes on the other, while also encompassing assessment of support to the education sector. It will be particularly important to identify the long-term changes achieved across the various programmes, bearing in mind that the sector programme modality was introduced in the late 1990s, when civil unrest was widespread.

In terms of overall results, the evaluation will seek to respond to the following questions:

- Q1. What are the key long-term changes achieved through the Danish-Nepalese partnership between 1991 and 2016?

- Q2. What concrete development results in different sectors were achieved?

The value added through the provision of Danish aid to Nepal will be explored on the basis of the following questions:

- Q3. How has Danish assistance responded to changing needs, to policy reforms and to new opportunities in Nepal?

- Q4. How has Danish assistance contributed to the enhancement of human rights, particularly in the period since the end of the armed conflict?

- Q5. How effective has Danish assistance been in contributing to the development of good governance?

- Q6. Are the changes arising from the cooperation programme likely to be sustained?

In exploring the lessons learned with respect to sustainable, rights-based development, the following questions will be important:

- Q7. What notable difficulties arose in the Danish-Nepalese partnership and how were the challenges overcome?

- Q8. What lessons can be learned from the partnership that may be relevant for Danish assistance elsewhere, for the Nepalese stakeholders and in terms of the sustainable development goals (SDGs)?

4. Approach and methodology

The evaluation will be carried out in accordance with the Danida evaluation policy on development cooperation (October 2015), the Danida evaluation guidelines (2012) and the OECD-DAC standard criteria for evaluations including quality standards (2010). Given the amounts provided through Danida and other partners to the Nepal government, direct attribution is not being sought in the evaluation. However, a contribution analysis will be applied, in order to establish links between Danish funded programmes and engagements and the results on the ground. Underlying theories of change for selected interventions will be developed in the inception phase and tested in the evaluation. In this way important causalities can be established as well as greater understanding of the factors that drive and/or disrupt changes.

Selected key informants will be identified for interviews which might also be undertaken with focus groups of persons involved in and/or knowledgeable about the programmes funded by Danida. Relevant data and information will also be gathered during the evaluation, involving selected authorities and organisations at national and regional (local) levels. Informants representing other cooperation agencies will also be contacted. The evaluation will be managed by Danida's evaluation department (EVAL) and undertaken in collaboration with the Danish Embassy in Kathmandu and key stakeholders in Nepal. It will include the following phases:

- An **inception phase,** during which a portfolio analysis will be undertaken, theories of change for selected programmes will be developed and an inception report drafted and considered by the evaluation reference group (the ERG, see below).

- A **main study (implementation) phase,** during which the evaluation team will carry out field work and data collection in Nepal. Interviews will be arranged with government representatives, development partners, private sector and civil society organisations, etc. These will take place both in Kathmandu and in selected regions. Brief notes on the field work will be prepared and shared with relevant authorities and the Danish Embassy in Kathmandu. Notes will also be prepared to highlight selected case stories of Danish-Nepalese cooperation: i.e. examples of actions and engagements that illustrate the dynamics of the assistance provided

over time, particular results or indeed particular challenges. Six or seven case stories will be developed during the implementation phase and will be used to inform the Danish and Nepalese public about the results.

• A r**eporting phase,** during which the evaluation team will draft the main report and discuss the conclusions and recommendations with the evaluation reference group (ERG). The case stories will be written up and included in the reports.

• A **dissemination phase** that will include a workshop on Danish-Nepalese cooperation to be held in Copenhagen. The evaluation team will be responsible for workshop inputs that may subsequently form the basis for targeted communication about the outcomes and lessons learned from cooperation.

5.   Outputs and timetable

The following outputs are expected in the course of the evaluation:

• An inception report, including portfolio analysis. This will include explanation of the sectors, thematic areas and regions that have been selected for further study, an evaluation matrix indicating the evaluation questions, criteria and data sources, as well as detailed outlines of the methodology for field work, the work plan and the reports.

• Briefing notes from the fieldwork in Nepal, including case study outlines.

• A preliminary findings paper.

• Draft and final draft results reports.

• Notes for dissemination workshops.

• A final report, not exceeding 40 pages excluding executive summary and annexes.

The inception report, the findings papers and the draft evaluation report will be discussed in evaluation reference groups in Kathmandu and Copenhagen before approval by the evaluation management.

6.   Organisation of the evaluation

Management of the Evaluation will follow the Danida Evaluation Guidelines (2012) and the OECD-DAC quality standards (2010). There are three sets of roles in the process: a) the Evaluation Management; b) the Evaluation Team (Consultant); and, c) the Evaluation Reference Group (ERG).

Role of the Evaluation Management
The evaluation will be supervised and managed by the Evaluation Department (EVAL) in the Danish Ministry of Foreign Affairs (MoFA). The Evaluation Management will:

- Participate in the selection of Evaluation Team based on received tenders. The MoFA contract office chairs the tender committee, assisted by an independent tender consultant.

- Coordinate with all relevant evaluation stakeholders.

- Ensure that quality control is carried out throughout the evaluation process. In so doing, EVAL may make use of external peer reviewers.

- Provide feedback to the Evaluation Team. Comment on draft versions of the inception report, the work plan, annual field visit reports and the summative evaluation report. Approve final reports.

- Organise and chair meetings of the Evaluation Reference Group.

- Facilitate and participate in evaluation workshops, including possibly an open dissemination workshop towards the end of the evaluation.

- Organise presentation of evaluation results and follow-up on the evaluation for the internal Danida Programme Committee and the Minister for Foreign Affairs (the responsible department or Embassy drafts the management response).

- Advise relevant stakeholders on matters related to the evaluation.

Role of the Evaluation Team (the Consultant)
The DAC evaluation principles of independence of the Evaluation Team will be applied. The Evaluation Team will carry out the evaluation based on a contract with the MoFA and will:

- Prepare and carry out the evaluation according to the ToR, the approved Inception Report, the DAC Evaluation Quality Standards and the Danida Evaluation Guidelines.

- Be responsible to the Evaluation Management for the findings, conclusions and recommendations of the evaluation.

- Ensure that quality assurance is carried out and documented throughout the evaluation process according to the Consultant's own Quality Assurance Plan as described in the proposal.

- Report to the Evaluation Management regularly about progress of the evaluation.

- Organise and coordinate meetings and field visits, and other key events, including debriefing session and/or validation workshops in the field visit countries.

The Team Leader is responsible for the team's reporting, proper quality assurance and for the organisation of the work. The Team Leader will participate in the ERG meetings and other meetings as required and upon request. It is envisaged that the Team Leader will participate in approximately four meetings in Copenhagen during the whole process.

Role of the Evaluation Reference Group

An Evaluation Reference Group (ERG) will be established and chaired by EVAL. Other members of the ERG will include the Danish Embassy in Kathmandu and possible other stakeholders. The mandate of the ERG is to provide advisory support and inputs to the evaluation, e.g. through comments to draft reports. The reference group will work with direct meetings, e-mail communication and video-conferencing. The tasks of the ERG are to:

- Comment on the field mission preparation notes, draft inception report, draft annual field visit reports and draft evaluation report with a view to ensure that the evaluation is based on factual knowledge about the engagement and how it has been implemented.

- Support the implementation of the evaluation and promote the dissemination of the evaluation conclusions and recommendations.

- Other key stakeholders may be consulted at strategic points in time of the evaluation either through mail correspondence or through participation in stakeholder meetings/workshops.

7. Composition and qualifications of the evaluation team

A team whose members must be experienced in undertaking country programme evaluations and thematic evaluations, as well as possessing extensive knowledge of Nepal will carry out the evaluation. The team must also have experience and knowledge covering the main sectors and themes of Danish cooperation with Nepal since the 1990s: human rights based approaches and governance including local government and public sector reform, peace building initiatives, education, environmental management, energy and economic growth.

The team is expected to consist of three members: a team leader and two experts. The Tenderer may decide to include personnel for additional functions, e.g. subject matter specialists, although these persons will not be assessed on an individual basis but as part of the overall team composition and backup. The team members are expected to complement each other. At least one team member must be Danish speaking. It is expected that the team leader will participate in the field work and be in charge of the report writing. The Tenderers should clearly state which of the proposed team members cover the different thematic areas. The team must include experience with all methodologies and tools suggested in the tender. The following CV's shall be included in the tender proposal: Team Leader; Two core team members (experts in thematic areas as indicated above); Subject matter specialists (as required); A Quality Assurance Manager.

The organisation of the team's work is the responsibility of the consultant and should be specified and explained clearly in the tender. It is expected that the team leader is closely involved in the elaboration of the tender. The team leader is responsible for the team's reporting to and communication with EVAL, and for the organisation of the work of the team. The team leader will participate in meetings with EVAL as well as in ERG meetings as requested by EVAL.

8. Eligibility

The OECD/DAC evaluation principles of independence of the evaluation team will be applied. In situations where conflict of interest occurs, candidates may be excluded from participation, if their participation may question the independence and impartiality of the evaluation. Any firm or individual consultant that has participated in the preparation or implementation of the evaluated Danida programmes will be excluded from participation in the tender. Tenderers are obliged to carefully consider issues of eligibility for individual consultants and inform the Client of any potential issues relating to a possible conflict of interest.

9. Financial proposal

The total budget for the consultancy services is a maximum of DKK 1.4 million. This includes all fees and project related expenses required for the implementation of the contract, including field trips and workshops in Nepal. EVAL will cover the expenditures incurred in preparing the final evaluation report for publication and any additional dissemination activities in Denmark as and if agreed upon.

10. Requirements of home office support

The Evaluation Team's home office shall provide the following, to be covered by the Consultants fees:

- General home office administration and professional back-up. The back-up activities shall be specified.

- Quality assurance (QA) of the consultancy services in accordance with the quality management and quality assurance system described in the Tender. Special emphasis should be given to quality assurance of draft reports prior to the submission of such reports. EVAL may request documentation for the QA undertaken in the process.

The Tenders shall comprise a detailed description of the proposed QA, in order to document that the Tenderer has fully internalised how to implement it and in order to enable a subsequent verification that the QA has actually been carried out as agreed.

The Tenderer should select a QA team, to be responsible for Head Office QA. The member(s) of the QA team should not be directly involved in the Evaluation. Their CVs should be included in the Tender. All QA activities should be properly documented and reported to EVAL.

MINISTRY OF FOREIGN AFFAIRS OF DENMARK

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EVALUATION OF DANISH-NEPALESE
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