

Draft

Background Paper: Nepal

**Inventory of Poverty and Impact Monitoring (PIM)
Approaches in Nepal**

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Submitted to

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Nepal**

**March 2004
Kathmandu, Nepal**

Note: The facts and views presented in this paper are those of the Author

and do not necessarily reflect those of PMU or GTZ

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Acronyms

AAN	Action Aid Nepal
ADB	Asian Development Bank
BCHIMES	Between Census Household Information, Monitoring and Evaluation System
CAPs	Community Action Processes
CBO	Community Based Organization
CBS	Central Bureau of Statistics
CDPS	Central Department of Population Studies
CECI	Canadian Center for International Studies and Cooperation
CIDA	Canadian International Development Agency
CMED	Central Monitoring and Evaluation Division, NPC
CNSP	Consolidated National Statistics Plan, Nepal
CNSP	Consolidated National Statistics Plan
COs	Community Organizations
DACAW	Decentralized Action for Children and Women
DANIDA	The Danish International Development Agency
DDCs	District Development Committees
DFID	Department for International Development, UK
DHS	Demographic and Health Survey
DMIS	Decentralized Management Information System
DPCP	Decentralized Planning for the Child Program
FAO	Food and Agriculture Organization
GDI	Gender-Related Development Index
GDP	Gross Domestic Product
GNP	Gross National Product
GTZ	German Agency for Technical Cooperation
HDI	Human Development Index
HDR	Human Development Report
HH	Household
HMG	His Majesty's Government of Nepal
ICIMOD	International Center for Integrated Mountain Development
IDRC	International Development Research Center
ILO	International Labour Organization
INGOs	International Non-Government Organizations
IRDPs	Integrated Rural Development Projects
LGP	Local Governance Programme
LGSP	Local Governance Support Programme
LWF	Lutheran World Federation
MHBS	Multipurpose Household Budget Survey
MIMAP	Micro Impact of Macro Adjustment Policies
MLD	Ministry of Local Development
MOH	Ministry of Health
NEPAN	Nepal Participatory Action Network

NESAC	Nepal South Asia Center
NFHS	Nepal Fertility, Family Planning and Health Survey
NGOs	Non-Government Organizations
NHS	Nepal Health Survey
NLA	Nepal Labour Academy
NLSS	Nepal Living Standards Survey
NMIS	Nepal Multiple Indicator Surveillance
NPC	National Planning Commission
NRB	Nepal Rashtra Bank
PCRW	Production Credit for Rural Women
PDDP	Participatory District Development Programme
PDMS	Poverty and Development Monitoring System
PIM	Participatory Impact Monitoring
PMU	Poverty Monitoring Unit (GTZ)
PMS	Poverty Monitoring Section, NPC
PPA	Participatory Poverty Assessment
PRA	Participatory Rural Appraisal
PRSP	Poverty Reduction Strategy Paper
SAPAP	South Asia Poverty Alleviation Project
SEIDCP	Survey of Employment, Income Distribution and Consumption Patterns in Nepal, 1977
SFDP	Small Farmer's Development Programme
SNV	Netherlands Development Service
TU	Tribhuvan University
UNDP	United Nations Development Programme
UNFPA	United Nations Fund for Population Activities
UNICEF	United Nations Children Fund
USAID	United States Agency for International Development
VDCs	Village Development Committees
VDCP	Village Development Committee Plan
VDP	Village Development Programme
WB	World Bank
WDD	Women Development Division
WHO	World Health Organization

Country Paper: Nepal

Inventory of Poverty and Impact Monitoring (PIM) Approaches in Nepal

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1. Introduction

The development history of Nepal is relatively short. Nepal opened up to the outside world after 1951 when the age-old autocratic rule was replaced by a party based political system. The role of the state changed from maintaining law and order to enhancement of the peoples' welfare. The first development planning process started in 1956. Confirming to the contemporary concept of development, maximizing growth was the major objective of the periodic development plans formulated until 1980. Western development experience and model provided the basic guidelines. Establishment of basic infrastructure and provision of social services by the state were the priorities. Development policies and programs were largely guided by advisory support and financial aid from donors. Around 70% of development budget were funded under external aid. In line with the existing development paradigm -- growth first and redistribution later -- monitoring focussed on macro level performance, measured by national accounts indicators. At the project / programme level performance monitoring was the focus.

As experienced in the developing countries worldwide during the sixties and seventies, inequality increased in Nepal since neither the trickle down theory nor the redistributive approaches worked. Concern for the poor came into forefront of Nepalese development planning. From land reform in the nineteen-sixties, integrated rural development in the nineteen-seventies and eighties, fulfillment of 'basic needs', targeted programs and decentralized development in the eighties, the Nepalese development paradigm shifted to participation of the poor, social mobilization, equity and poverty alleviation in the nineties.

There has also been a substantial transformation in the concept, functions and role of monitoring in development cooperation as well as in the associated methods and instruments used. Monitoring financial and economic efficiency was adequate when economic growth was the predominant development philosophy. The shift in the paradigm towards equity and poverty alleviation which called for orientation towards social development projects that use process oriented, flexible, participatory capacity building approaches also necessitated parallel changes in procedures and approaches to monitoring.

Although poverty alleviation was mentioned for the first time as one of the goals of development in the Sixth Five Year Plan (1980-85), there was no link whatsoever between goal and the planned activities / programs. The Eighth Plan (1992-97),

formulated immediately after the reintroduction of multi-party democracy in the country¹, was the first attempt to give explicit emphasis on poverty alleviation. The Ninth Plan (1997-2002) and the current Tenth Plan (2002-2007) have poverty alleviation as the overarching goal of development. In spite of the focus, the achievements in poverty alleviation have not been encouraging.

This paper will briefly examine the current status of poverty in Nepal, before focusing on the existing approaches to poverty and/or impact monitoring and the proposed plan for PRSP monitoring. It relies primarily on literature review supplemented by interactions / interviews with officials of some of the important institutions responsible for formulation and implementation of monitoring approaches (see Annex 1).

2. Poverty Status and Trend

2.1 Poverty Concept

Poverty is a complex phenomenon. It has different meaning to different people depending on the perspective. What constitutes poverty depends very much on who defines it. The view of the politicians, development practitioners, researchers and the 'poor' may diverge substantially. Along with the shift in the development paradigm, there has also been evolution in the concept of poverty. The first attempt at measuring poverty in Nepal was in 1977 when the National Planning Commission conducted a comprehensive survey to determine the status of 'Employment, Income Distribution and Consumption Patterns' (NPC, 1978). It measured poverty in terms of inadequate income to supply minimum caloric requirements. This narrow income based poverty measure has its merit since income represents the capacity of households to access necessities of life. In the absence of other appropriate measures it does serve as a partial proxy of well-being. The concept of poverty has evolved substantially during the decade of the nineteen-nineties and it is now accepted internationally that poverty entails much more than income poverty (see Sen, 1992 and 2000; UNDP, 1997). The following definition given in the Human Development Report 1997 is perhaps the most inclusive.

"From a human development perspective, poverty means the denial of choices and opportunities for a tolerable life. It is in the deprivation of the lives people lead that poverty manifests itself. Poverty can mean more than a lack of what is necessary for material well-being. It can also mean the denial of opportunities and choices most basic to human development – to lead a long, healthy, creative life and to enjoy a decent standard of living, freedom, dignity, self-esteem and the respect of others" (UNDP, 1997)

The following perception of a Nepali poor illustrates the meaning from a different perspective.

"Being *nimcharo* (poor) is unable to do anything to change the existing situation of deprivation. It is the situation of living without adequate food and cloth even when working to death. It is to live

¹ Nepal reverted to a partyless Panchayat system when the King dissolved the parliament and took over power in 1960. The multi-party democratic system was reintroduced in 1990.

with defeated and cheated past, in fear and favor of *hune-khane* (the well-offs) and *janne-sunne* (the knowledgeable). (NFN, 2000).

Obviously, many of the elements that constitute poverty cannot be measured. And no definition can incorporate the implication of being poor which not only makes life miserable for the current generation but also tends to replicate the situation for the next generation (see Annex 2: Life Cycle of a Poor in Nepal). Reflecting these concerns, poverty is now being measured in Nepal in terms of its various dimensions – mainly income, health, and education. But income measure still predominates and comes in the forefront in any poverty discourse.

2.2 Income Poverty

After five decades of planned development, Nepal remains one of the least developed countries in the world, also the poorest in South Asia (See Table 1 for selected basic Human Development indicators and comparison with the South Asian Countries). Nepal has the lowest per capita GNP, real GDP, life expectancy at birth, adult literacy, and high infant mortality which together culminates into the lowest Human Development Index of 0.48 compared to an overall average of 0.55 for South Asia and 0.65 for developing countries as a whole.

Absolute poverty, measured in terms of poverty incidence or proportion of population below minimum subsistence level, is widespread. National surveys undertaken in 1976/77, 1984/85 and 1996, though not comparable due to different methodology used, indicate that poverty incidence has increased during the two decades between 1976 and 1996. A World Bank study (WB, 1999) which has adjusted the results to make them as comparable as possible shows that poverty incidence has increased from around 33% in 1976/77 to 41% in 1984/85 and to 45% in 1996 (Table 2). Performance of the economy since 1996 does not provide any ground to believe that poverty incidence has gone down. However, the latest estimate for 2001/2 by the National Planning Commission "based on economic growth, population growth and the estimate of gini index in the last few years" indicates a decrease of poverty incidence to 38% (NPC, 2003a and 2003b). The absolute number of people below poverty line has increased from about 4 million in 1976/77 to around 8.8 million in 2001/2.

**Table 1: Basic Human Development Indicators
Comparative Information – Nepal and other South Asian Countries**

Indicators	Nepal	India	Pakistan	Bangladesh	Sri Lanka	Bhutan	Maldives	South Asia weighted average	Developing Country
Total estimated population (million) 2000	24	1014	138	129	19	2.1	0.3	1326	4867
Annual population growth rate (%) 1995-2000	2.7	1.7	2.6	1.6	1.1	3.1	3.7	1.8	1.8
Life expectancy at birth (years) 1999	58	63	65	59	74	62	65	62.9	63
Adult literacy (%) 1999	40	57	45	41	91	42	96	54	73
Infant mortality rate (per 1000 live births) 1999	75	70	84	58	17	80	60	70	63
GNP per capita (US\$) 1999	220	440	470	370	820	510	1200	438	1240
Real GDP per capita (PPP\$) 1999	1237	2248	1834	1483	3279	1341	4423	1997	3530
HDI 1999	0.48	0.57	0.50	0.47	0.74	0.48	0.74	0.55	0.65

Source: Mahbub ul Haq HDC (2002): Human Development in South Asia 2001 – Globalisation and Human Development, Oxford University Press, Karachi

2.3 Social Poverty Related Indicators

Although Nepal lags behind in most of the basic indicators of development compared to other developing countries (Table 1), there has been a consistent and significant improvement during the last decade (1991 to 2001) in the social indicators of poverty, viz. health, nutrition and education (Table 3). Infant and child mortality have gone down, proportion of immunized children has increased, total fertility rate has reduced, access to safe water and access to sanitation have improved. Similarly literacy and net primary enrolment ratio have increased. It should be noted that the results of the various surveys as shown in Table 3 (also see Annex 2 which contains additional indicators and results of other national surveys) are not strictly comparable and two different surveys for same period may have significantly different results due to difference in methodology used, particularly difference in definition of particular indicators. For example compare the substantial difference between the results of BCHIMES 2000 (Between Census Household Information, Monitoring and Evaluation System), DHS 2001 and Population Census 2001 relating to immunized children, access to safe water and access to sanitation.

**Table 2: Incidence and Trend in Income Poverty
Population below Poverty Line**

	(% of total population)			
	1976/77 SEIDCP	1984/85 MHBS	1996 NLSS	2001/2 NPC (Estimate)
Nepal	33	41	45	38
- Rural	33	43	47	
- Urban	22	19	18	
Total Number of people (million)	3.9	6.9	9.5	8.8

SEIDCP: *Survey of Employment, Income Distribution and Consumption Patterns in Nepal*

MHBS: Multipurpose Household Budget Survey

NLSS: Nepal Living Standards Survey Report 1996

NPC: National Planning Commission

Note: (1) Adjusted result for comparability as estimated in Prennushi, Giovanna (1999):
Nepal: Poverty at the Turn of the Twenty-First Century, Main Report and
Background Studies, Internal Discussion Paper, The World Bank, South Asia
Region.

(2) Data for 1984/85 and 1996 as reported in NESAC (1998): Nepal Human Development Report
1998, Kathmandu

Table 3: Trend in Selected Poverty Related Indicators – Health and Education

Results of National Surveys

Indicator	1991 NFHS	1995-98 NMIS	1996 NHS	2000 BCHIMES	2001 DHS	2001 Census
A. Health and Nutrition						
Infant mortality rate (per '000)	80		79		64	
Under 5 Mortality rate (per '000)	121		118		91	
Chronic malnutrition children 6-36 months (height to age) %		53-64	48		51	
Fully Immunized: under 5 years %	19		43	55	66	
Total Fertility rate	5.1		4.6		4.1	
Access to safe water %	46	53		72	78	81
Access to sanitation (toilet) %	20	15-18		33	30	48
B. Education						
Literacy – overall %	41			58		60
Literacy – male %	57		64	70		72
Literacy – female %	26		33	45		49
Net Primary enrolment ratio		70		66	73	
Net Primary enrolment ratio – male		80		71	79	
Net Primary enrolment ratio – female		60		60	67	

NFHS: Nepal Fertility, Family Planning and Health Survey (NFHS,1991)

NMIS: Nepal Multiple Indicator Surveillance, NMIS Cycle One to Six (1996-1998)

NHS: Nepal Health Survey 1996

BCHIMES: Report on the Situation of Women, Children and Households – Between Census Household Information, Monitoring and Evaluation System (2001)

DHS: Nepal Demographic and Health Survey 2001

Census: Population Census 2001

Table 4: Regional Disparity in Important Poverty Related Indicators

Development Regions / Ecological Zones	Poverty Incidence 1996	HDI 2000	Life Expectancy at Birth (Years) 2000			Adult Literacy (%) 2000			GDP Per Capita (PPP \$) 1999
			Total	Male	Female	Total	Male	Female	
Nepal	45	0.47	59.5	59.3	59.8	50.7	66	35	1237
Place of Residence									
Urban	18	0.62	71.1	71.4	70.8	69.0	81	57	2133
Rural	47	0.45	58.7	58.2	59.3	48.0	64	32	1094
Development Regions									
Eastern	43	0.48	62.0	58.6	65.6	56.6	70	40	1073
Central	34	0.49	61.3	59.6	63.2	49.8	64	34	1713
Western	45	0.48	62.8	62.1	63.6	51.7	66	38	1022
Mid-Western	59	0.40	53.2	48.9	57.7	47.8	66	28	861
Far Western	65	0.39	52.1	50.3	54.0	43.0	67	21	899
Ecological Regions									
Mountains	63	0.38	49.8	48.6	51.1	44.5	62	27	898
Hills	50	0.51	65.1	65.4	64.7	55.5	72	40	1262
Terai	37	0.47	62.4	61.7	63.2	46.8	60	33	1267

Source: (1) NESAC (1998): Nepal Human Development Report 1998, Kathmandu for 1996

(2) UNDP (2002): Nepal Human Development Report 2001 – Poverty Reduction and Governance, Kathmandu

2.4 Disparity in Poverty Incidence

The overall indicators conceal acute disparities by specific characteristics of the households and region. Poverty in Nepal is primarily a rural phenomenon. The NLSS 1996 (National Living Standard Survey) indicates proportion of population below poverty line in the rural Nepal to be 47% compared to 18% in the urban areas. The disparity has increased during the two decades between 1976 and 1996 (Table 2).

There is also a significant regional disparity in the various indicators of poverty. Income poverty is high in the Mid-Western and Far-Western Region compared to the Eastern, Central and Western development regions. In terms of ecological regions poverty incidence goes up significantly from the Terai to Hills to the Mountain region (Table 4). Poverty incidence has increased substantially in the Mountains between 1984/85 and 1996 (Table 5)².

The 1996 NLSS shows that income poverty incidence is correlated with caste / ethnicity, education and land ownership (Table 6). In general the occupational caste group (Kami, Damai, Sarki -- traditionally considered the 'untouchables') have significantly high

**Table 5: Disparity in Income Poverty Incidence – Trend
by Ecological Region**

(Population under Poverty Line - %)

Region	1984/5 MHBS	1996 NLSS
Nepal (overall)	43	45
Mountain	44	63
Hills	50	50
Terai (southern plains)	35	37

Source: NESAC (1998), Nepal Human Development Report 1998

MHBS: Multipurpose Household Budget Survey

NLSS: National Living Standard Survey

² Similar spatial disparity has been noted in the overall development indicator of Nepal. ICIMOD/SNV in 1996 undertook an analysis based on existing information to prepare a ranking of the 75 districts of Nepal. The ranking was based on a composite indicator of 39 indicators relating to social, economic, environmental and infrastructural aspects (see ICIMOD, 1997). It revealed that districts in the Western and Far Western hills and mountains are far behind in development compared to other districts. The finding was not new since it confirmed existing general knowledge. However, it had a very important policy input to the donor community that the development effort so far had been mainly concentrated in the relatively accessible developed districts and needs urgent redirection. Many donors did reorient their policy and shifted development efforts towards the relatively deprived districts. Recently a similar exercise has been completed by CBS in cooperation with ICIMOD (CBS, 2003). However, it has used only 28 indicators many of which were different to those used in the 1997 ICIMOD study. Due to the lack of comparability, the potential of the CBS analysis as a monitoring tool has been missed. Nonetheless it is interesting to note that the recent ranking study shows similar results to that of 1996 ICIMOD/SNV study.

poverty incidence compared to the 'higher caste' group. Household heads who are either illiterate or have only primary education have the highest incidence of poverty and those with above secondary education have the lowest incidence. Similarly incidence of poverty has, in general, an inverse relationship with amount of land holding.

There is also a significant gender disparity in various poverty related social indicators (see Table 7, Annex 2 and Annex 3). Nepal was perhaps one of the few countries in the world where life expectancy at birth for female was lower than for male (52.4 years compared to 55 years for 1996 – see Table 7). The situation has since improved. The estimate for the year 2000 (UNDP, 2002) indicates female life expectancy at birth to be slightly higher (59.8 years) compared to male (59.3 years).

Similarly overall literacy and adult literacy is substantially lower for female than male. The Gender-Related Development Index (GDI) for Nepal, a measure of gender disparity derived from indices of life expectancy, educational attainment and income, is quite low compared to both the developing as well as the neighbouring countries.

**Table 6: Correlates of Poverty
(NLSS 1996)**

Characteristics (Poverty incidence range)	Poverty Incidence (Proportion below Poverty Line)		
	Higher	Medium	Lower
Caste / Ethnicity (25% to 71%)	Kami, Sarki, Damai, Limbu	Gurung, Rai, Tharu, Tamang, Tharu, Magar, Chettri	Brahmin, Newar, Yadav, Muslim
Education of Household Head (12% to 51%)	Illiterate / Primary	Literate / Secondary	Above Secondary
Land Ownership (26% to 54%)	Less than 0.5 Ha.	HH Without Land; 0.5 - 2 Ha.	2 Ha. and Above

Source: NESAC (1998): Nepal Human Development Report 1998

**Table 7: Gender Sensitive Development Index
(NLSS 1996)**

Indicators	Value
Life Expectancy at Birth (years)	
- Male	55
- Female	52.4
Adult Literacy (%)	
- Male	54
- Female	21
Gender Development Index (GDI)	
- Nepal	0.27
- Developing countries	0.56
- Least Developed Countries	0.32
- India	0.42
- Bangladesh	0.34

Source : NESAC (2000)

3. Existing Poverty and Impact Monitoring Approaches

3.1 Monitoring System

Development programs aim at bringing about desirable changes in the existing situation. Whether such changes have occurred or not can be determined only through appropriate monitoring system, not only in term of project input, output and performance but of the impact and outcome in the objective or goal level. The difficulty of attributing the changes at purpose and goal level to a particular project or programme is well recognized. The problem of such attribution is somewhat reduced at the national level when the overall objective is specified as poverty alleviation. With the establishment of a proper monitoring system both at the national and district level -- including specification of the indicators, establishment of the baseline, and a system of periodic updating of the indicators – the overall achievements over time can be regularly assessed.

A conscious attempt at establishing appropriate poverty monitoring system has been very recent in Nepal. Traditionally government monitoring system focussed on expenditure and to a limited extent on sectoral physical target achievement. Most development projects and programs focussed on performance monitoring in terms of input, process and output. In some sectors like health and education, outcome indicators were derived on the basis of field information at the district level as part of the management information system that were subsequently aggregated to obtain national indicators. The validity of such information are often questioned because of the obvious tendency in over reporting. Besides the MIS generated through the sectoral government agencies, the Central Bureau of Statistics under the NPC (National Planning Commission) is the main agency that is responsible for generating national statistics including National Accounts and undertaking periodic national surveys like the population census, living standards surveys, agricultural sample census and industrial surveys.

In view of the importance of monitoring in steering the national development, there have been efforts to institutionalize an ongoing monitoring system in the country. A National Development Problem Solving Committee has been constituted headed by the Prime Minister and Ministerial Development Solving Committee headed by the respective Ministers in each Ministry. There is a National Statistical Council headed by the Vice Chairman of NPC. The NPC is the responsible agency for coordinating the generation of requisite poverty monitoring system in the country with CBS as the main executing agency. NPC has Monitoring and Evaluation Division under which a Poverty Monitoring Unit has been created recently to support PRSP monitoring. A monitoring cell has been also established in each of the Ministries. In spite of these mechanisms, monitoring still remains one of the least priority activities of the concerned agencies. Lack of political will has been identified as the basic reason for this situation (UNDP, 2002). Asian Development Bank (ADB) had proposed a "Consolidated National Statistics Plan (CNSP) Nepal" to improve the current information generation and analysis system in the country (ADB, 2001). But only some elements of the proposal is under consideration for implementation.

3.2 Poverty Monitoring at the National Level

A prerequisite for establishing a good poverty monitoring system is the determination of 'what to monitor'. It is said that "statistics are the eyes of the policy maker"³ But the eyes can see only where the light is. Poverty has so many dimensions that some of its attributes cannot be easily measured though they may be very important. There is a real danger of misdirected policy formulation on the basis of what is visible or available⁴. The tendency is to generate statistics or information that are quantifiable and feasible to collect e.g. income or consumption measure and usually at the national level. More recently, qualitative participatory approaches have somewhat remedied this situation. There is need for a combination of quantitative statistics and qualitative assessments.

Monitoring of poverty attributes may be of importance in itself -- to understand the situation, for the purpose of reporting, and for international and/or intra-national comparison. But its main objective must be to provide input for devising specific policies and for program planning to reach the poor. The importance of spatially disaggregated information by socio-economic groups thus becomes crucial. Information are needed on the characteristics of the poor – who they are and where they are for meaningful policy / program formulation. The following description of existing PIM approaches will make it clear that Nepal still needs to formulate a clear strategy and approach in this direction.

³ Keith Muhakanizi, Director of Economic Affairs, Uganda quoted in DFID (2002)

⁴ This is an issue to ponder in the Nepali situation After five decades of development effort, the total number of people below the poverty line at present is equal to the total population of Nepal when development planning first started in 1955.

3.2.1 Quantitative Approaches

Household survey has been the basic approach of generating poverty related information at the national level. Until the 1980s, there were very few national surveys undertaken in Nepal. Poverty monitoring surveys have proliferated during the decade of 1990s (see Table 8). Estimates of poverty incidence have been so far made on the basis of three national surveys – 1977 Survey on Employment, Income Distribution and Consumption Patterns in Nepal (SEIDCP), 1984/85 Multi-Purpose Household Budget Survey (MPHBS) and 1996 National Living Standard Survey (NLSS). A large number of surveys have been undertaken to assess the situation in the social sector (mainly health, nutrition, and education) under technical and financial support of various donor agencies. The following are the main generalizations that can be made about the national quantitative surveys.

1. Not designed for poverty monitoring: Most of the surveys were designed for specific purposes and were not planned to be replicated later to monitor change over time. The 1996 NLSS is an exception. A follow-up survey using similar design and methodology is currently ongoing.
2. No systematic sequencing of surveys: Except the DHS which is undertaken worldwide using the same methodology in five years interval (and the Population and the Agricultural Censuses), there is no systematic sequencing of survey. A beginning has been made by the ongoing NLSS which is expected to be repeated every five years.
3. Comparability: Most of the surveys are not comparable. Each have been designed with its own objectives and the definition of parameters and methodology are often different. Therefore, even a simple indicator like 'literacy' may have different meaning in different surveys and consequently the results of different surveys are difficult to compare. The three surveys which provided estimate of income poverty were also not comparable (see Prennushi, 1999).
4. Validity of survey: All the surveys, except a few, are valid for national, regional and ecological level. They are not useful for district level estimate.
5. Lack of coordination, duplication and overlap: There has been a number surveys in the social sector (e.g. NMIS / BCHIMES undertaken under support from UNICEF and DHS under USAID) measuring almost similar indicators at the same time (see also Annex 3). It has resulted into unnecessary duplication and overlap. There is no coordination among the agencies sponsoring the surveys. It has not only created redundancy, but more importantly imposed a burden on the respondent households when they need to provide the same information to different interviewers.
6. Lack of Ownership: Almost all surveys after 1990, except those undertaken by CBS, have been sponsored and supported by donors. The final report may contain the name of the relevant government agencies but the actual design, assignment of survey and publication are undertaken usually by the particular donor agency. The result has been a lack of 'ownership' and consequently the use of data has been limited.

7. Limited use for planning purposes: There is very little use of the survey results for planning purposes. Besides ownership of the survey, this may be due to national or regional aggregated information having little use for specific strategy and program formulation oriented towards poverty reduction. The information may reveal the existing situation and if repeated later with similar survey would indicate change over time. But poverty alleviation planning would need additional specific information at the district and village level. The complementary role of qualitative and participatory local based information is obvious for designing poverty reduction policy.
8. Need of specific program or donor agency: Most of the surveys are undertaken to fulfill the particular need of a program or donor agency – for program assessment, reporting or international comparison.
9. Inadequate analysis for policy feed back useful for poverty reduction: The nature of information collected in many of the surveys does permit analysis in terms of the socially deprived / disadvantaged groups and other attributes relevant for poverty analysis. However, such analysis are hardly ever done and presented in the published report which focus only on the specific purpose for which the organization undertook the survey. For example, the NLSS results published by the CBS do not contain many of the useful poverty related analysis done in the HDR Nepal 1998 (NESAC, 1998)⁵. The potential for policy feedback is thus not utilized.

3.2.2 Qualitative / Participatory Approaches

Along with the change in the development philosophy, Participatory Poverty Assessments using various PRA tools are being used in Nepal beginning with the 1990s. Earlier it was not possible to use such approaches since organization of the people, NGOs and civil society organizations were virtually banned during the Panchayat period. With the reintroduction of democracy in 1990, NGOs/CBOs in Nepal proliferated. Experience in the Region and elsewhere in developing countries also indicated that reaching the poor and initiating social mobilization for the benefit of the targeted group is much more effective through the NGOs than the government organizations. Donors started reorientation towards supporting INGOs / NGOs and along with it the participatory approaches to problem identification, planning and monitoring started to be practiced increasingly in rural Nepal.

⁵ Such an analysis was possible by NESAC since access to raw data was possible from CBS but not so for most other surveys.

Table 8: Basic Information on Major National Surveys

Survey Title /Year (Publication Date) / Responsible Agency	Sample Size / Valid for	Information collected.
<i>A Survey of Employment, Income Distribution and Consumption Patterns in Nepal: 1976/77 (1977)</i> NPC	Total sample: rural households 4040 and urban HHs 940. Terai / Hills / Mountains / Dev Regions/ Urban / rural.	First and biggest HH survey ever conducted in Nepal till 1977. Data on employment, income, consumption and expenditure. A subsistence level of expenditure was determined for the first time based on the average daily requirement of 2,256 kcals in order to estimate poverty incidence.
<i>Multi-Purpose Household Budget Survey: 1984/85 (1988)</i> Nepal Rashtra Bank (NRB)	3,662 rural HHs and 1661 urban HHs. Total: 5,323 HHs.. Development and Ecological regions and urban / rural.	Demographic characteristics, housing, employment, income and distribution, consumption, and time use pattern of households. This is the second major survey from which poverty incidence analysis has been undertaken.
<i>Nepal Fertility, Family Planning and Health Survey: 1991(1993)</i> MOH/ UNFPA	24,745 sample households. District / rural/ urban	Fourth in the series of demographic surveys conducted every five year. Data on family planning, fertility, infant and child mortality, and basic indicators of maternal and child health.
<i>National Sample Census of Agricultu: 1991/92 (1993)</i> CBS/NPC with UNDP/FAO	About 122,000 agricultural holdings were enumerated. All 75 districts.	The fourth in the series of decennial census of agriculture. Information on land holding, tenure, inputs and outputs of crops, fisheries, livestock, household and farm population.
<i>Nepal Rural Credit Review: 1991/92 (1994)</i> Nepal Rashtra Bank/ ADB	Total sample: 7,336 Households Ecological region and dev region for only rural areas.	Third in the series of agricultural credit surveys. Information on: household characteristics employment, land and productivity, assets, income, expenditure, savings and borrowing and indebtedness.
<i>Household Budget Survey: Urban Nepal: 1995/96 (1999)</i> Nepal Rashtra Bank	Total sample household selected 2,500. Urban areas.	Consumption patterns, demographic and housing characteristics, employment, income distribution, expenditure, savings and assets and liabilities.
<i>Nepal Multiple Indicator Surveillance – six cycle: between 1995 & 97 (1996 to 1998)</i> NPC and UNICEF	First cycle -- 18,722 HHs. Other five cycles used similar methodology and samples. Valid for 15 eco-development regions./ urban and rural areas. Also for at least 20 districts.	Data on: Health and Nutrition; Primary Education; Diarrhoea, Water and Sanitation; Early Childhood Feeding, Nutrition and Development; Care During Pregnancy and Delivery; Service Delivery on Health and Agricultural Services
<i>Nepal Family Health Survey: 1996 (1997)</i> MOH / USAID	8,252 households. Urban/rural and 13 eco-dev regions.	Information on fertility, child health, nuptiality and HIV/AIDS.

Nepal Living Standards Survey: 1996 (1996 and 1997)	3,388 households. Mountains, Hills (urban), Hills (rural) and Terai.	Besides other characteristics, information on HH consumption and income was collected for the first time with the objective of measuring poverty incidence.
Migration; Employment; Birth, Death and Contraception in Nepal:1996 (1997 – 3 Vols.) CDPS, TU./ UNFPA	19,800 households. National / regional / ecological / urban / rural	Detailed information on population movement, characteristics and causes of migration; employment status and pattern, work duration, wages, unemployed labor; health, fertility, mortality and contraceptive use.
Nepal Micro Nutrient Status Survey:1998 (1998) MOH /UNICEF/WHO	17,496 HHs. Valid for thirteen eco-development region strata.	Prevalence of iodine deficiency disorders, iron deficiency anaemia and vitamin A deficiency (VAD), under-nutrition, the incidence of infectious disease and the consumption of vitamin A-rich foods
Nepal Labor Force Survey:1998/99 (1999) CBS/NPC / ILO/UNDP	14,400 households. Regional / ecological / urban / rural	Info on demographic characteristics, education / training, employment status, economic activity and non-economic activities.
A Situation Analysis of Disability in Nepal: 1999/2000 (2001) UNICEF / NPC	A sample size of 13,000 HHs. Valid for 15 eco-dev region.	Qualitative and quantitative approach. Data on prevalence, magnitude and extent of disability and its characteristics. Qualitative technique to get an in-depth understanding of problems.
Report on the Situation of Women, Children and Households – BCHIMES: 2000 (2001) NPC/CBS and UNICEF	Total households: 10,269. Valid for 13 eco-regional domains.	Follow up of NMIS. The information collected related to household characteristics, education, water/ sanitation, family planning, anti-post natal care, STD and HIV/AIDS, breast-feeding, child health, vitamin A, and immunization.
Demographic and Health Survey : 2001 (2002) MOH/ USAID	The sample design was similar to NFHS 1996. The survey is valid for the 13 eco-regional domains	data on fertility and family planning, infant and child mortality, children's and women's nutritional status, the utilization of maternal and child health services and knowledge of HIV/AIDS.
Population Census: 2001 (2002) CBS/NPC/ UNFPA	Census as well as 12% sample for specific information.	Tenth in the series under taken every ten years. Standard information as per the international convention.
National Sample Census of Agricultural: 2001/2 (2002) CBS/FAO	Similar to 1991/92 sample census. Covers all 75 districts.	Similar to 1991/2 decennial sample census.
Nepal Living Standard Survey (ongoing) CBS/NPC / WB / DFID	Same methodology and sampling procedure as in the 1996 NLSS. Sample size: 5,200.	The same information as was collected in the 1996 NLSS. Would be valid for comparison and monitoring changes in poverty related indicators.

Source: Annex 4

Though PPAs are usually undertaken in community based development programs in the district, its importance in supplementing the national poverty monitoring is increasingly being realized. Since 1995, seven important participatory assessment studies have been completed (see Table 9). Most of these studies cover several districts from which conclusions can be derived for national policy formulation.

Table 9: Participatory Poverty Assessment

Study Title / Year Completed / Research Organization	Sponsor / Support Organization	Coverage
Participatory Poverty Assessment (Ilam and Tanahu): 1995, New Era	DANIDA	Mid-hills. 947 HHs
The Neglected Majority – Poverty – the Nemesis of Development?, 1997, New Era	Action Aid Nepal / Plan International	Rural / Urban; Terai, Hills and Mountains. 11 Districts, 11 VDCs
Livelihood Trajectories and Long Term Change, 1998, ODG/U of East Anglia	ESCOR / LWF, AAN, & WDD/HMG	Rural hills and terai; 4 districts; 15 villages; 667 HHs
Poverty Situation Analysis of Nepal, 1998, APROSC	NPC / PDDP, UNDP	Rural / Urban; Mountain, Hills and Terai; 15 districts; 225 VDCs; 157,187 HHs
The Good, The Bad, The Well and The Ill, 1999, SAP-Nepal	CIDA	Rural/Urban; Terai/Hills; 4 districts; 5 village clusters; 604 H/H
Searching for Poor: Poor People's Voice on Poverty, 2000, NFN	AAN and Helvetas /NEPAN	Rural / Urban; Mountain, Hills and Terai; 11 districts
Poor People's Voices, 2002, New Era	AAN	Rural - Mountain, Hills and Terai; 10 districts; 20 VDCs; 200 HHs
Source: Neupane, B and N. Dhungel (2002): <i>Participatory Poverty Assessment</i> , submitted to DFID, Samuhik Abhiyan, Kathmandu		

The studies used a combination of PRA tools and techniques mainly through focussed group discussion. Some studies, e.g. 'the livelihood trajectories, 1998' and 'the poor people's voices, 2002'⁶ even combined qualitative and quantitative techniques like household survey and PRA approaches like focussed group discussions. Main characteristics and important findings of these studies were:

- All were one time assessment studies without any plan for repeating the same in future for monitoring purposes;
- The PPA were undertaken as academic exercises or to facilitate implementation of particular donor or INGO funded projects;

⁶ See Neupane and Dhungel (2002) and New Era and Action Aid (2003)

- Poor people generally perceive poverty in terms of psychological, humanitarian and emotional dimension besides economic terms;
- The studies indicated poverty situation to be worst than as indicated by the income poverty incidence estimated from national household survey. For example, the most elaborate PPA ever undertaken under the sponsorship of NPC covering 15 districts and 157,000 HHs indicated on the basis of a pre-determined criteria for poverty line that poverty incidence is 70% out of which 42% are hard-core poor.

In spite of the PPAs that together covered 40 districts, use of the information has been minimal in policy and strategy reformulation for poverty alleviation⁷.

3.3 Poverty Monitoring at the District Level

Poverty monitoring at the district level is in a formative stage. The attempt so far has been in improving the data base and management information system (MIS) as a means for improving the local development planning process. The Decentralization Act of 1982 mandated compilation and updating of a set of village and district level information by the then District Panchayat for the first time. Some Integrated Rural Development Projects (IRDPs), did support the creation of such information base in the district⁸. The PDDP/LGP supported by UNDP -- with the objective of strengthening the local participatory planning and monitoring capacity and empowering the poor to access local services through social mobilisation and community organisation at the grassroots level - is perhaps the first program that supported the DDCs systematically in generating, compiling and using the information for local development planning. The two programs covers 60 of the 75 districts of Nepal⁹. Out of the remaining 15 districts, most districts have some sort of ongoing rural development programs implemented under the support of various donor agencies like GTZ, DANIDA, UNICEF, SDC, SNV etc. and they are also supporting the DDCs in improving the data collection, compilation and management system. The achievement so far has been, however, not so encouraging since the capacity to manage and sustain the system has not been effectively established.

⁷ It might be pointed out that the recent creation of the Poverty Alleviation Fund (PAF) is part of the policy redirection, influenced by the PPAs and participatory rural development programs being implemented in the country. But the half-hearted creation of the PAF -- with a limited first year budget of Rs. 40 million and plans for first piloting the programs in 6 districts (and perhaps few VDCs within a district) -- mainly based on the strategy of social mobilization does not give credibility to seriousness of the government to tackle the issue of poverty. Poverty seems to have been relegated as a side issue even though the Tenth Plan has it as the overarching objective. Nepal already has sufficiently long experience of implementing community based social mobilization program and we need not go on 'piloting' all the time. What is necessary is to upscale the social mobilization program with complimentary poverty oriented interventions throughout the country as a campaign on war footing (see also Ojha, 2003).

⁸ For example, the German Government supported Dhading Development Project trained and mobilized the VDC Secretaries to collect the required information through focussed group discussions at the Ward level in each VDCs and established an aggregated District Profile in the late eighties. But institutionalization of such a system did not happen.

⁹ Though the programs have different names for the western and eastern Nepal, the content and approach are similar.

3.3.1 Quantitative Approaches

Quantitative 'monitoring approaches' using household information through sample surveys relating to poverty measure in the districts are currently being supported by UNDP and UNICEF (see Annex 5 for details). In order to streamline duplication and avoid parallel information collection under programmes supported by different donors in the districts as well as to support the proposed LGSP (Local Governance Strengthening Program)¹⁰ which is to replace the PDDP/LGP, a concept of DMIS (Decentralized Management Information System) was initiated. Preliminary workshops to float the idea and obtain feed back have been conducted in a few districts. The following provides brief description on these approaches.

PDDP/LGP: UNDP under its PDDP/LGP collects detailed household information from 30% sample from each Ward of the VDCs within the district¹¹. The VDC Secretaries were trained and mobilized. In VDCs without any Secretaries, the DDC hired enumerators and trained them to collect the necessary information. The survey questionnaire is quite elaborate and time consuming. Information collected includes: household characteristics, land holding, consumption, expenditure, indebtedness, nutrition and a large number of other attributes (see Annex 5) which could potentially provide information on the poverty situation by VDCs/Wards and by specific socio-economic groups. Supervision was done by PDDP/LGP Program Officers, Ilaka¹² Representatives, and Ward Chairmen. Collected data were processed and analyzed by the program officers appointed by the DDC under the LGP/PDDP. There has been as yet no second round data collection in any of the program districts. Almost all officials interviewed are skeptical about the reliability of the data collected through household survey mainly due to methodology and data collection approach without any rigorous supervision. PDDP/LGP also uses participatory qualitative approach in the VDCs where Village Development Programme (VDP) are being implemented (see Section 3.3.2)

UNICEF Baseline: UNICEF has established baseline information in 15 districts between 1998 and 2001 where it has been implementing Decentralized Planning for the Child Program (DPCP), now called DACAW (Decentralized Action for Children and Women) in cooperation with the Ministry of Local Development and National Planning Commission. A minimum sample size of 600 household was determined to provide valid information for the specific attributes to be monitored. The objectives are to collect

¹⁰ A programme to be funded by seven donor consortium under basket funding. The programme has been stalled at present due to absence of local representatives in the country.

¹¹ In the beginning few districts even tried to collect information on all households but through group discussion in each ward. The shortcoming of this approach was soon realized and a sample survey methodology to collect information from visit to the households were adopted. The earlier 'census' approach is referred in some documents as "first round PDDP data collection" and the sample approach is referred as "second round". Information collected under the latter approach is considered relatively better though people interviewed, both from the donor community and NGOs, are skeptical about the quality and reliability of the LGP/PDDP information in general.

¹² A district is formed of several Ilakas -- consisting of a group of Wards -- from which a representative is elected in the DDC executive body.

baseline information on basic indicators of child health, nutrition and sanitation as well as to contribute to the process of building district level capacity for data collection and analysis through involvement of the concerned stakeholders in different phases of the study. Information collected included – demographic characteristics, educational status of children, land / livestock holding, housing, sources of drinking water, sanitation, background characteristics of mother / caretaker, child age in months, tetanus toxoid, diarrhoea and ARI, vitamin A and immunisation coverage, and height and weight of children. At the district level, District Management Committee (DMC) was consulted and in some districts guided the survey. The LDO, PCRW Coordination Committee, and representatives of concerned line agencies and NGOs were also consulted. The result of the survey was disseminated through a district workshop after completion of the draft report. New ERA, a national NGO, was responsible for the survey and analysis. It is planned to update the information periodically. A second round survey of three districts for which baseline were established in 1998 has been completed and updated information will be available soon. The UNICEF survey, though methodologically sound, can provide information only on health related indicators. Although one of the stated objective is to capacitate the DDC, its achievement is doubtful since the overall responsibility is given to a central NGO. DACAW also uses participatory approach in collecting information from Community Organizations (COs) where its Community Action Processes (CAPs) are underway currently implemented in 160 VDCs of 15 districts (see Appendix 6 and Section 3.3.2).

DMIS: A Decentralised Management Information System has been visualized to improve and streamline the district information collection, management, and decision making system. It was foreseen to cover all sectors and to establish a system for process, output and outcome monitoring. The idea was to build on existing system avoiding multiplicity of efforts and create both horizontal and vertical linkage of information flow. Use of information for planning and monitoring was a major aim. Three workshops in three districts were initiated to discuss the concept and get local feed back to build on the idea. Once finalized and tried out, it was expected to introduce DMIS in all the districts of the country. The pilot initiative started in Udayapur (a district with strong leadership and good existing system of monitoring) -- limited to the four devolved sectors of education, health, agriculture and veterinary -- is considered to be working fairly well. But the initiative in Chitwan and Lamjung districts was not successful mainly because of the lack of commitment and uncertainty of the LGSP. The program has now further dissipated along with the withdrawal of support by donor consortium to the LGSP due to absence of elected representatives at the local government bodies.

In spite of these efforts in quantitative information generation, the use of data for overall planning of the VDCs and districts are minimal. They are simply used for reporting and describing the existing situation. Linking the information for local level policy formulation to reduce poverty is practically non-existent.

3.3.2 Qualitative / Participatory Approaches

Participatory assessment and monitoring of achievements are undertaken by almost all community based programs in one form or other. But very few actually do establish baseline of poverty related information and update them regularly to assess changes in the lives of the program beneficiaries. Three specific programmes which use participatory approaches and collect qualitative information for periodic updating as a tool for monitoring are briefly described below (see Annex 6 for more detail). These programs have significantly large coverage and have been in operation since several years.

- **Poverty and Development Monitoring System (PDMS):** MIMAP-Nepal (Micro Impact of Macro Adjustment Policies) supported by IDRC initiated the PDMS in 1997. It aimed at measuring social and economic changes at the community level in a fixed period of time. It is considered a tool for empowering local communities through information. They are both the client and users of data. CECI (Canadian Center for International Studies and Cooperation) and NLA (Nepal Labor Academy) implemented the system in five districts of Kavre, Dhanusha, Bardiya, Dailekh and Jumla. Data base has been established in each and every VDCs/Municipalities of the districts. Focused group discussion and household visit is the methodology used. A total 62 monitoring indicators are derived relating to: demographic structure, gender and children related issues, ownership of land, households with sales of agricultural produce, fuelwood supply, HH borrowing from institutions and by pledging land, ownership of radio, TV, subscription of newspapers, qualitative information on income, price of main produce, education, health (gender disaggregated), and nutrition/sanitation. The information are compiled and presented to the Ward for verification / feed back, and later to the VDCs. Also periodic VDCPs (Village Development Committee Plans) are prepared through intensive discussions of all elected representatives.

The whole process of data collection, compilation, presentation and VDCP preparation exercise takes about 22-25 days. A copy of printed information or compiled data and printed VDCPs are provided to the concerned VDCs within three months. Since almost a census is undertaken NLA feels that there will be no problem in linking VDC level information to the district. Simple aggregation will provide the district situation. The approach permits identification of the poor by their location which is very important for targeting programs. The whole exercise including compilation and printing of the information profile and VDCP document costs about Rs. 50,000 (US \$ 700). Institutionalization of the system will not be difficult since local people are used in the process who can easily be trained. In VDCs where already a community based program exists, the programme facilitator can easily take over the responsibility. Since information are collected and at the same time used for VDCP, this approach merits careful follow-up and perhaps replication in a wider scale. The current Maoists

insurgency has, however, stalled the program since it is impossible to continue meaningful participatory discussions at the local level.¹³

- **Decentralized Action for Children and Women (DACAW), MLD/UNICEF:** DACAW, a main program of UNICEF, covers 160 VDCs of 15 districts. It works with the COs (Community Organizations) already mobilized by other programs like the PDDP/LGP, SNV, SAPAP and PCRW. DACAW has instituted participatory monitoring practice in its program at the local (group) level. Focus is to monitor the situation of children and women by pointing out their position and progress on vital indicators and thus to make people aware of the need for allocating resources to programs to improve their situation. In partnership with the CO in villages, a census household survey of the cluster is done. The records and formats include household profile, settlement level profile of children below 3 years of age including detail information on child health and anthropometric measures. The motivator keeps growth record of each children and reports to Field facilitator. A community information board is maintained at a common place where the situation of children and women are visualized. The Board information is updated monthly, and a VDC level status of children and women covered by all the groups is compiled on a quarterly basis.
- **Participatory Self-Monitoring Designed and Tested by South Asia Poverty Alleviation Program (SAPAP), UNDP:** The poverty alleviation program through social mobilization was implemented in 7 VDCs of Syangja District. Considering the usefulness of the system of self-monitoring implemented by SAPAP, PDDP/LGP have adopted and are implementing the monitoring approach in 660 VDCs covered with Village Development Program. The SM (self-monitoring) design monitors the organizational capacity of the COs and impact of the program on participating households. A set of 12 indicators is presented in pictorial way with a total of 100 points on which the members assess their situation and rank them. A system of scoring the main indicators and the five sub-indicators are developed such that a maximum total score 100 is possible for a CO. CO members evaluate their own performance quarterly based on the scoring system.

Some general characteristics of the main participatory monitoring approaches being implemented in Nepal are as follows (Hurdec, 2002):

- The key purpose of monitoring are planning, assessing change at the household and community levels, community sensitization and empowerment;
- A few (like DACAW) monitor outcomes on specific attributes and changes taking place in the community whether they are attributable to the program intervention or not;
- All agencies aim at gradual hand over of the monitoring function to local community;

¹³ NLA also informs that the program will further suffer because of the general withdrawal of support by IDRC in the Asian Region.

- The program support agencies play the role of facilitators in the monitoring process. They take lead in setting the agenda and indicators for monitoring;
- A few (like SAPAP) have prepared manuals or guidelines for monitoring to be used by the community organizations;
- Most frequently used tools are PRA and their adaptations;
- There is no uniformity regarding data compilation and their higher level aggregation.
- In most cases staffs of the support agencies compile the data which are shared with interested parties on demand;
- Though many programs are implemented in the same areas and sometimes involving the same beneficiaries, there is poor coordination and sharing of information; and
- Often there is a tendency to monitor too many indicators. It is necessary to differentiate common indicators for poverty monitoring which could be used by all agencies and other indicators useful to particular programme.

4 Impact Monitoring Approaches

Impact monitoring (IM) is a complex task and because of its difficulties remains unduly neglected in favor of activity and output monitoring. But a distinct shift from traditional concern for project performance towards concern for objective or outcome monitoring has taken place in recent years. There is a concern as to how and to what extent development cooperation benefits the target groups. The importance of IM also emanates from its role in steering the project towards achievement of the desired changes at the outcome level rather than relying on 'impact assessment' at periodic intervals or at the end of project / programme period. In spite of its importance, there are only few donor agencies, namely GTZ and DFID¹⁴, who are trying to institute IM system for ongoing monitoring and steering of their projects.

GTZ: GTZ is perhaps the pioneer among the donor agencies in Nepal showing concern for impact monitoring of its projects / programmes. It established a common Impact Monitoring Unit in order to provide impact related monitoring support to its seven rural development and poverty alleviation related projects. The primary aim of IMU, renamed recently to Poverty Monitoring Unit (PMU), is to support GTZ rural development projects to carry out a systematic identification and monitoring of impact of their interventions (Ojha, 1999).

The focus in the initial years remained in providing support for assessment of program impact. The impact assessment studies simultaneously established baseline information through sample survey of households with the objective of longitudinal monitoring of the same households after few years. A set of indicators on the living conditions of the

¹⁴ DANIDA also monitors impact of its 'girl child education scholarship' program for the *dalit* (deprived group) in Surkhet and Doti. Information collected from the households receiving scholarship are updated every six months through interviews with the parents to monitor achievement along a number of pre-specified indicators.

households appropriate to the Nepali rural situation have been developed. The indicators are simple and easy to collect, mostly of qualitative nature and to which the households can easily relate to. In addition to various measures, the design try to monitor effects of the social mobilization approaches adopted by the projects that stress on social reforms, reduction of unproductive household expenses which helps to enhance income in a sustainable manner, and promotion of mutual help practices.

Base line information of households participating in four major self-help promotion programs, covering seven districts under five different projects, have been established. In 2002, baseline has been reestablished in the districts of Sankhuwasabha, Bhojpur, and Lamjung with a sample of 450 households each. These base-line indicators are to be updated periodically to identify changes over time and to assess project/program impact. Since the concept, information and indicators are similar, it is planned to consolidate the sample household information collected for different programs/project into one data-base. Over time, with new base-line surveys of other project/programs, the data- base could be enlarged. With periodic updating, such data base could be used to ascertain indicative contribution of GTZ RD/PA (Rural Development & Poverty Alleviation) Projects / Programmes in Nepal as a whole.

Follow-up surveys of the households have not been done as yet in any program districts and thus the validity and usefulness of the impact monitoring design has not been practically tested.

DFID: DFID is in the process of establishing 'Livelihoods and Social Inclusion Monitoring System (LSIMS)' in line with its country assistance plan under which 'social inclusion' is a major component. Individual projects are expected to design their own system to institute LSMIS which are to be subsequently linked with DFID's overall system. Along this line two major projects – Rural Access Program (RAP) and Livelihoods and Forestry Programme -- have completed establishment of baseline information for impact monitoring.

RAP aims to improve mobility and access in selected rural areas of the six programme districts. The aim of the baseline established in 2001 was to set benchmark for designing and monitoring programme activities and for impact evaluation after project completion. A total of 1350 sample households are covered from each district selected from three purposively divided strata within the district. A comprehensive HH questionnaire has been designed to obtain information on demographic, social, landholding, agricultural and non-agricultural production, income, expenditure and borrowing, assets, access to services / facilities, micro-enterprise / cottage industries and the like. Qualitative approach is also followed through focussed group discussion to obtain settlement data.

The LFP has recently completed the baseline survey. Compilation, analysis and reporting is in the final stage. Through a combination of quantitative household survey and the participatory methods, the baseline aims to collect and analyze information about the current context in which rural poor are living, changes and status of their common and households assets, their livelihoods strategies and priorities, vulnerability conditions,

strength, weakness and risk. It is conceived to update the baseline periodically – some information will be updated annually, whereas others relating to livelihoods that take time to register change are planned to be updated in an interval of 3 to 4 years. HHs survey include information on detail household characteristics, land holding, production, expenditure and income, assets etc besides elaborate info on social, vulnerability, gender aspects. The survey covers seven programme districts. A total of 2,871 HHs have been covered from 155 CFUGs in the programme districts.

In spite of the efforts of the few donor agencies, it should be noted that none have so far actually undertaken impact monitoring through follow-up surveys for policy / program steering.

5 Proposed PRSP Monitoring

UNDP and NPC are implementing the "Poverty Monitoring in Support of the PRSP" project since 2002. In view of the existing shortcomings of poverty monitoring system in Nepal, the project aims to improve and streamline the situation. NPC has been taking active initiative during the last years to coordinate the effort in designing a comprehensive poverty monitoring system both at the national as well as district level.

PMAS: NPC/UNDP has formulated in 2003 a national level PMAS (Poverty Monitoring and Analysis System) Framework Document (NPC, December 2003) based on consultations with the donor communities. The aim is to "coordinate, consolidate, harmonize and analyse data from existing, as well as new, poverty monitoring mechanisms, and communicate results in order to feed back into the policy making process" (NPC, Dec 2003). The following are the main features of the framework document.

- Poverty Monitoring Section (PMS) under the CMED (Central Monitoring and Evaluation Division) of NPC will be the focal point for the PM system.
- A system of input, output monitoring requiring coordination between line ministries, district level agencies and Central Monitoring and Evaluation Division of the NPC has been specified.
- A public expenditure tracking of programmes and projects has been proposed;
- Performance monitoring based on intermediate indicators is to be performed annually through the sectoral MIS;
- A core set of Outcome/ Impact and process indicators have been proposed for tracking over time (see Annex 7);
- A sequencing of surveys has been proposed as follows as the key source of data for poverty monitoring; it will also avoid the past duplication of efforts, information and lack of coordination.

Proposed Sequencing of Surveys						
	2003	2004	2005	2006	2007	2008
National Living Standards Survey	x					x
Consolidate Social Survey				x		
Expenditure Tracking and/or Service Delivery Surveys		x	x	x	x	x
Labor Force Survey				x		
Agricultural Survey		x		x		x

- CBS will be the focal point for conducting the national HH surveys; its capacity will be improved.
- Participatory monitoring and evaluation will complement the quantitative surveys.

DPMAS: A study has also been assigned and completed in 2003 on the Framework and Implementation Strategy for District Poverty Monitoring and Analysis System (DPMAS). The proposal has been shared for feedback with the donor community (New ERA, August 2003). The DPMAS is being translated into Nepali and planned to be circulated to the DDCs for feedback and comments. The framework consists of implementation monitoring, outcome / impact monitoring, and institutional framework of the poverty monitoring system at the district level (New Era, 2003). The following are the main features of the framework document.

- Six key sectors have been identified for implementation and outcome/impact monitoring which are to be primarily based on the sectoral MIS supported by information derived from household surveys;
- Monitoring of 28 input, 39 output, and 37 outcome / impact indicators are proposed;
- Quantitative and qualitative approaches (including PPA) have been proposed as monitoring tools; most of the outcome / impact indicators are to be derived from 'household survey'. However, there is no further elaboration on whether the HH survey would be based on sample or census basis and how it is to be conducted
- DDC is to be the lead institution for DPMAS implementation;
- NPC and MLD are to support DDC in DPMAS implementation;
- Building the system from existing institutional framework rather than building new mechanism; and
- The system is to be institutionalized both at the DDC and VDC level;

The proposal for the national as well as the district poverty monitoring system is still ongoing. The frameworks have not been finalized yet.

6 Conclusion

Poverty monitoring must be useful for devising appropriate policies and strategies as well as targeting development activities to the poorer sections of the community. And the best way to reach the poor requires decentralized local participatory approaches in planning, implementation and monitoring. Monitoring is only as good as its use. At present use of

quantitative information generated in the district and national level are hardly being used. On the other hand, participatory approaches seem to be relatively better since they simultaneously tend to address the issue of implementation as part of the monitoring process.

This review has also indicated that there is no dearth of data but its access to the policy makers is often inadequate. For example, the wealth of data from the population census never reaches the VDCs and Wards where they could be well utilized. This points to the need for dissemination of information to the actual users and such dissemination modality needs to be built in during the survey design itself¹⁵.

A very crucial issue is the linkage of information generated at different levels – local, district and national. Some argue that "well-being monitoring at the national and district levels should not be combined within a single system" since no single system is likely to meet the requirement of both (IDEA International, 2002). A major constraint for devising a single system is the sample size required to provide estimates representative at both level which would be extremely costly. But the merit of establishing a unified framework such that locally generated information provide aggregated information for the district and the district system to national system need not be emphasized. In the context of poverty alleviation, locally generated detail information on 'who the poor are' and 'where they are' are crucial for designing effective program to reach them. If we are serious about poverty alleviation then such information must be collected at the local level. Most participatory PPA in Nepal (e.g. PDMS and VDP) have shown that such information can be generated easily without much cost specially since most community based programs use social mobilization approaches with a facilitator or mobilizer in place. And since social mobilization has been also accepted as the main approach for implementation of poverty alleviation programs (e.g. PAF, VDP, DACAW etc) it is conceivable that in the foreseeable future most of the VDCs of the country will have one or other form of community based programs underway. It is therefore suggested that the issue of linkage be given more serious consideration than has been hitherto¹⁶.

¹⁵ Nepal Labor Academy (NLA), in cooperation with OXFAM, has recently started a positive initiative in this regard. It is compiling relevant district level data by VDC in order to disseminate them widely at the local level. For two districts it has already compiled important information from 2001 Census, Results of the Local Election 2054 (Election Commission records) and Nepal Human Rights Annual Report (INSEC). VDC wise data are compiled in Nepali on demographic structure, child-labor, literacy- gender disaggregated, population by caste-group/ dalits, votes obtained by political parties, village assembly members elected (by caste group: dalits, ethnic groups, terai groups and others), and marital status of population above 10 years. Each of the information is also given on VDC-wise map of the district for easy comparability. It costs about Rs. 30,000 for the compilation/mapping exercise and another Rs.30,000 for publishing about 1500 copies of the monogram which is to be disseminated to all schools, wards, VDCs and important organizations in the district. It would be a very effective means of disseminating existing information which can be used for local development planning and targeting of programs in the socio-economically deprived section of the district / VDCs. The critical but important feature of this effort is preparation of the information booklet in Nepali contrary to the usual practice of producing documents mostly in English for consumption of the elite and donor community (see OXFAM and NLA, 2003).

¹⁶ The current Maoists insurgency in the country is significantly affecting implementation of rural development activities. It is also likely to inhibit any efforts towards instituting decentralized poverty monitoring system. Both the participatory monitoring approaches as well as national surveys (e.g. the ongoing NLSS) have been affected.

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Annex 1: List of persons interviewed

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Dr. Binayak Bhadra, Director of Programs, ICIMOD
Dr. Hikmat Bista, Decentralization Advisory Support Unit, DANIDA
Dr. Luxman Pun, Coordinator, Utthan Project, CECI [Telephone]
Dr. Sharad Sharma, Dr. Bal Gopal Baidya (initially) and Mr. Bharat Ban, New Era
Dr. Shiva Sharma, General Secretary, National Labour Academy - Nepal
Erico Onoda, Planning Officer, UNICEF
Frances Harper, Statistical Adviser, DFID, Nepal
GTZ/PMU: Uwe Sturmman, Sarita Shrestha, and Sewa Shrestha
Heather Bryant, UNDP, Poverty Monitoring Project in Support of PRSP
John Quinley, Health Expert, USAID [Telephone]
Lynn Bennett, Lead Social Scientist, Social Development Department, World Bank
Mahesh R. Sharma, National Program Coordinator, LGP/PDDP, MLD [Telephone]
Mr. Sunil Regmi, Director, CECI [Telephone]
Raghu Shrestha, Senior Official, LGP/PDDP Bridging Phase Programme [Telephone]
Ram Krishna Pokharel, National Programme Manager, LGP/PDDP Bridging Phase Programme
Shizu Upadhya, Theme Leader, Globalization and Corporate Sector, Action Aid Nepal
Shree Krishna Upadhya, Chairman, SAPPROS, Thapathali
Sungsup Ra, Senior Country Programs Specialist and Chazee Laurent, ADB
Teertha Dhakal, National Program Director, PRSP Monitoring
Tunga Bastola, Director General (and Krishna Prashad Shrestha), CBS

Annex 2: Life Cycle of a Poor in Nepal

(Reproduced from: New ERA & Action Aid Nepal (2003), Listening to the People Living in Poverty, Volume IIa, Kathmandu (pp 110-111))

A typical life cycle of a rural poor that represents the livelihood of majority of poor, irrespective of caste, ethnicity, religion and gender, living in rural parts of the country can be better explained in the following ways.

A poor child, in general, is given birth by a malnourished, ill health and illiterate mother who either has already given birth to a number of children or is giving birth at a premature age in absence of a trained birth attendant and in an unhygienic circumstances. There is a significant probability that the infant will die of birth complications and if s/he survives it will inevitably be malnourished. Due to lack of balanced diet and the basic nutrients in the daily food the child suffers from frequent illness and disability. The rural house lacks household latrine and thus the child defecates in and outside the house, kitchen garden, near the water source. Poor hygiene and household sanitation make the child victim of many preventable diseases.

The poor parents are always busy in farming and in other labor activities in an attempt to survive and give a bright future to the children. The elder children, irrespective to their age and sex, are left at home to look after the young siblings in the absence of their parents. The elder child has to collect fodder, take the livestock for grazing, feed the younger ones, wash the utensils and probably cook food before the parents return home from their work. The situation is more tragic if the father happens to be an alcoholic and gambler.

A child is fortunate enough to be enrolled in a school only if there is someone in the family to look after the household chores. The male child in most cases is preferred over the girls for education. This is not enough; those admitted in the school again have to walk a long distance, for around an hour to and forth to reach to a school with poor infrastructure facilities. The child is irregular at school sometimes due to his/her health problems and sometimes due to household workload. And many times the classes do not run due to absence of teacher(s) and due to storm, rain and so on. The students from poor and low caste family are often misbehaved, harassed, misunderstood, underestimated and mistreated by the teachers and the colleagues as well. A disabled child has to face more problems since in general the family members too do not sympathize with such children and the discrimination is more severe in case of a girl disabled child. Gender discrimination, poor health status, endemic poverty, child labor and poor infrastructure are, therefore, the major among other reasons for little or no education among the rural poor.

If the child is a boy, he starts supporting his parents with supplementary income from agricultural and/or non-agricultural labor available at the local level before he actually is mentally and physically prepared for it. With no or very little education, poor health, no training and therefore no expertise the rural poor is provided very low wage for his work. Be it for continuation of the family name or to have someone to help in household chores the boy gets married with a girl brought up in the same or even deteriorating circumstances. With the increasing responsibility, and expenses the helpless poor has no option but to take loan from moneylender to meet difficult situations. They take loans for resolving hand to mouth problem; to fulfil other basic needs of the family, for health treatment or to pursue income-generating activities and in worst cases for consuming alcohol/paying in debt...

If the child is a girl, the parents start looking for a bridegroom for her as soon as she enters her teenage. She in most cases is deprived of education and other opportunities to learn skills just because she has to leave the parental house sooner or later. Instead, she is given more household work and the responsibility of taking care of her younger ones. She, therefore, is looked and behaved as an object to be handed over to someone else in due course by her own parents and other family members.

The situation is more deteriorating if the child is from lower caste. S/he has to tolerate discrimination in each and every walk of his/her life. The child is deprived from drinking water from the common tap at school, and is not allowed to eat or sit together with his/her friends. The caste becomes a major barrier for her/him to get employed when he/she grows up.

Old age is more troublesome to the poor people in Nepal. Older people, particularly widows, are one of the most vulnerable groups. Instead of availability of food, clothing, health care and shelter the old aged people do not have any choice but to lead a miserable and helpless life. They do not have access to services and facilities and are excluded from decision-making processes. Despite the skills, experience and knowledge that older people have they are not taken good care of and their potential contribution to the families and communities at large goes mostly unrecognised.

Annex 3: Trend in Selected Poverty Related Indicators – Health and Education
Results of National Surveys

Indicator	1984/5 MHBS	1991 NFHS	1996 CDPS TU	1996 NLSS	1995-98 NMIS	1996 NHS	1998 NMN	1998/9 NFS	2000 BCHIM ES	2001 DHS	2001 Census
A. Health and Nutrition											
Infant mortality rate		80				79				64	
Under 5 Mortality rate		121				118				91	
Stunting – chronic malnutrition children 6-36 months (height to age) %					53-64	48	54			51	
Acute malnutrition – wasting (weight to height)					16	11	7			10	
Under-weight (weight to age)					49	47	47			48	
Fully Immunized: 5 years and under		19		36		43			55	66	
BCG vaccination (%)		54			69	76			87		
Total Fertility rate		5.1	5.4	5.1		4.6				4.1	
Access to safe water (%)		46	76	70	53				72	78	81
Access to adequate sanitation (toilet)		20	33	22	15-18				33	30	48
B. Education											
<u>Literacy – overall %</u>	40	41	52	38					58		60
<u>Literacy – male %</u>		57	67	52		64			70		72
<u>Literacy – female %</u>		26	36	24		33			45		49
<u>Literacy – rural %</u>	38								56		
<u>Literacy – urban %</u>	63								73		
Adult literacy (% 15+ yrs)				36	40			45	51		

Adult Literacy – male				54	57	64		62	66	70	
Adult literacy – female				19	23	33		28	35	35	
Net Primary enrolment ratio				57	70				66	73	
Net Primary enrolment ratio – male				67	80				71	79	
Net Primary enrolment ratio – female				46	60				60	67	
C. Other: - % of HH with access to electricity			33	14					24.6		39

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Annex 4: Basic Information on the National Surveys

Year	Survey Title / Publication Date/ Responsible Agency	Methodology – sample design, size, coverage	Brief Description and information collected.
1976/77	<p><i>A Survey of Employment, Income Distribution and Consumption Patterns in Nepal (SEIDCP), 1977</i></p> <p>National Planning Commission (NPC), HMG</p>	<p>Sample design: Terai / Hills / Mountains representing four Regions and Urban / rural</p> <p>Three stage stratified random sampling. Covers 37 districts, 10 town panchayats (municipalities) and 128 village panchayats (renamed as village development committees since 1990). Total sample: rural households 4040 and urban households 940.</p> <p>Sample adequate for analysis in terms of development region, ecological regions and rural / urban.</p> <p>Survey took 4 months.</p>	<p>First and biggest ever conducted in Nepal till 1977. Generated data on employment pattern, extent of unemployment and underemployment, components and levels of income and differences therein, income disparities, relation of consumption with income and occupation, minimum subsistence level of expenditure and income and the magnitude and concentration of poverty (income poverty). For the first time a subsistence level of expenditure was determined based on the average calorie requirement of 2,256 in order to estimate poverty incidence.</p>
1984/85	<p><i>Multi-Purpose Household Budget Survey (A Study on Income Distribution, Employment, and Consumption Patterns in Nepal), 1988</i></p> <p>Nepal Rashtira Bank (NRB)</p>	<p>Sample frame was designed to obtain valid information for development and ecological regions and for urban and rural areas. A multi-staged stratified sampling method was used with selection of districts, village panchayats, and Cluster of Wards (as the PSU) and finally households. Total Sample size: 3,662 rural HHs and 1661 urban HHs. Total: 5,323 HHs..</p>	<p>To fill up the pressing need for basic data on employment and income distribution as well as to develop new weightages of the consumer price index according to changed consumption pattern. Information collected included demographic characteristics, housing, employment, income and distribution, consumption, and time use pattern of households. This is the second major survey from which poverty incidence analysis has been undertaken. There is problem of comparability with the 1977 NPC.</p>

1991	<i>Nepal Fertility, Family Planning and Health Survey (NFHS), 1993</i> Ministry of Health Supported by UNFPA	A multi-staged stratified probability sample design was used covering all the 75 districts. Proportionate sample was also taken from rural / urban households within each district. A total of 24,745 sample households were covered and all ever married women in the households (25384) were interviewed.	Fourth in the series of demographic surveys conducted every five year. Earlier surveys: 1976, 1981 and 1986. They were based on sample districts whereas the current survey covered all the districts and results have district level validity. Objective was to provide policy makers, planners and programme managers with data on family planning, fertility, infant and child mortality, and basic indicators of maternal and child health. Detail information under these major categories have been collected.
1991-2	<i>National Sample Census of Agriculture, 1993</i> CBS/NPC with support from UNDP/FAO	A multi-staged sampling was adopted. 5,100 enumeration areas was first selected from which between 20 and 30 holdings were sampled. In total about 122,000 agricultural holdings were enumerated.	The fourth in the series of decennial census of agriculture. Detail information on all aspects of land holding, tenure, inputs and outputs of crops including fisheries, on livestock holding as well as basic info relating to the household and farm population were collected. The results are valid for ecological, regional and district level.
1991-2	<i>Nepal Rural Credit Review, 1994</i> Nepal Rashtra Bank (NRB) with TA from ADB	Multi-staged random sampling. 5 different regions as strata. Three ecological regions – mountain, hills and terai from each regions. First stage: Total 32 districts selected randomly: 6 mountains, 18 hills and 8 terai. Second stage: Selected 40 VDCs with institutional credit access and 130 without access. Third stage: Ward selection. Cluster of 3 wards as sampling unit. One cluster selected from each VDC. Total sample: 7,336 HHs.	This is the third in the series of agricultural credit surveys, the first two undertaken in 1969/70 and 1976/7. The objectives were to formulate action plan to make the rural credit system efficient, effective and responsive to the needs of the rural households. Information collected included estimate of cost of production besides credit need, source etc. Major categories of information: household characteristics including literacy, labor force and employment, land type and productivity, household assets, income, expenditure, savings and borrowing and indebtedness related information. Valid for only rural areas. The information can provide estimate of rural population below poverty line based consumption or income.

<p>1995-6</p>	<p><i>Household Budget Survey: Urban Nepal, 1999</i></p> <p>Nepal Rashtra Bank</p>	<p>Twenty-one (out of 33) urban centers covered. Three staged sampling: selection of municipalities, of sub-wards (blocks) and of households from sub-wards. Total sample household selected 2,500.</p>	<p>Focused to obtain data mainly on consumption patterns, demographic and housing characteristics, employment patterns, income distribution, expenditure, savings and changes in assets and liabilities of the households.</p>
<p>1995-97</p>	<p><i>Nepal Multiple Indicator Surveillance – six cycles, 1996 to 1998</i></p> <p>NPC and UNICEF</p>	<p>The first cycle was designed with statistically valid sample representing 15 eco-development regions. A total of 144 clusters randomly selected to represent both urban and rural areas. Each cluster made up of about 120 contiguous households. A total of 18,722 sample households covered including 102,008 people, 9537 children under three. The key feature is the national representation of data, while permitting district level conclusions for at least 20 districts. Subsequent five cycles also covered the same methodology and samples with minor adjustments.</p>	<p>NMIS objectives: to provide a baseline for regularly monitoring progress towards the World Summit for Children goals, to steer national, district and community actions aimed at accelerating progress, and to institutionalise NMIS as Government's community-centered information system. The six cycles completed between 1995 and 1997 were:</p> <ol style="list-style-type: none"> 1: Health and Nutrition 2: Primary Education 3: Diarrhoea, Water and Sanitation 4: Early Childhood Feeding, Nutrition and Development 5: Care During Pregnancy and Delivery 6: Service Delivery Survey: Health and Agricultural Services <p>Detail information on each of the major theme of the Cycle, suitable for policy feedback suitable for targeting intervention, were collected.</p>

<p>1996</p>	<p><i>Nepal Family Health Survey, 1997</i></p> <p>Ministry of Health, HMG with support from USAID</p>	<p>The sample was designed to provide valid estimates of population and health indicators for the country, for urban and rural areas, and for 3 ecological and 5 dev regions (13 domains). A total sample size of 8,252 households was fixed to yield adequate number of interviews from eligible women. Total completed interview was 8429 eligible women from 8082 households.</p> <p>A two-staged stratified sampling was done. Ward or a group of Wards was the PSU (total selected 253 PSUs) from which HHs were selected with probability proportional to size to yield the target total sample.</p>	<p>Primary objective is to provide national level estimates of fertility and child mortality. Also provides information on nuptiality, contraceptive knowledge and behaviour, demand for contraception, determinants of fertility, family size preferences, utilization of antenatal services, breast-feeding and food supplementation practices, child nutrition and health , immunizations, and knowledge about HIV/AIDS.</p>
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1996	Nepal Living Standards Survey, 1996 and 1997	<p>The methodology follows LSMS developed by the World Bank. The sample size was determined to be 3,388 households divided into four strata – Mountains, Hills (urban), Hills (rural) and Terai. A two-staged stratified sampling procedure used. The PSU was the Ward. 275 Wards were selected in the first stage with probability proportional to size and 12 – 16 households from each Ward randomly selected.</p>	<p>Survey conducted to provide reliable data on the living standards of people and the level of poverty in the country. It was designed as a multi-topic survey collecting a comprehensive set of data on different aspects of household welfare. Information collected relate to: demographic composition, housing, access to facilities, migration, food expenses and home production, non-food expenses and inventory of durable goods, education, health , anthropometrics, marriage and maternity, wage employment, farming and livestock, non-farm enterprises, credit and savings, remittances and transfers, other assets and income, and adequacy of consumption. Information is collected from all household members in order to gain a full picture of living standards for women and children as well. A community questionnaire is also administered to key informants to collect info on characteristics of the community, prices, and facilities available. Anthropometric measurement had to be dropped.</p>
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1996	<ul style="list-style-type: none"> - Migration Situation (MS) in Nepal, 1997 - Employment, Situation (ES) in Nepal, 1997 - Birth, Death and Contraception (BDC) in Nepal, 1997 <p>Central Department of Population Studies, TU, 1997 supported by UNFPA</p>	<p>The design is a multi-staged, stratified cluster sample of 600 locations to obtain reliable estimates at the national, regional and urban/rural levels as well as for over 80% of the districts of Nepal. 1991 population census used as the sample frame. The Wards or its segments represented the PSU (100 HHs each) from which 33 households each were selected for the migration and employment studies. Total sample size was 19,800 households. For the BDC study, only 150 of the 600 clusters were selected where all households (total 15,000) interviewed.</p>	<p>The aim of the migration study was to collect detailed information about various types of population movement, characteristics of migrants, causes of migration, consequences of population movements, and volume of migrations. Employment situation study aimed to generate information on employment status and pattern, and details on work duration, wages, unemployed labor. BDC study aimed to produce representative data on population, health and contraception as well as on the patterns / trends of fertility, mortality and contraceptive use. Information on household characteristics, socio-economic status including holding of assets, and access to facilities were common to all the three studies derived from the unified survey. Information was also collected on the caste group / ethnic composition of the sample households but analysis based on this characteristics was not attempted.</p>
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1998	<p>Nepal Micro Nutrient Status Survey 1998</p> <p>MOH under support of UNICEF/WHO</p>	<p>Sample was designed to provide statistically representative data for thirteen eco-development strata, and allowed for aggregate estimates at the national and ecological zone level. Cluster of Wards consisting of 400 population size each were designated the PSU. 30 clusters selected from each of the 13 strata. Within each of the selected clusters, forty HHs were selected randomly. Eligibility criteria for a HH: presence of a woman with at least one pre-school child. The survey covered a total of 17,496 HHs.</p>	<p>Overall objective was to assess the distribution and severity of micronutrient malnutrition, and to measure the progress achieved by different interventions. Data were collected and analysed to determine the prevalence of iodine deficiency disorders, iron deficiency anaemia and vitamin A deficiency (VAD) and to estimate the impact of the vitamin A capsule supplementation on VAD and salt iodisation activities on IDD status. The survey also estimated the current level of undernutrition, the incidence of infectious disease, the consumption of vitamin A-rich foods, and the consumption of processed foods that could potentially be fortified.</p>
1998/99	<p>Report on the Nepal Labor Force Survey, 1999</p> <p>CBS/NPC Supported by ILO/UNDP</p>	<p>A total of 14,400 households was selected, half in urban and half in rural areas. A two staged sample design was adopted. First the wards were selected as PSU (in some cases sub-wards or a group of wards were re-designated PSU). A total of 720 PSUs were selected from which 20 households each was selected systematically. Survey spread over 12 months, splitting the annual sample into three sub-groups to be covered in three seasons.</p>	<p>The main objective was to collect a set of comprehensive statistics on employment, unemployment and underemployment. First of its kind carried out using international definitions as recommended by ILO. Covers the whole country and was spread out over an entire year so as to capture seasonal variations in employment. The survey asked detail questions on demographic characteristics, education / training, employment status, economic activity and non-economic activities, on both a current and a usual basis.</p>

1999/ 2000	A Situation Analysis of Disability in Nepal, 2001 UNICEF / NPC	A sample size of 13,000 HHs covering a population of 78,000 was determined. A stratified multi-staged sample with probability proportional to size was adopted. A total of 30 districts – 2 districts from each of the 15 eco-dev region strata -- were selected.	To develop a comprehensive definition of all kinds of disabilities and to derive nation-wide data and information about the situation and services for persons with disabilities. Both qualitative and quantitative approaches used. Quantitative techniques were used to provide estimates of prevalence, magnitude and extend of disability and its characteristics. Qualitative technique was used to get an in-depth understanding of problems faced by the disabled persons, gender discrimination, opinions of the parents and the communities. Besides socio-economic characteristics of the disabled persons, information were collected on disabilities relating to seeing, hearing and speaking, mental retardation, locomotion, cerebral palsy.
2000	Report on the Situation of Women, Children and Households: Between Census Household Information, Monitoring and Evaluation System (BCHIMES) 2001 NPC/CBS and UNICEF	The survey was designed to obtain valid information for 13 domains (regional and/or geographical areas). Sample size for each domain was fixed at 800 HHs. Sample for urban and rural areas was allocated proportionately. Sample weights were used for national estimates using the module developed by UNICEF. Total number of cluster selected were 208 (181 rural and 27 urban). 50 HHs from each selected cluster were selected. Total interviewed households was 10,269.	Main objective was to provide social indicators on issues related to women and children. BCHIMES was a follow up of NMIS which was stopped after six-cycles of the first round. The information collected related to household characteristics, education, water supply, sanitation, salt iodisation, family planning, anti-natal services, delivery and post natal care, information / education / communication, STD and HIV/AIDS, breast-feeding, child health, vitamin A, and immunization.

2000/1	<p>Report on the Household Consumption Survey of Rural Nepal (HCSRN) 2002</p> <p>CBS/NPC</p>	<p>A two staged random sampling was adopted. A total of 165 PSUs (a Ward or sub-ward) were selected with 1991 population census as the sample frame. Twelve households were then selected from each PSU. Total sample size was 1980 HHs; actually interviewed 1968.</p>	<p>The survey completely relied on the government resources and the technical capability of HSS (Household Survey Section), CBS. Main objective was to derive estimation for National Accounts aggregates.. Also for monitoring changes in the level of poverty. Survey content similar to that of 1995/96 NLSS but limited to rural areas and focusing on consumption expenditure of households. Main information collected related to the pattern of household consumption and expenditure on food, non-food, housing, durable goods and own account production of goods and services. Validity of the data is questionable due to small sample and limited coverage but this is not stated clearly in the report.</p>
2001	<p>Demographic and Health Survey, 2002</p> <p>MOH/New Era/ORC Macro funded by USAID</p>	<p>The sample design was similar to NFHS 1996. Data were collected from a nationally representative sample of ever-married women (and also men) in the reproductive age groups. The survey is valid for the 13 domains obtained by cross-classifying the 3 eco-zones and 5 dev regions. 1991 census provided the sample frame. A total of 257 PSUs (a Ward or group of Wards), including 42 urban, were selected. 34 HHs from each PSU were selected. Total sample HHs selected were 18,700 to obtain completed interviews of 8,400 ever-married women of age 15-49. Actual # of HHs completed was 8,602 (8,726 women).</p>	<p>The sixth demographic and health survey conducted since 1976 every five year. It is the second survey conducted as part of the worldwide DHS program supported by uSAID. The objective is to provide current and reliable data on fertility and family planning, infant and child mortality, children's and women's nutritional status, the utilization of maternal and child health services and knowledge of HIV/AIDS. The survey is comparable to 1996 NFHS and permits temporal and spatial comparisons of demographic health information.</p>

2001	Population Census, 2002 CBS/NPC supported by UNFPA	Census as well as 12% sample for some specific information.	Tenth in the series under taken every ten years. Standard information as per the international convention.
2001/2	National Sample Census of Agricultural 2002 CBS	Similar methodology and sample design to that of 1991/2 survey. Total sample size: 125,000 agricultural holdings. Between 1200 and 2000 HHs per district.	Similar to 1991/2 decennial sample census. Upon request of RCIW/GTZ and FFW, additional questions relating to 'food sufficiency' was added. The information was to be utilized by the project to monitor impact of its program.
2003/4	Nepal Living Standard Survey (ongoing) CBS/NPC with support from the WB	Same methodology and sampling procedure as in the 1996 NLSS. Sample size increased to 5,200 HHs. Results will be valid for upto 12 domains although sample HHs have been selected from the 15 regional / ecological domains.	Exactly the same information as was collected in the 1996 NLSS are being generated. Thus the survey results would be the first one comparable with an earlier survey since the methodology, information content and their definition is the same. The result will provide reliable information on the magnitude and trend relating to various indicators on poverty. The questions relating to anthropometric measures have been removed since they could not be successfully obtained in the 1996 survey. The survey, started in 2003, is still ongoing. The Survey has been disrupted in 18 PSUs due to Maoists insurgency which is likely to delay completion of the overall survey.

Annex 5: Basic Information on Major Household Surveys Conducted for District Level Information

Year	Survey Title / Program / Responsible Agency	Methodology – sample design, size, coverage	Brief Description and information collected
1995 onward	<p>PDDP (Participatory District Development Program) / LGP (Local Governance Program)</p> <p>NPC/MLD under support from UNDP</p>	<p>Data collection under the programs include both quantitative information through household survey and qualitative / quantitative information through participatory approach (Annex : for participatory approach).</p> <p>A 30% sample of households is selected from each and every Ward of the VDCs and structured questionnaire is administered. VDC Secretaries trained and mobilized to collect the information. It takes about two months to complete information collection from a VDC. Where VDC Secretaries are absent, DDC hires enumerators who are trained and deputed to collect the information. Supervision is done by the DDC Program Officer, Ilaka representatives and Ward Charairmen.</p>	<p>PDDP/LGP covers a total of 60 out of 75 districts in Nepal. The main objective of the programs is to strengthen the local level participatory planning and monitoring capacity and empower the poor to access local services through social mobilization and community organization at the grassroots. A total of 660 VDCs are covered under the social mobilization VDP (village development program). Participatory approaches are used to collect almost type information in those VDCs. At the same time HH level information are collected in all the 60 districts.</p> <p>Detail information are collected from the HHs relating to: demographic characteristics, housing, sanitation, education, occupation, land holding, agriculture practice, crops, production, consumption and sales, livestock holdings and output, food sufficiency, malnutrition, total annual income, energy source for cooking, source of drinking water, time taken to fetch drinking water, migration, persons with chronic disease, ownership of durable assets, indebtedness, and use of family planning means and maternity services.</p> <p>District profiles are prepared for each of the districts and also certain information are incorporated into a GIS system through the facility established in the NPC and provided to the DDCs.</p>

<p>1998 onward</p>	<p>Baseline Survey Reports, 1999 / 2000</p> <p>Decentralized Planning for the Child Program (DPCP) / DACAW (Decentralized Action for Children and Women)</p> <p>Ministry of Local Development, National Planning Commission under support from UNICEF</p>	<p>Survey sample was designed to provide district level estimates of the indicators. Multiple Indicator Cluster Survey methodology was adopted to select the sample. Minimum sample size was determined to be 600. Actual # of sample HHs in a district is somewhat higher, even upto 708. A two staged sampling technique was adopted. Two types of questionnaires were used – for HH head and mother / caretaker of children under five years.</p> <p>Survey was conducted under the aegis of DDC, MLD and UNICEF. At the district level, District Management Committee (DMC) was consulted and in some districts guided the survey. The LDO, PCRW Coordination Committee, and representatives of concerned line agencies and NGOs were also consulted. The result of the survey was disseminated through a district workshop after completion of the draft report. A national NGO was responsible for the survey and analysis.</p>	<p>The objectives are to collect baseline information on some basic indicators of child health, nutrition and sanitation as well as to contribute to the process of building district level capacity for data collection and analysis through involvement of the concerned stakeholders in different phases of the study. The content and design of the questionnaires were guided by the model questionnaires in the Monitoring Progress Towards the Goal of the World Summit for Children prepared by UNICEF. Information collected included – demographic characteristics, educational status of children, land / livestock holding, housing, sources of drinking water, sanitation, background characteristics of mother / caretaker, child age in months, tetanus toxoid, diarrhoea and ARI, vitamin A and immunisation coverage, and height and weight of children. Surveys have been completed in 15 program districts and it is planned to update the same information at periodic interval to monitor impact of the program, now called DACAW (Decentralized Action for Child and Women) which will cover upto 25 districts by 2006. Updated information for three districts will be available soon.</p>
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Annex 6: Main Participatory / Community Based Poverty Monitoring Approaches¹

1. Poverty and Development Monitoring System (PDMS), Nepal Labor Academy (NLA) / MIMAP IDRC

1.1 Background

The need has been felt for long to build the capacity of local government institutions and strengthen information base at grass root level to monitor the poverty situation at regular interval of time. Such a system empowers the locally elected bodies with information and initiate sound resource allocation stimulating growth at the local level. With the realization of the importance of poverty monitoring at local levels, MIMAP-Nepal has initiated Poverty and Development Monitoring System (PDMS) in 1997. It aimed at measuring social and economic changes at the community (Ward) level in a fixed period of time. The basic principle of Community Based Monitoring System (CBMS) is to empower local communities through the information. They must be the first clients and users of the data.

Initially, PDMS was implemented in a cluster of five VDCs in Kavre, Dhanusha, Bardiya and Dailekh districts. The learning from this experiment was then extended to implement PDMS in all the VDCs of five MIMAP districts (Kavre, Dhanusha, Bardiya, Dailekh and Jumla). NLA implemented PDMS in Dailekh and Bardiya districts and CECI implemented in Kavre, Jumla, Dhanusha and a second round in Dailekh. So far, first round PDMS has been fully implemented in all VDCs (293VDCs) of five MIMAP districts.

1.2 Monitoring Approach / Coverage

Two categories of information system are established. First is the Poverty and Development Monitoring System for which data are collected for every ward through two facilitators together with few key persons from each ward. The second category is for preparation of village profile including its resources. The VDC officials and important people are first informed about the data collection process and methodology. Then in each Ward, together with all the Ward Committee members, principals of all the schools, 2-3 persons from each settlement (total about 30-40 people) at least one focused group discussion (depending upon size of ward) is held to collect relevant information. Some specific information which cannot be provided by the group discussion are also collected through visit of each household taking only 5-10 minutes. VDC level information is

¹ Only major Community Based or Participatory "Monitoring" approaches that have established baseline for programme or poverty monitoring over time are presented. It is mainly based on Hurdec (2002), Sharma, Shiva (2003) and personal interviews. In the last decade, there have been significant use of PPA for research / studies and assessment of programs by various community based programs mostly implemented through I/NGOs. Many NGOs and donor assisted programs, such as SAPPROS, Sustainable Soil Management Project, Prerana, Sarbodaya Youth Club, Deprosc, etc are using participatory approaches for their program monitoring. And there are a number of studies and research undertaken using PPA approach. Some of the important studies have been described in Neupane, B and N. Dhungel (2002).

obtained by compiling the ward level information. The MIMAP-PDMS is covering all VDCs within the district, and all wards within the VDC. It is a census-based system.

A total of 62 monitoring indicators are collected. They relate to: demographic structure, gender and children related issues (child labor, wage laborers), ownership of land, households with sales of agricultural produce (fruit, vegetables, dairy products, grains and other cash crops), HH not using fertilizer, fuelwood supply, HH borrowing from institutions and by pledging land, ownership of radio, TV, subscription of newspapers, qualitative information on income, price of main produce, education, health info (gender disaggregated), and nutrition/sanitation. The information thus collected and compiled are then presented to the Ward for verification / feed back, and later to the VDCs for feed back and information. The information is subsequently compiled in Nepali and provided to the wards and VDCs. VDC profile: prepared from the collected data

The information are used for preparation of VDC periodic (5 year) plan, prepared with intense interactions with all officials and important community members using the PDMS and Village Profile. The whole process of data collection, compilation, presentation, VP preparation and VDC Planning exercise takes about 22-25 days. A copy of printed information and compiled data as well as the VDC Plan is provided to the concerned VDCs within three months.

The plan is to collect PDMS information every year so that the situation of poverty could be monitored on a regular basis. The main use of the PDMS is the monitoring of poverty as well as development activities in the VDCs. PDMS information together with VDC profile is used for long term VDC planning exercise very effectively.

Currently further activities relating to PDMS has been stalled due to the growing Maoist insurgency in rural Nepal.

2. Decentralized Action for Children and Women (DACAW), MLD/UNICEF

2.1 Background

Decentralized Action for Children and Women (DACAW), a follow-up of the DPCP (Decentralized Planning for the Child Program) is a main program of UNICEF, Nepal. Under this program Integrated Women and Children Development Approach is (IWCDA) applied in all groups (community organizations) at village levels that are formed through social mobilization process. The program which covers 160 VDCs of 15 districts is expected to be expanded to 200 VDCs of 18 districts by end of 2003. It is planned to be implemented in 20-25 districts by 2006.

The COs are mainly mobilized by programs such as PDDP, LGP, SNV-DPP, SAPAP and PCRW. The intervention starts with growth monitoring of under 3-year children and triple-A (assessment, analysis, action planning) approach to development. The growth monitoring that can be done by the COs themselves in presence of field staff serves as a strong participatory approach to monitoring their plans and activities.

2.2 Monitoring Approach

DACAW has instituted participatory monitoring practice in its program at the local (group and VDC) levels and work is underway to compile the data at the district level. Focus is to monitor the situation of children and women by pointing out their position and progress on vital indicators and thus to make people aware of the need for allocating resources to programs to improve their situation.

In partnership with the CO in villages, a census household survey of the cluster is done to begin with. The records and formats include the following:

1. Household profile: The record of the survey includes HH Number, location and survey date, name of the HH head and family size by male and female. A matrix is also prepared with gender-disaggregated record of family number by age groups and the corresponding number who are literate, illiterate, school/college educated is also recorded. Other HH information include about toilet, drinking water source and use of iodized salt. In the HH survey information about each individual member of the HH is also taken. The format includes: name of the HH member, sex, age, relation with HH head, if a member of CO or not, if birth registered or not, education, vaccine, Vitamin A and de-worming, and if pregnant medical examination done or not.

2. Settlement level Profile of Children below 3 years of age: This form gives a good profile of children below 3 years of age and records growth monitoring. This contains name of settlement, address, name of CO and then a matrix showing SN, HH Number, Name of the child, sex, age in months, date of birth, record of quarterly monitoring (date

of monitoring, weight in Kg, good, risky, highly risky), Vaccine (BCG, DPT, Polio, measles), and Vitamin administration (Baisakh, Kartik). The DACAW Field facilitator, CO Chair, VDC officials jointly prepare the format.

3. Motivators record: For about 15 under 3 years children a motivator is identified, who, in the CO meeting carries out growth measurement and monitoring of the children in the village. The motivator keeps growth record of each children and reports to Field facilitator at the VDC. The field facilitator updates the settlement level profile of children below 3 years of age (as above) and monthly progress report as below.

4. Monthly Progress Report: Based on the motivators' records and other activities VDC Field Facilitator prepares monthly progress reports. One of the monthly report compiles a summary of children's weight monitoring record of the VDC and another compiled progress in the VDC. Weight monitoring form includes general and CO level information. General information is reporting month, VDC, Date of reporting and name of reporter. CO level information includes name of CO, number of children in the settlement (boys, girls, total), number of children weighted (boys, girls, total), number of children with good weight (boys, girls, total) and underweight children (boys, girls, total). VDC level total of each category is computed. Overall progress report contains general information about the number of HH, involved HH in DACAW program, number of CO, members (men and women), and population statistics by age and sex. Nutrition status of children below 3 years of age include information such as total number of children in VDC and those weight taken, number of right weight and underweight children, and those of good, risk and very risky condition. The information is compared for the current month with that of last month. Number of newborn babies for the month and those left out from weight is also included. Similarly Education status, Vaccine, Sanitation, Birth registration, Safe motherhood, Vitamin A and Deworming, and use of Iodized salt. Besides status of first-aid tool kit, village clinic are updated for the month and compared with the figure of the previous month and any other remarkable activities noted.

A community information board is maintained at a common place where the situation of children and women are visualized. The Board information is updated monthly, and a VDC level status of children and women served by all the groups is compiled on a quarterly basis.

Development of a system to compile the VDC level data into districts is under way. It is found that not all information collected at VDC level could be of equal importance from a district perspective. Therefore, DACAW is thinking of defining a set of core indicators applicable all over the district and let the VDC work out for specific other indicators they want to monitor.

3. Participatory Self-monitoring Program Designed and Tested by South Asia Poverty Alleviation Program (SAPAP), UNDP and used by the VDP (Village Development Program) under PDDP/LGP

3.1 Background

SAPAP in support with UNDP initiated action research program for poverty alleviation in Nepal through social mobilization approach from 7 VDCs of Syangja District. The community organizations (COs) of men and women formed at the cluster level implement various socio-economic programs in the village. The prime responsibility to monitor the activities and results of the COs would be that of the CO members themselves. A participatory self-monitoring and evaluation system was experimented in 1998 and finalized in 2002. Considering the usefulness of the system, PDDP and LGP of UNDP are adopting experimentation of the monitoring system in their Village Development Programs (VDP).

3.2 Monitoring Approach

The participatory self-monitoring system developed by SAPAP monitors primarily the organizational capacity of the COs and impact of the program on participating households. A set of 12 indicators is presented in pictorial way with a total of 100 points on which the members assess their situation and rank them accordingly.

The strategic purpose of the self-monitoring system is to increasingly make the vision of the social mobilization approach and the role of COs clear to community members, so that they keep on being active in their overall development efforts. The implicit purpose would be to help the COs identify their strengths and weak areas for their continued actions, as well as to impart a feeling of ownership of the situation of the members and a self-responsibility to overcome the weaknesses.

SAPAP has developed both qualitative and quantitative indicators in order to comprehensively monitor the effectiveness of the COs.

Quantitative Information:

The following include the quantitative indicators and instruments defined. This includes household in all clusters and wards of a VDC where the program is introduced. Objective is to find out the situation at the time of program introduction and to compare the situation after some year of program implementation. The information collected on the baseline survey includes: ward and cluster; name of the HH head; HH *education* status (number of boys and girls below 5 years of age, illiterate male and female, literate male and female; *land ownership* (land area owned by category - Khet, Bari, Homestead land; land under sharecropping - given to tiller, taken from land owner; and total used); *birds and livestock* (number of improved and local cow/buffalo, bullock, and chicken or pig); *income* from different sources (quantity, in Muri, of rice, corn, wheat, millet; income

from sales of birds and livestock, milk, fruits/vegetables, service, pension, trade, wages, interest; total income); income *sufficiency* for expenses in months; *loan* (amount from institutional sources, money lenders); *outmigrated* family member (men, women), and; participation in civil and social organizations (yes or no in terms of present position).

Two periodic reports are prepared and aggregated at the CO level. First is related to savings, loan fund, revolving fund and human development and second is about skill development. SAPAP has defined these indicators as fast changing ones and that these are better monitored quarterly.

The second report includes primarily social status, economic condition, and access to resources of the member HH. SAPAP has recommended these indicators be monitored annually.

An assessment of living standards of HH involved in COs is prepared. This shows changes in living and livelihoods taken place over time. The format includes: income self-sufficiency in months; standard of food, clothing standard; improvement in house, cattleshed and toilet; landholding; loan status; awareness about family health and sanitation; progress in livestock keeping; overall family living standard; key factor contributing to improvement in living standard.. The changes in the living standards are not quantified but represented by arrows facing upward, downward or level.

Qualitative monitoring instruments and indicators:

Qualitative indicators include non-quantifiable but perceived changes taken place at organization and people level. There are 12 areas identified for participatory monitoring and evaluation, as follows:

- Organizational capacity (participation, regularity)
- Leadership capacity
- Capital (savings) formation
- Skill development
- Capital mobilization
- Improvements in the living standards of ultra poor
- Organizational self-reliance
- Women development
- Social awareness development
- Community development works
- Participatory planning, and
- Inter group cooperation and linkages

A system of scoring the main indicators and the five sub-indicators under each of them are developed such that a maximum total score 100 is possible for a CO. The indicators and sub-indicators are presented in a pictorial evaluation having a stepped ladder. On a quarterly basis CO members are recommended to evaluate and give scores for themselves and mark the step in the ladder where they fall according to the score they have given.

The scores of each CO at the VDC level is aggregated and tabulated in a matrix with columns: name of the CO, previous self-evaluation date, latest evaluation date, number of evaluations conducted so far, indicator wise score (previous score, current score, difference), total score, performance rating (previous, now). Thus, the information on the overall aggregated score of the CO is generated (with their performance rating as very good, good, general, weak and fragile).

The participatory self-monitoring approach developed by SAPAP in Kaski district is now being used by all the village organizations of 660 VDCs where VDPs are being implemented under PDDP/LGP.

**Annex 7: Key Outputs/ Outcome/Impact and Process Indicators
(Reproduced from NPC, 2003: Poverty Monitoring and Analysis System – Framework Document)**

Strategy/sector	Indicators/Key Actions	Level of Analysis/ Desegregation	Frequency of Collection	Sources	Responsible Agency
Poverty Incidence and Employment	Poverty Incidence, Intensity and Severity (poverty threshold, \$' day, consumption basket etc	NERUS	5-6 years	NLSS	CBS
	Household Distribution by Consumption Deciles and Share of Poorest Quintile	NUR	2-3 years	Household Survey	CBS
	Ginni Coefficient of Income	NERUR	5-6 years	NLSS	CBS
	Labour Participation Rates	NERG	5-6 years	Labour Force Survey	CBS
	Unemployment /Underdevelopment rates	NERGS	5-6 years	NLSS	CBS
Broad-based (propoor) Economic Growth	GDP and Per Capita Income Growth	NERS	2-4 years/ Annual	NLSS /HH Survey	CBS
	Agriculture GDP and Per Capita Agriculture Income growth	NERS	2-4 years/ Annual	NLSS /HH Survey	CBS
	Provision of key Inputs for Agriculture (fertilizer, extension, irrigation)	NER	Annual	MIS	DOA/DOI
	Access to Institutional/ micro Credit	NERUS	2-4 years/Annual	HH Survey/MIS	CBS/ NRB
	Tourists' Arrival	National	Annual	MIS	DOI
	Gross/ Net Nepali Workers Going Abroad	National	Annual	MIS	CBS
	Employment- Number of Jobs Created	National	Annual	MIS	CBS
Human Development and Infrastructure	Human Development Indicator	NER	2 years	Survey	UNDP
	Literacy Rates (adults and total)	NERUGS	2-4 years Annual	NLSS/HH Survey	CBS
	Net Enrolment Rates (primary/secondary)	NERUGS	2-4 years Annual	NLSS/ HH Survey	CBS/ DoF
	Repetition / Failure Rates in Primary and secondary)	NERUGS	2-4 year Annual	NLSS/ HH Survey	CBS/ DoF
	Time Taken to Reach Primary School	NERU	2-4 years	NLSS/HH Survey	CBS
	Student Teacher Ratio	NER	Annual	MIS	CBS
	Proportion of trained Teacher in Primary School	NERU	Annual	MIS	CBS
	Proportion of Students in Primary school Getting Scholarship	NERUGS	Annual	MIS	CBS
	Life Expectancy at Birth	NEUG	5 years	NLSS	CBS
	Mortality Rates (infant, child under 5 and maternal	NERUGS	5-6 years	HH Survey/ MIS	DoHS/ CBS
	Time Taken to Reach Nearest Health Facility	NERU	2-4 years	NLSS/ HH Survey	CBS
	One Year Olds (%) fully Immunized Against Diseases	NERU	2-4 years Annual	NLSS/HH Survey	CBS/MoHS
	Diseases Incidence (TB, malaria, HIV/AIDS)	NERUGS	5-6 years	HH Survey	DOHS/CBS
	Birth (%) Attended by Skilled Health Personnel	NERUS	2-4 years/ Annual	HH Survey	CBS/ MoHS
	Access to Antenatal Care During Pregnancy	HERUS	2-4 years/ Annual	HH Survey	CBS/ MoHS
	Contraceptive Prevalence Rate	NERUS	2-4 years/ Annual	HH Survey	CBS

Strategy/sector	Indicators/Key Actions	Level of Analysis/ Desegregation	Frequency of Collection	Sources	Responsible Agency
	Access to improved Drinking Water Sources	NERUS	2-4 years/ Annual	NLSS/ HH Survey/ MIS	CBS/DWSS
	Access to Adequate Sanitation Facilities	NERUS	2-4 years/ Annual	NLSS/ HH Survey/ MIS	CBS/DWSS
	Access to Motorable All Weather Roads	NER	2-4 years/ Annual	HH Survey / MIS	CBS/DoR
	Rural Roads Constructed –Kms	NER	2-4 years/ Annual	HH Survey / MIS	CBS/DoR
	Percentage Served by Electricity	NERUS	2-4 years / Annual	HH Survey/ MIS	CBS/NEA
Social Inclusion And Targeted Programs	Ratio of Female Literacy to Male Literacy Rate	NERUS	2-4 years	NLSS/HH Survey	CBS
	Ratio of Girls' Enrolment to Boys' Enrolment Rate (primary and secondary)	NERUS	2-4 years/ Annual	NLSS/HH Survey/ MIS	CBS/DOE
	Proportion female School Teachers	NER	Annual	MIS	DoE
	Percentage of Women in Civil Service	National	Annual	MIS	MoGA
	Percentage of Women in Political Position	National Local	2-4 years	MIS	MoPA/MoLD
	Number of Community/Leasehold Forestry UG's formed	NER	2-4 years/ Annual	HH Survey/ MIS	CBS/MoF
	Expenditure and Number of People Receiving Skill Training	NERUGS	2-4 years /Annual	HH Survey/MIS	CBS/MoL
	Proportion and budget of Students from Disadvantaged Groups Awarded Scholarship	NERGS	Annual	MIS	MoF
	Number of Mobile Health Camps in Disadvantaged Groups/Areas	NERS	Annual	MIS	MoH
Governance	Implementation of development Action Plan for CFAA and CPAR (financial accountability, procurement, civil service reform)	National	Annual	MIS	MOF, FCGO and AGO
	Implementation of Decentralization (education, health, agri. extension, rural roads, fiscal devolution)	National	Annual	MIS	MoLD, NPC
	Implementation of Anti-Corruption Agenda	National	Annual	MIS	MoF, NPC, MoGA
Civil Service Reform Environment Management	Improvement in recruitment and promotion system	National	2-4 years	MIS	MGA,PSC
	Reduce political interference in civil service functioning	National	Annual	MIS	MoGA, PMO
	Proportion of Local Area Covered by Forest	National Regional	Annual	MIS	MOF
	Land Area Protected for Biodiversity	National	Annual	MIS	DNPWC
	Carbon dioxide Emission Per Capita	National	Annual	MIS	DoHM
Macroeconomic Stability	Gross National Saving Investment (percent of GDP)	National	Annual	National Accounts	CBS

Strategy/sector	Indicators/Key Actions	Level of Analysis/ Desegregation	Frequency of Collection	Sources	Responsible Agency
	Government Expenditure (regular/dev, current/capita) Percent of GDP	National	Annual	Economic Survey	MoF
	Revenue (percent of GDP)	National	Annual	Economic Survey	CBS/ MoF
	Fiscal Deficit as Percent of GDP	National	Annual	Economic Survey	CBS/ MoF
	Domestic Borrowing as Percent of GDP	National	Annual	Economic Survey	CBS/NRB
	External Assistance as Percent of GDP	National	Annual	Economic Survey	CBS/ MoF
	Balance of Payment (exports, imports, C/A, gross reserves)	National	Annual	Economic Survey	CBS/NRB
	Price Inflation	NER	Annual	MIS, Price Data	NRB/ CBS
	Monetary Growth (broad money, credit to private sector)	National	Annual	MIS	NRB
Fiscal/Financial Management and Monitoring	Functional/ Economic classification OF allocations AND expenditures (by sector)	NR	Annual	MIS	FCGO/MoF
	MTEF- Pro-Poor Expenditures (P1s) Allocations and expenditures by programme/activity and type of expenditures	National	Trimesterly, Annual	MIS	NPC/MoF/FCGO
	Mid Year review of the Budget	National	Annual	MIS	MoF/ FCGO
Structural Reforms and Overall progress	Govt. Review of Implementation Progress (to be shared with Dev. Partners)	NR	Trimesterly/ Annual	MIS	NDAC, MDAC, NPC/MoF, ministries
	Review by Auditor General Public Account Committee	National	Annual	AGO/FCGO Reports	AGG/PAC
	Review of IAP and Reform Agenda	National	Annual	MIS	MoF, NPC, Line Ministries

Note: *NERUS: National /Ecological/Regional/urban/Rural Social Groups; NERUGS: National/ Ecological/ Regional/ Urban/ Rural/ Gender and Social Groups*
NERUR: National/ Ecological/Regional/ Urban/ Rural; NERS: National /Ecological /Regional / Social Groups
NERGS: National/Ecological/Regional/Gender/Social Groups; NER:National /Ecological /Regional