

**Community Environmental Awareness and
Management Project- Viability Study Report**

Submitted to CIDA

Submitted by:

**Bidula Shrestha
Charles Pradhan**

Supported by: Dr. Prabin Manandhar

Canadian Cooperation Office - Nepal

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Abbreviations

CBO	Community Based Organization
CEAMP	Community Environmental Awareness and Management Project
DDC	District Development Committee
DDF	District Development Fund
DEDF	District Environment Development Fund
DLGSP	Decentralized Local Governance Support Program
EIA	Environmental Impact Assessment
IEE	Initial Environmental Examination
GESI	Gender Equality and Social Inclusion
LGCDP	Local Governance and Community Development Program
MLD	Ministry of Local Development
MOEST	Ministry of Environment, Science and Technology
SM	Social Mobilization
UC	Use Committee
UG	User Group
VDC	Village Development Committee
VEDF	Village Environment Development Fund
VEDFC	Village Environment Development Fund Confederation
VEDP	Village Environment Development Plan
VIRESA	Village Inquiry for Rural and Environmental System Appraisal

Definitions

Dalit	“low” caste people in the Hindu hierarchical system
Janajati	people of ethnic origins with distinct cultures and languages

EXECUTIVE SUMMARY

- CIDA is participating in the Local Governance and Community Development Program (LGCDP) which is led by the Government of Nepal (GON) Ministry of Local Development (MLD) with participation from multilateral and bilateral donors. The development partners (DPs) and MLD are conducting a several joint assessments and studies to safeguard LGCDP against associated risks and to better design the implementation of LGCDP. CIDA has conducted a viability study of one of its project's approach – Community Environmental Awareness and Management Project (CEAMP), to contribute to this process. The SNC-Lavalin International, the Canadian Executing Agency implemented the CEAMP project from 2003 until 2008, in collaboration with MLD and Ministry of Environment, Science and Technology.
- CEAMP's goal was to promote the incorporation of environmental management concepts into development planning, implementation and monitoring at the local level on a sustainable basis. The purpose was to increase the capacity of District Development Committees (DDCs) and partner organizations to integrate sound gender sensitive environmental management practices into the planning, implementation and monitoring of district development projects. CEAMP implemented activities in twenty Village Development Committees (VDCs) of four districts of the Central and Western Development Regions of Nepal-Kavre, Sindhupalchowk, Palpa and Nawalparasi districts.
- The study team reviewed CEAMP project documents, its operational manuals that included Village Inquiry for Rural and Environmental Systems Appraisal (VIRESA), Village Environment Development Plan (VEDP), Village Environment Development Fund (VEDF) and subsequent reports on VIRESA/VEDP development, formation of VEDF and its Management Committees, its responsibilities and functions in general. The team reviewed in detail the VDC level VIRESA/VEDP, VEDF of Palpa and Nawalparasi districts. The study team conducted field study (2-7 August 2008) in three VDCs of Palpa and two VDCs of Nawalparasi districts, which represented both hill and terai. The team interacted with District Program Officers (DPOs), VDC secretaries, and community groups in all five VDCs. It conducted group discussions with community groups including VEDF management committee members, former CEAMP community facilitators, User Group/User Committee (UG/UC) members, and community beneficiary women and men of different groups including Dalits and Janajatis. The team conducted separate meetings with women's group in the communities.
- The community people and VDC staff found CEAMP tools on VIRESA and VEDP as useful planning tools. This gave the VDC staff and community people clear perspectives on environmental responsive planning process. The formation of VEDF as a fund basket at the village level and the management responsibilities gave more stake to community people to directly manage funds and build relationship with the local government. Its management committee including local community people (men and women) and a woman as signatory provided women exposure and access to decision making at the DDCs and VDCs for implementation of Environmental Local Initiatives (ELIs). Formation of user groups (UGs)/committees(UCs) for project implementation (service delivery) and fund management; use of public audit as mandatory practices for financial transparency, accountability and community ownership; use of social auditing, including gender audits, for social inclusion and

gender equality were found as useful tools at the community level for good governance and social transformation.

- The study team recommends that the following be considered and incorporated in LGCDP:

Community based participatory planning and implementation:

- i) The VIRESA /VEDP and VEDF mechanism,
- ii) Active encouragement for community sourced funds to match government contributions,
- iii) Joint planning, implementation and monitoring mechanism as elaborated in CEAMP guidelines,
- iv) Public Audits for all program activities,
- v) Adaptation of CEAMP guidelines as appropriate.

Social mobilization and community empowerment

- i) Outsourcing of different functions for service delivery and establishing institutional mechanisms for community participation,
- ii) CEAMP guidelines on affirmative strategies to bring women and socially disadvantaged groups to decision-making roles for social transformation,
- iii) Stepwise empowerment process in social mobilization of communities and safeguarding effective advocacy ,
- iv) Good governance practices from all sectors including CBOs, NGOs, and the government - as learned from public audits done at different levels,
- v) A good 'Information Dissemination Strategy' for the government to promote effective service delivery that matches demand and supply, and implements good governance practices.

VDC resource allocation, financial transparency, and accountability

- i) The public / community /household / individual (private) partnership approach for fund mobilization and effective implementation,
- ii) Mechanisms to ensure quick and efficient fund transfer process (i.e. central to DDC/VDC to community level) for timely delivery of benefits to the real poor and disadvantaged in the VDC/user groups and with proper checks and balances,
- iii) Proper analysis of existing VDC human resource, its capacity and motivation.

Community Environmental Awareness and Management Project (CEAMP) Viability Study

I. CEAMP

1. Context and Background

CIDA is currently participating in the design and implementation of the **Local Governance and Community Development Program (LGCDP)**, which will be led by the **Government of Nepal (GoN) Ministry of Local Development (MLD)** with participation from multilateral and bilateral donors. The development partners and MLD are conducting a several joint assessments and studies to safeguard against associated risks and to better design the implementation of LGCDP. CIDA has conducted a viability study of one of its projects, CEAMP, to contribute to this process.

In 1998, the Government of Canada, through CIDA, and GoN entered into an agreement to implement CEAMP as a pilot project. CEAMP was executed from 2003 until 2008 by SNC-Lavalin International as the Canadian Executing Agency, in collaboration with the MLD and **Ministry of Environment, Science, and Technology (MoEST)**. The project officially ended in March 2008.

CEAMP's goal was to promote the incorporation of environmental management concepts into development planning, implementation, and monitoring at the local level, on a sustainable basis. Its purpose was to increase the capacity of **District Development Committees (DDCs)** and partner organizations to integrate sound gender sensitive environmental management practices into the planning, implementation, and monitoring of district development projects.

CEAMP implemented activities in twenty **Village Development Committees (VDCs)** of four districts of the Central and Western Development Regions of Nepal - Kavre, Sindupalchowk, Palpa, and Nawalparasi districts.

CIDA has considerable experience in community development and demand side strengthening through its bilateral projects and local initiatives. Among them, CEAMP worked to strengthen the capacity of **community-based organizations (CBOs)** and VDCs to undertake environmentally responsive planning and to sensitize the local bodies on the needs for such planning. It helped:

- develop village environment plans that consider basic environmental issues at the local level,
- strengthen local NGOs, CBOs, and user groups to provide a range of environmentally responsive services,
- built capacity of DDCs to manage matching funds and some environmental **considerations**, such as **Initial Environment Examination (IEE)/Environmental Impact Assessments (EIA)**.

2. The CEAMP Approach

The approach of the CEAMP was to support initiatives to decentralize environmental management including

1. Strengthening DDCs in selected districts,
2. Strengthening local CBOs, NGOs, and the private sector in the selected districts
3. Strengthening central capacities to disseminate policies, regulations, and best practices in environmental management.

The CEAMP implementation approach began with the participatory community planning process called **Village Inquiry for Rural and Environmental System Appraisal (VIRESA)** to develop a

Village Environment Development Plan (VEDP) and prepare a work plan. The VEDP and work plans identified **Environmental Local Initiatives (ELIs)** based on community demand and within the framework of CEAMP mandate to be implemented at the community and household levels.

To implement the ELIs and other project activities and to promote sustainable results, CEAMP created the **Village Environmental Development Funds (VEDF)** as mechanism for the smooth flow of funds to the community or households within CEAMP's planned time frame. CEAMP's fund flow mechanism went from the central project office to the DDC /**District Development Fund (DDF)**, a non-operating account. The funds then went to the **District Environmental Development Fund (DEDF)**, an operating account, and finally to the respective VEDFs, the operating accounts created by CEAMP.

The DDC and VDC was to provide funds – cash 10 % from the DDC and 20 % from the VDC - to match the 70% from CEAMP for implementing ELIs identified and prioritized through the VEDP and work plan. User groups and user committees implemented all the ELI activities. The budget for an ELI was transferred through the VEDF to the specific accounts of community user groups and user committees to implement the community and household level ELI activities (see Diagram 1).

To ensure financial transparency, accountability, and quality of work, CEAMP required public hearing practices for ELI activities and VEDF functions. The CEAMP approach also required social and gender audits for inclusion and gender equality.

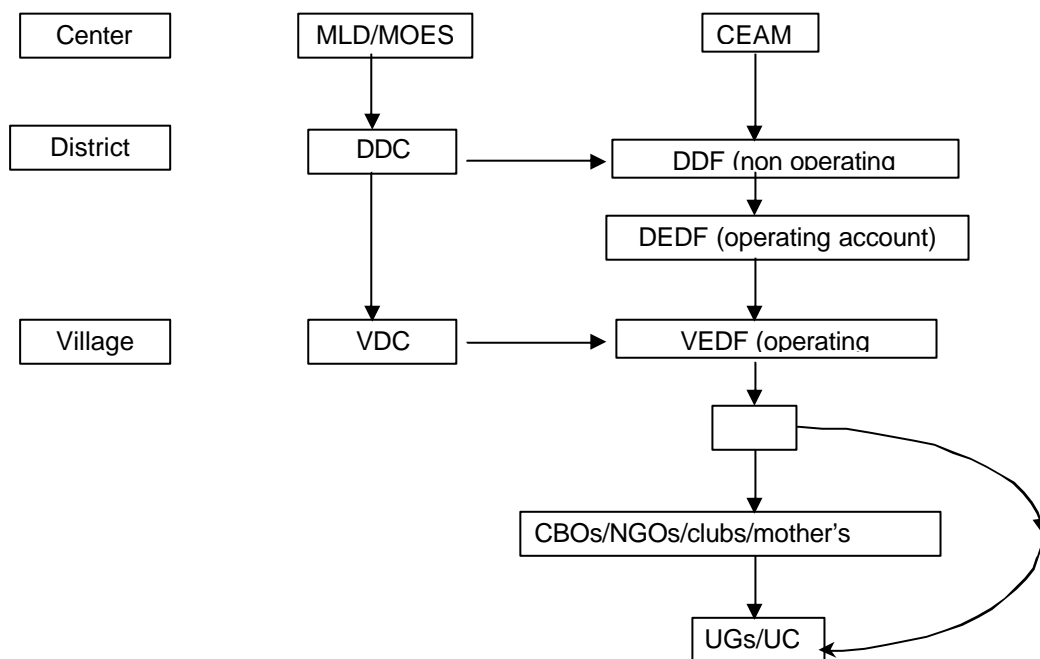


Diagram 1:CEAMP Fund Flow Mechanism & ELI Implementation

II. The Viability Study

1. Purpose of the Study

The purpose of the study was to examine the CEAMP approach to social mobilization and community participation to ascertain its viability and assess the extent to which the structures put in place are still functioning without external facilitators (mobilizers). The results of the study will provide suggestions for the design of LGCDP, especially for VDC resource allocation and structures for social mobilization and community participation.

2. Methodology

The study team reviewed CEAMP project documents, plans, and reports, such as operational manuals, VIRESA reports, VEDP, and VDC level VIRESA/VEDP of Palpa and Nawalparasi districts. To address the assessment needs, the team developed sets of questions to ask different target groups and individuals.

From 2 - 7 August 2008, the study team visited three VDCs in Palpa district and two VDCs in Nawalparasi district, which represent both hill and Terai districts. The team selected the five sample VDCs based on the presence of representative groups such as Dalits and/or Janajatis (ethnic groups); the geographical location of the VDC and its distance from DDC (nearness and remoteness); the diversity of environmental issues; and the ELIs conducted.

The study team interacted with District Program Officers (DPOs), VDC secretaries, and community groups in all five VDCs. It conducted group discussions with community groups including VEDF management committee members, former CEAMP community facilitators, User Group/User Committee (UG/UC) members, and community beneficiary women and men of different groups including Dalits and Janajatis (see Annex 1). The team conducted separate meetings with women's groups and VEDF members. It verified the information provided by the VEDF with the community groups and vice versa.

The team also conducted separate meetings with Local Development Officers (LDOs) and VDC secretaries to understand the implementation of CEAMP activities since its completion and to consider what approaches of CEAMP could be used in future programs. A constraint to the results of these discussions was that the Palpa LDO only participated in the CEAMP process in its last year and the VDC secretary from Triveni, Nawalparasi was new to CEAMP process.

The team observed some CEAMP initiatives, such as toilets, biogas, irrigation, watershed check dams, plantation of grass for soil erosion or palatable fodder for livestock, in Palungmainadi VDC of Palpa and Benimanipur and Triveni VDCs of Nawalparasi.

III. Key Findings of Assessment Study

1. Priority setting structures, operation of committees, representative groups, and public and social audits

1.1 Planning and Priority setting process and structures

CEAMP developed a participatory planning approach, VIRESA, which used qualitative and quantitative participatory inquiry methodology to gather and analyze information on rural environmental systems in communities. VIRESA integrated **Participatory Rural Appraisal and Rapid Rural Appraisal (PRA/RRA)** tools, such as transect walks, semi-structured interviews, wealth-ranking, and seasonal calendars, to understand environmental and natural resource

management issues. From the VIRESA, the community prepared VEDP and work plan and then identified and implemented ELIs (see Diagram 2).

The study team found the VIRESA process and VEDP to be useful planning tools and documents for the CEAMP VDCs, which helped to prepare baseline data for VDCs. The training on the planning tool provided a variety of participants with knowledge to:

- conduct VDC needs assessments,
- collect baseline data,
- prepare VDC plans, and
- prioritize plans through validation of plans.

The variety of participants included DDC program officers, district and VDC line agency technical staff, VDC secretaries, community leaders, social workers, the VEDF management committee members, CEAMP facilitators, and community participants from Dalits and Janajati groups. Through the training, CEAMP developed a pool of local trained human resources at the VDC and community level by engaging local community people (including women, Dalits, and Janajati from all wards) in collecting and processing information for the plan.

While interacting with the district and VDC stakeholders (i.e. LDO, VDC secretaries, community political leaders, and academics) during the field visit, it was suggested that VIRESA and VEDP should have been prepared in an expanded planning process that include other development sectors, such as big infrastructure, health, and education. The expanded planning process would be more useful in the preparation of the overall VDC plan. The Palpa DDC is trying to prepare integrated VDC level plans in the UNDP-supported **Decentralized Local Governance Support Program** (DLGSP) VDCs using DLGSP and CEAMP planning processes that include environmental, social, and infrastructure development plans.

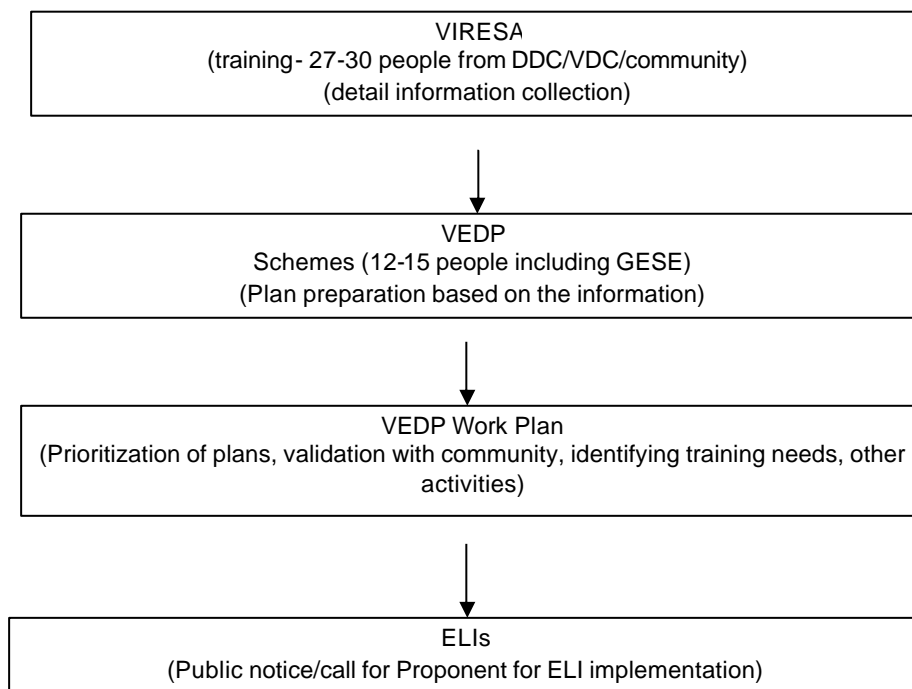


Diagram 2: Priority Setting Structures

The VIRESA/VEDP guidelines prepared by CEAMP are available at the VDCs. The VIRESA /VEDP prepared in Nepali are available in all CEAMP VDCs, which serve as a basis for preparing expanded VDC plans. The planning process would seem to be sustainable given the presence of these guidelines in all CEAMP VDCs visited and the pool of individuals in the DDCs/VDCs knowing how to do VIRESA and VEDP. The process could be expanded for the development of integrated Village Development Plan (VDP) but this has not been tried in CEAMP VDCs, except for some VDCS of Palpa.

1.2 Committees and representative groups

1.2.1 Village Environment Development Fund (VEDF) management committee

CEAMP formed a three-member VEDF management committee to operate each VEDF as a basket fund and decision-making authority for the ELIs at the VDC level. The members were the DDC Program Officer (PO) and one woman and one man from the community. They were selected by common agreement from among community groups, VDC leaders, and the VDC Secretary. The signatories to the operating account were the DDC PO and the woman member of the VEDF management committee (see Diagram 4).

The VDC level advisory/monitoring committee included the VDC Secretary, VEDF members, and CEAMP community facilitator to advise and monitor all ELI activities.

The VEDF (operating account) structures and management committees still exist and function at the VDC level. There is a willingness of the VDC secretaries to continue the VEDF for environmental related development works at the village level. The VDC also has a mandate under Local Self Governance Act (LSGA) to have environmental committees and funds at the VDC level.

Feedback from the four VDC Secretaries of Palpa and Nawalparasi, who were involved in CEAMP, was that the operation of the VEDF with a three-member committee is inadequate. They said that the committee should be expanded to allow more participation from representative groups. However, it was not clear from the group discussions whether 'representation groups' meant political inclusion or social inclusion, as the participants did not state this clearly despite probing questions. The VDC secretaries and community people, including local leaders, said that they think the VDC should have more stakes (signing authority) in the VEDF than the DDC. This would make the process of fund disbursement faster and strengthen downward accountability at the VDC level. During the CEAMP implementation phase the VDC Secretary was only on the advisory and monitoring board with the CEAMP facilitators (mobilizers) and was not included as VEDF committee member.

As provisioned by the LSGA, CEAMP helped the DDCs to create **District Environmental Development Funds (DEDF)**, as a fund basket for environment development plans for DDCs. The funds operate under the LDO, designated Program Officer, and an accountant of the DDC with sector experts, such as the **Environmental Management Committee (EMC)**, as advisors and monitors. The EMC is one of the committees provisioned under the LSGA for environmental planning and management. CEAMP envisioned the EMC's role as promoting the project concept, mobilizing human and financial resources, and acting as an ongoing forum for environmental policy dialogue. Although the EMC exists, it did not seem strong enough to be able to carry forward the CEAMP concept. Thus, the institutionalization of the project approach is weak at the DDC level.

In 2007, the VEDF committee members from the various communities have formed a **Village Environment Development Funds Confederation (VEDFC)**, which registered as a NGO with the Social Welfare Council at the central level. Its purpose is to give continuity to CEAMP type ELIs and advocate for environmental policy to improve the local environment. The VEDFC has chapters in all four districts and VEDF Management Committees in all twenty CEAMP VDCs. The VEDFC is a separate entity from the VDCs and DDCs, unlike the DEDF and VEDF structures and

management committee. With their experience in CEAMP, DDCs program officers and EMC members are enthusiastic about VEDFC district chapters, which intend to carry forward CEAMP type planning for environmental activities. However, it is uncertain what resources these VEDFCs can raise to continue the CEAMP approach.

The study found that the VEDF management committee are active committees that are working well with a small and efficient structure in the VDCs visited. However, there is no guarantee that the structure will be institutionalization within the VDC. At the district level, EMC exists as sector expertise committee. In absence of sufficient funds in the DEDF, it operates at a very low profile. The viability of the EMC and VEDF management committee depends on the active roles and available funding in the DEDF and VEDF.

In addition, issues about the membership of VEDF committees need to be examined carefully if this structure is to be maintained. The impetus to have more members in the committee may seem logical but will make the decision making on project selection, partner selection, and fund management more bureaucratic and/or politicized.

1.2.2 CEAMP User Groups/User Committees (UG/UCs)

CEAMP worked with already **existing or established** mobilized groups in about 90% of the cases. The major recipients of ELIs were NGOs, mother's group, clubs, and UGs. They submitted ELI proposals including cost estimates to VEDF management committee. If needed the NGOs sought the help of DDC/VDC technical staff to develop technical proposals. In the case of NGOs, mother's groups, or clubs, they formed **User Groups** (UGs) and then **User Committees** (UCs) from among the community households in the settlements to implement the project. In the case of existing UGs (water, irrigation, forest, etc.), they formed UCs from within the UGs. In new areas where there were no existing mobilized groups, CEAMP formed UGs and UCs through its community facilitators. The facilitators were trained in social mobilization, group formation, and community empowerment processes (see Diagram 3).

UC members were selected during a community orientation on project activities and roles and responsibilities of UCs. The orientation also presented CEAMP guidelines on composition of the groups. The communities assembled and selected the 5 – 9 members of the UCs - chairperson, vice chairperson, treasurer, secretary and members (see Diagram 4).

CEAMP made it mandatory for the UCs to have at least one woman in a decision-making position, and at least one Janajati and one Dalit. The UGs and UCs received capacity building training, such as community environmental awareness raising, gender and social inclusion, project planning and implementation, and monitoring and evaluation. NGOs, clubs, or mothers groups organized the trainings with outside expert resource persons in each sector. CEAMP facilitators were the main mentors for the UCs (see Diagram 3).

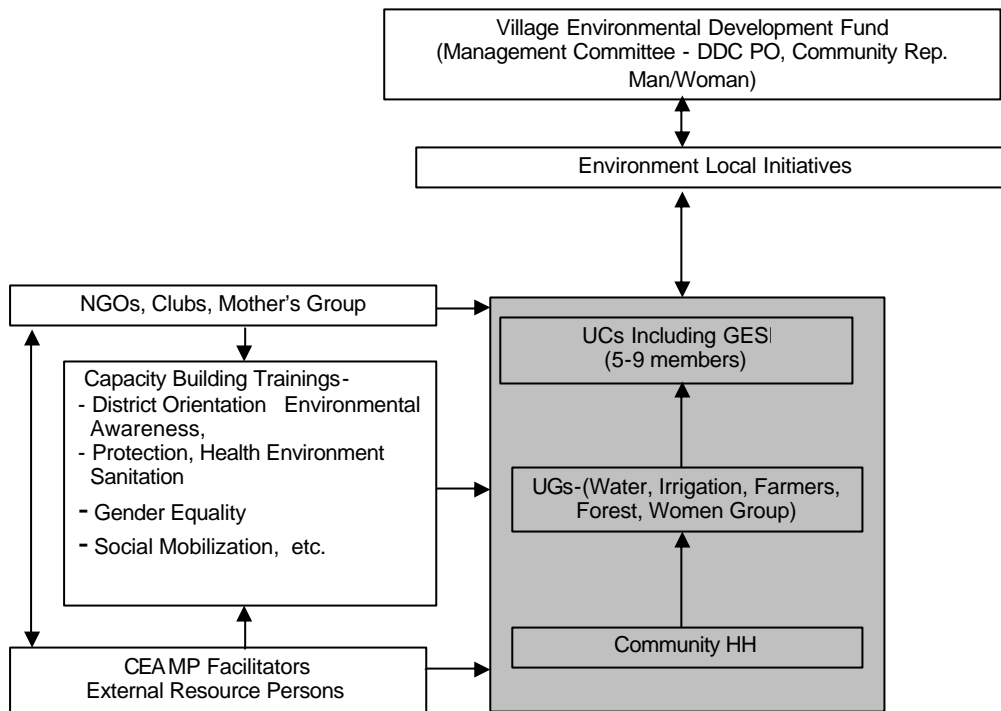


Diagram 3 : CEAMP Community Empowerment Process

UCs were made responsible for overall ELI implementation, including activities such as purchasing material, ensuring community contribution, transferring project incentives, delivering the project, and ensuring the completion of the work. They were accountable for timely delivery of identified project, funds utilization, record keeping, holding meetings, and making the community people aware of the availability of resources and the applications, schedules, and timelines for project implementation. Public audits were done for all completed ELIs.

The knowledge and expertise to manage and implement projects exists within the communities. Access to resources and its application, practice of public audits, have increased knowledge and ability of the community local people (target groups) and empowered them to question the VDC and other development project works done at the community level. It has also improved these groups' access to information and services.

The CEAMP community mobilization process delivered ELIs to the identified targeted communities and households by forming UGs and UCs for the purpose. Its delivery and access to services and implementation modality improved people's awareness level, and ability to access information on project planning, implementation, and monitoring mechanisms. These structures continue to operate actively for protection/ maintenance of ELIs and for accessing other development and service delivery works.

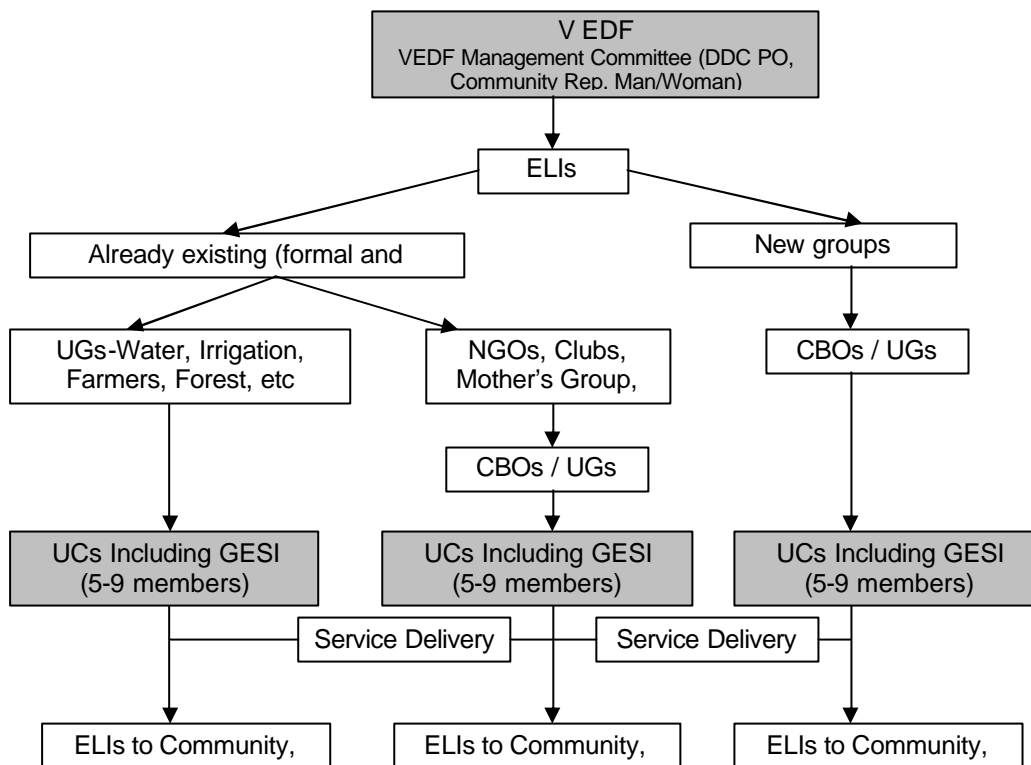


Diagram 4: CEAMP Committees and Service Delivery Process

1.3 Public Audit and Social Audit

CEAMP carried out two levels of public audits. First, all CEAMP ELIs underwent a public audit process whereby all community people were assembled and were presented with the income and expenses for each ELI. The recipient NGOs, clubs, mother groups, and UC members called the stakeholders for public audits. The VEDF members and VDC secretary were observers for the ELI audit. The UCs along with CEAMP facilitators facilitated the process. Questions and comments from the people were recorded in the audit minutes and reviewed for follow-up and corrective measures.

The other public audit under CEAMP was carried out for the functioning of the VEDF once each year. This audit examined the efficiency of the VEDF and its management committee.

CEAMP prepared guidelines for public audits and social audits, which are available with VDCs, VEDF management committee members, NGOs, UGs, and UCs for use in the public auditing of other development works.

The study found the public audit to be an effective tool for ensuring financial transparency and accountability in project implementation, fund allocation, and disbursement. The community people said that they learned to demand responsiveness, accountability, and transparency of VDC works and other stakeholders through the process.

As a result, the public audit has been adopted as a standard process in visited CEAMP VDCs and DDCs. Some VDCs have made this a mandatory tool for VDC planning and project implementation (i.e. Benimanipur VDC of Nawalparasi), which helped the community to access information, establish transparent processes, and increase community ownership of the process.

Public audits served as a useful tool for accountability and transparency, which empowers local people. The community people said that they lacked expertise to do social audit although the guidelines existed. Although the VDCs and communities adopted the public audit system for other

development projects as a powerful tool for transparency and accountability of the works, they lacked expertise on technical audits for community infrastructure initiatives, such as toilets, schools, irrigation, water source conservation, and drinking water.

The **Initial Environmental Examination (IEE)** and **Environmental Impact Assessment (EIA)** concept is not used at the village level for construction works. Although, CEAMP gave some training on IEA/EIA to DDC EMC members, it did not introduce the cumulative effect concept for infrastructure, such as small check dams, micro hydro, roads, and irrigation. The community groups are not familiar with environmental acts and audits as mandated in Nepal's 'Environment Protection Act/Rules', which specifically defines IEE/EIA. Although it is essential to conduct environmental assessment based on Nepal's act/rules, the knowledge and capacity regarding IEE/IAE is lacking.

2. Level of operations of the approach in CEAMP VDCs

To implement ELIs at the community and household level, CEAMP created a matching fund mechanism involving DDC, VDC, line agency, CBO/NGO, community, and household contributions. Based on the agreement with CEAMP, the VDC and DDC were supposed to provide matching funding (cash) to implement the identified ELIs - DDC 10%, VDC 20%, and VEDF 70%. However, according to a CEAMP report, the actual contribution was villager 61.5%, VDC 7%, DDC 5%, other GON 4%, and VEDF 22.5% (CEAMP).

The VDCs are convinced that the matching fund concept has been effective, has built local ownership of VDCs, and has brought the people and government together. They provided some matching funds from last year - for example, NRs 260,000 in Koldanda VDC Palpa district - to the VEDF to complete some uncompleted ELI projects. When asked about funds for VEDF from this year's budget, where the VDC Secretaries were familiar with the process, they expressed interest to commit some funds if possible. However, this is unlikely to happen in the case of new VDC Secretaries.

As well, DDCs lacking a strong commitment are unlikely to provide funding to VEDF without project funds. Although the LDOs acknowledged that the allocation of matching funds and the fund basket has shown good results, they said that DDCs probably could not follow the process in the absence of project funds and the absence of institutionalization of the process and policy within the DDCs and MLD. To establish a functional VEDF in Palpa district, the DDC made some efforts by negotiating with other projects on energy and environment (Alternative Energy Promotion Center) and allocating some DDC resources for the fund basket.

The CEAMP fund transfer mechanism from the DDC to the VEDF within the VDC was simple, timely, and fast. The CEAMP mechanism worked as a driver for fast transfers of funds at the proximity of the communities. Although it provided a good example for community motivation and timely project delivery, there was a lack of process within the current mandate of the DDCs to adopt quick fund transfers. The study observed that with the change of LDOs and VDC secretaries and with the CEAMP phase out, it is hard to convince new LDOs and VDC secretaries for providing funds to the VEDF because they see it as a CEAMP project structure.

In terms of ELIs, Palpa district has observed the effectiveness of CEAMP-built toilets in improving health and sanitation environment and is scaling up its toilet program (one household, one toilet) for some VDCs having allocated some DDC funds to the VEDF (Rs. 200,000). This money will mostly go to some CEAMP VDCs and to others, where CEAMP was not implemented. Other VDCs are using the funds to replicate initiatives, such as improved cooking stoves, biogas, improved grass plantation, and improved agricultural products.

The VEDF process has linked the communities, especially disadvantaged communities that had otherwise never been part of the development process (Palungmainadi, Koldanada, Benimanipur

VDCs of Palpa and Nawalparasi districts), with the DDCs and some line agencies (agriculture, health, etc).

Although not through the VEDF, some CBOs/UGs have been able to demand services with the DDC and line agencies and access DDC funds directly for activities to build onto CEAMP ELIs. For example, irrigation UG from Benimanipur VDC, Nawalparasi district, received NRs 30,000 from the DDC fund. The UG members commented that although the process was bureaucratic and time consuming - unlike the CEAMP process - this is the first time that they have come to know and have been able to access some resources from DDC for their own needs.

VEDF worked as a bridge between the community groups and government to teach how to access other resources, but the application of this learning has not been widespread. The matching fund concept – contributions from the DDC, VDC, and community - works like a public-community–household/individual (private) partnership to promote joint accountability and ownership.

The viability of the DDC fund allocation structure, the DEDF, depends firstly, on how well the fund basket can be mobilized. DEDF and EMC are not very strong currently. Secondly, even if the DEDF has funds there is no guarantee that the funds will flow from the DEDF to VDCs through the VEDF structures created by CEAMP. This is due to the lack of strong commitments, mandated guidelines for the processes, and strong policy backing from MLD and MoEST.

In this context, the operation of the funds is likely to decrease after completion of the unfinished CEAMP works due to lack of funding commitment and lack of institutionalization of the VEDF structure. The VEDF could serve as a major fund basket at the VDC level from which people can directly access funds for ELIs. However, local knowledge on demanding services, accessing information, accessing resources and operation of CEAMP will continue.

3. Inclusion of disadvantage groups and women, and their needs

Several gender equality and social inclusion activities included:

- women, including representatives from socially excluded groups participated in the CEAMP VIRESA and VEDP preparation training and its implementation;
- selected women representative Dalits and Janajatis took part in the VEDP work plan preparation, which included prioritization of plans for community environment responsive development.
- women representatives were made compulsory in the VEDF mgmt. committee and they were given cheque signing authority for ELIs which empowered them through having a strong role in the decision making level.
- affirmative actions were taken while allocating grants for some household based environmental initiatives, such as toilet making, to encourage the participation of poor and marginalized communities and motivate them to participate in CEAMP implementation.
- gender training was provided to CBOs and User Groups, which helped to bring more women from disadvantaged committees out of their homes to be involved in community productive works.

All CEAMP guidelines mandated the inclusion of women and of socially excluded communities. For example, it was required to have a woman in a decision-making role, to have Dalits and Janajatis members in UCs, and a woman as signatory on the VEDF account.

The village level participatory rapid appraisal orientation/training for conducting VIRESA helped to ensure that the project intervention went where it was most needed. Tools to prioritize community needs were social group mapping, well being ranking, livelihoods patterns, access and control mapping, and discussion of environmental issues and their affects on different social groups.

Many community people, including CEAMP beneficiaries and other local people in the community observing CEAMP in the VDCs, suggested that the limited grant (Rs. 1,000 to 3,000) provided for making toilets was a weakness. It made the community contribution cost very high and unaffordable. Since the minimum cost for one toilet ranged from Rs. 5-7,000 in different VDCs, it was difficult for the ultra poor to participate in the program. In some cases, CEAMP had to adopt positive discrimination to provide a larger grant in some areas. The counter argument is that if CEAMP provided the toilet with grant money, its utility value and importance to the beneficiary may decrease. Since the budget was planned at the local level, this was taken as a lesson learnt.

The gender equality training is necessary and useful to help increase the participation of women from different caste groups.

Overall, CEAMP had evident results on the empowerment of women and socially excluded groups in its working areas. The VDC secretaries and community beneficiaries seem to be committed to carry forward these processes and guidelines.

4. Community groups and committees proactive engagement in planning, implementation, and audit processes

The CEAMP approach and ELI implementation mechanism linked community people to DDCs, VDCs, and its staff. It increased the community beneficiary's access to information and thus participation in DDC and VDC processes. However, people's participation in VDC planning is still limited to attending the VDC Council meeting due to the practice of insufficient planning processes as envisioned in LSGA (see *key assessment No.6*).

UGs/UCs implemented the ELIs within the local settings, which provided experience in project implementation for the community people and reduced the transaction and overhead costs. The communities claim that they will use this model of service delivery for new projects. The public audit has taught community people and VDCs about transparency practices, which resulted in increased awareness of mismanagement and corruption issues.

Discussions with community groups at the VDC level revealed that the DDC information dissemination on block grants and DDC activities were often weak. This is evident from earlier findings (see *key assessment 2*). The study found that Palpa district has bought some time slots to disseminate such information through local FM. The **Information Education Communication** (IEC) dissemination system was almost non-existent. The mobile phones were useful to reach the VDC secretaries and promoted prompt communications and actions.

Since CEAMP phased out, the CEAMP community user groups have been trying to access funding from other sources for priority environmental projects outlined in the VEDP. In a few cases, communities have been able to access some resources from DDC and line agencies (directly) but not through VEDF structures.

5. Influence of CEAMP approach in neighboring DDC/VDCs

There was only one case where the improved agriculture training provided by CEAMP was introduced to a VDC near Benimanipur VDC, Nawalparasi. The ELI-type of community environment projects can be replicated, but the approach, as a whole, has not been replicated yet (see *key assessment 2*). In this year's Village Council in Nawalparasi, the communities and CEAMP facilitators said that 17 VDCs requested CEAMP projects and were willing to allocate matching funds from the VDC block grants. However, in absence of project funds these requests did not move ahead.

Although the authorities recognize the CEAMP approach, they have not made a deliberate effort to replicate the approach in the absence of project structure that worked as a driving force.

6. Budget breakdown of the types of projects approved and being funded under the VDC block grants including current and past years

In all five VDCs visited, the development priorities supported by VDC block grants are roads, school buildings, drinking water, and electricity. In three VDCs visited by the team, of the total VDC block grant of Rs 1,000,000/-, Rs 800,000/- was allocated for development works, such as roads, school building, drinking water, electricity, agriculture inputs, etc. For example, in one VDC of Nawalparasi, the expenditure on a road was approximately Rs 300,000/- and on a school building Rs 190,000/-. Rs 150,000/- was allocated for targeted programs for women - Rs 50,000/-, children - Rs 25,000/-, Janajati Rs - 25,000/-, Dalit - Rs 25,000/-; and differently able people - Rs 25,000/-. Rs 200,000/- were allocated for administrative purposes, such as salary, office expenditure, and operational cost.

There were no proper plans for the allocation and accessing of the targeted fund and it was not clear if communities (disadvantaged among the disadvantaged) are aware of this budget allocation. The LDOs mentioned that the DDC issued a guideline to form an all-party representative committee of women, Dalits, and Janajatis for implementation of the targeted programs. Of the visited five VDCs, only Bahirabstan VDC of Palpa had formed such a committee and prioritized the allocation of the funds.

Although LSGA describes a 14 step planning process that ranges from settlement level planning up to the DDC level, the current practice in VDCs is that most plans are developed by sector expert committees within VDCs and then shared with the all party committees currently active in the VDCs. The committees had a range of 4 - 7 major parties in a VDC. Once the committee is convinced, the plan is discussed in the Village Council for people's endorsement. The planning process still follows the traditional planning process; it has not changed even with the formation of mobilized UG, UC, or VEDF committees. However, the communities are now more aware.

For the Village Council, a letter with notification of the meeting is issued to each ward office (nine wards altogether), which notifies the community people. The community people complained that unless a strong ward leader can advocate at the Village Council meeting for the ward level plans, it is ignored completely. The leaders understand that development is meant to uplift people's living standard and reduce poverty. However, most decisions are influenced by voter constituencies, which lead to the politicization of aid.

The higher-level plans of the VDC go to the Ilaka level planning, from there they go to the district where these are reviewed and reorganized by the sector expert committees within DDCs. Once final, the plan is shared with the all-party committee (ranging from 4-7 prominent political party present in the district) as in the VDCs. After agreement with the parties, the plan is then presented to the District Council.

The VDC Secretaries said that although people's awareness level is high, they still think that development is infrastructure and tangible. Priorities have not changed over the years.

In terms of the VDC human resources and staff capacity, the VDC Secretary must do everything with two to three support staff. In one case, a VDC Secretary covers two big VDCs. Communities complain about the inadequate staffing of the VDC, but sometimes do not understand how many days the VDC Secretaries are present in the VDCs (non-local). Although the VDC Secretaries do their best to deliver services (local and non-local) it is becoming hard for them to manage, with the

level of awareness and growing expectation of the people after the insurgency. The internal VDC resource generation was also minimal in the visited VDCs.

The study found that the VIRESA and VEDF planning process CEAMP introduced is effective and used by sector specialists within VDCs to gather information on the VDCs. In some DLGSP VDCs (phased out) of Palpa, there have been attempts to expand this process for broader integrated planning documents. However, the replication of this planning process has not been observed in other VDCs. The community priorities have not changed significantly due to lack of proper participatory process. However, there are some changes in how the priorities are implemented, due to the people's awareness and empowerment.

IV. Overall conclusions

CEAMP was a pilot project that introduced new approaches to community development including:

- Using the Village Inquiry for Rural and Environmental System Appraisal (VIRESA) to develop a Village Environment Development Plan (VEDP) and corresponding work plan,
- Forming a Village Environment Development Fund (VEDF) management committee, including local community people (men and women) and a women as a signatory.
- Providing matching funds from project, DDCs and VDCs for implementation of Environmental Local Initiatives (ELIs),
- Forming community user groups/committees for project implementation and fund management,
- Using public audit as mandatory practices for financial transparency, accountability, and community ownership,
- Using social auditing, including gender audits, for social inclusion and gender equality.

The community, VDCs and DDCs view several approaches of CEAMP as good practices to be sustained within the community and VDC. The DDCs, VDCs, community groups, and other projects can use the VEDP planning process, CBOs and UG empowerment process, and public audit process as the tools and guidelines developed by CEAMP are available at the DDC, VDC. (see Annex 2).

The DDC, VDC, NGOs, CBOs, and UGs have adopted different elements of the CEAMP model, such as the VIRESA and VEDP; public auditing process; ELIs; service delivery through NGOs, CBOs, UGs, and UCs; and gender and social inclusion trainings. The model is not being carried forward in the absence of CEAMP and its matching funds, which served as a push factor. Thus, study can conclude that the CEAMP model, although relevant and feasible, may not be sustainable without external funding and adequate formal institutionalization procedures.

1. CEAMP social mobilization and community empowerment process:

CEAMP worked with already existing socially mobilized groups of NGOs, clubs, and mothers groups. It only formed new UG and UCs when necessary. (*Social Mobilization is here interpreted and understood by CEAMP stakeholders as - CEAMP Village Facilitator arranges, interacts with community households /individuals to form user groups/user committees to mobilize resources, operate and implement the ELIs in a more inclusive, efficient, effective, and transparent manner for institutionalization and sustainability of CEAMP activities*).

CEAMP worked according to the LSGA guideline of using NGOs and CBOs in project implementation for VDC projects to empower local communities for development works. In examining the work of CEAMP, this study concludes that:

- Working through organized structures such as NGOs, CBOs, clubs, and mothers groups is more suitable because the capacity is built and retained within these local organizations. Since ELIs are physical infrastructures works there needs to be follow up repair, maintenance, and protection activities. There is more accountability and transparency with organized structures rather than with loose structures in new areas. However, some new UGs were able to develop themselves as strong CBOs through mentoring by CEAMP and capacity building trainings (group awareness, environmental protection, management, gender equality and social inclusion, sub project implementation).
- The model of forming task-based UGs/UCs works efficiently for service delivery. Affirmative steps to include women, Dalits and Janajatis in project committees (i.e. VEDF committees, UCs) and entrust them with decision-making roles and responsibilities helps to empower such groups. Gender equality and social inclusion training helped to increase the representation and participation of women in general, and, in particular, women from different socio-cultural and marginalized groups.
- Public auditing made community beneficiaries aware of transparent, accountable, and efficient service delivery processes. It has inspired people to force the VDC to adopt such practices for VDC processes. It has also enabled the community groups to interact with government officials and access information. The public audits also exposed them to development practices and enabled them to raise their voices and concerns in public.
- Capacity building trainings on VIRESA/VEDP, integration of GESI, proposal development, project planning, implementation and monitoring are more sustainable when delivered at the local level.

2. Viability of the CEAMP model

- VIRESA, VEDP, and work plans are effective planning tools and documents used to some extent by sector experts and VDC secretaries in CEAMP VDCs. The tools, guidelines are available at the VDCs for reference and there exist local capacities within VDCs for the purpose.
- Formation of VEDF management committees to include local community people (men/women) and a woman as a signatory is a good model for fund transfer and management mechanism at the local level. This has built stronger ties between communities, VDCs, and DDCs. Although the structure will not be sustainable in absence of matching funds from project/ other sources, learning to operate such a fund mechanism has taught the VDC staff and community people about effective and coordinated project delivery mechanisms. The community people in CEAMP VDCs are now aware of VDC, DDC, and line agency functions and able to demand services for their needs.
- The efficient process to transfer funds to the VDC level allows the community a greater stake in the uses of such funds. Although a good practice in itself, the lack of institutionalization of the process, through some guidelines and decisions at the district and village level, means that there is less probability of sustaining the process. It is already noted that for the first time the CEAMP beneficiaries came to the district for other DDC resource for their projects, although this is a time consuming, costly, and bureaucratic process.
- Formation of community user groups/committees with specific purpose of implementing ELIs for the targeted communities was useful and less time consuming for effective service delivery. The capacity exists within community groups for project delivery.

- VDCs adopted the practice of monitoring systems through public audits for financial transparency and timely service delivery. The communities pressured the VDCs for implementation of such process.
- Although people want social auditing, including gender audits, for inclusion and gender equality practices, VDCs, NGOs, CBOs and UCs still need to build the capacity to do gender audits and social audits. Social audits will help communities examine the results of CEAMP – whether it has reached the poor and socially excluded or not and whether it worked in a conflict sensitive manner such that it does not induce conflict. This will also help them in reviewing strategies and taking affirmative steps at the community level.
- The Village Environment Development Fund Confederation (VEDFC) registered as an NGO at the central level with 4 district chapters and 20 units at the VDC level to give continuity to the CEAMP model and build upon the successfully tested legacy. However, whether it has the operational modality and strength to follow the CEAMP model is yet to be tested. If VEDFC is isolated from CEAMP approach, it will continue as one of many NGOs working for environmental purposes (resource organization) in the district or at the national level. Although this can also be viewed as an aspect of sustainability, the CEAMP model of joint planning and implementation, drawing responsiveness, and downward accountability may not be as strong.

V. Recommendations

Although CEAMP was an environmental project, it carried out many common community development approaches and good practices with basic environmental considerations. It is recommended that the following be considered and incorporated in the LGCDP

1. Community based participatory planning and implementation

- vi) The VIRESA, VEDP and VEDF mechanism,
- vii) Active encouragement for community sourced funds to match government contributions,
- viii) Joint planning, implementation and monitoring mechanism as elaborated in CEAMP guidelines,
- ix) Public Audits for all program activities,
- x) Adaptation of CEAMP guidelines as appropriate.

2. Social mobilization and community empowerment

- i) Outsourcing of different functions for service delivery and establish institutional mechanisms for community participation in the planning, implementation, and monitoring of the development activities,
- ii) Refer to the already developed CEAMP guidelines including affirmative strategies (for the participation of women and socially disadvantaged groups in decision-making roles for social transformation),
- iii) Adopting stepwise empowerment process in social mobilization of communities and safeguard their independence and effective advocacy,
- iv) Include good governance practices from all sectors including CBOs, NGOs, and the government - as learned from public audits done at different levels,
- v) Adopt a good 'Information Dissemination Strategy' in order for the government to promote effective service delivery, match demand and supply, and implement good governance practices. This serves as a key step to build relations between government and community by clarifying expectations, and roles and responsibilities (i.e. IEC strategy, some districts have local FM which is highly effective way of communication at the VDC/community level). The LGCDP should include these strategies.

3. VDC resource allocation, financial transparency, and accountability

- i) The public / community /household/individual (private) partnership approach for fund mobilization works efficiently. When the community contributes its resources directly to the project, the works are more sustainable. This also builds stronger social contract between the government and the people. The guidelines for resource mobilization, implementation, monitoring, and evaluation should be simple and clear. The LGCDP should make use of these tools and guidelines prepared by CEAMP, which are already tested and proven,
- ii) The process of development fund transfer is the most crucial part for projects to work and continue. Fund flow should be a quick and efficient process (i.e. central to DDC/VDC to community level) to transfer funds for timely delivery of benefits to the real poor and disadvantaged in the VDC/user groups. This also ensures lower overhead costs. The program should maintain checks and balances at different levels to ensure the appropriate use of funds. The LGCDP should ensure efficient and effective fund flow mechanism,
- iii) Crucial factors for any project to succeed are the existing VDC human resource and capacity. The current size and capacity of VDCs with one VDC Secretary over stretches the individual's ability. The staff motivation factors needs to be looked into the design and delivery. The LGCDP should consider this issue carefully and not overlook it.

Annex 1: Persons met and interviewed during the field study:

DDC Officials:

1. Mr. Badri Nath Ghimire, Local Development Officer, Palpa District
2. Mr. Tika Ram Ghimire, Local Development Officer, Nawalparasi District
3. Mr. Binod Nepal, Programme Officer, Palpa District
4. Mr. Ram Mila Yadav, DDC Staff, Nawalparasi, person responsible for CEAMP Account management

VDC Secretaries:

1. Mr. Krishna Raj Aryal, VDC Secretary, Koldanda VDC, Palpa District
2. Mr. Madan Gimire, VDC, Secretary, Palung Mainadi VDC, Palpa District
3. Mr. Loknath Geewali, VDC Secretary, Bhairavsthan VDC, Palpa District
4. Mr. Rajendra Prasad Devkota, VDC Secretary, BeniManipur VDC, Nawalparasi District
5. Mr. Ganesh Prasad Bishworkarma, VDC Secretary, Tribeni-Sustha VDC, Nawalparasi District

Group Discussion:

1. Koldanda VDC Group discussion

(VEDF member, User group member, User Committee member, VDC Secretary, Palpa DDC Program Officer, participants: 1 woman/5 men, mostly village members were dailt/ Janajati)

2. Palung Mainadi VDC Group discussion

(VEDF member, former community facilitator, political party representatives, UG/UC members /project beneficiaries VDC Secretary, DDC Program officer, NGO representative, participants: 4 women, 8 men)

3. Palung Mainadi VDC, meeting with women group (15 women members, CEAMP Project beneficiaries: Janajati/ Dalit/Brahmin/Chheteri)

4. Bhairavsthan VDC

(VEDF member/ UG/UC members, club representatives, VDC secretary, former community facilitator, DDC Programme Officer, political party representatives, participants: 5 women, 15 men, Brahmin/ Chhetri/ Dalit/ Janajati)

5. Benimanipur VDC Group discussion

(VEDF member, former community facilitator, UG/UC members, VDC secretary, DDC staff, political representatives, beneficiaries, participants: 6 women, 14 men, Janajati/dalit/Brahmin/chhetris)

6. Triveni VDC Group discussion:

(UG/UC members, VEDF member, former community facilitator, club/NGO representatives, beneficiaries, political representatives, DDC staff, VDC secretary, participants: 4 women, 12 men, Dalit, Janajati, Brahmin, chheteri)

7. Others:

NGO staff, Palpa district
Executive Director, VEDFC

Annex 2: List of CEAMP Guidelines and Handbooks

1. Guidelines for Village Environmental And Rural Development Funds for local initiatives- Hand book for preparing VEDP (comprehensive package)
 - Fund Flow mechanism for ELI
 - logical flow chart of ELI activities and fund matching mechanism
 - Reporting, monitoring and evaluation by different management levels
 - Detailed guideline for VEDF for local initiatives including guideline for ELI Implementation , Public and Social audits
2. Guidelines for Rural and Environmental Systems Appraisal (VIRESA)
 - VIRESA and VEDP schemes for 20 CEAMP VDC (Nepali and English)
3. Guidelines for Integrating Gender at VDC level activates