

# **The End Term Evaluation Report**

## **Freed Kamaiya Livelihoods Development Project**

### **For PLAN Nepal**



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The women members of self-reliant groups (SRGs), the technical resource persons, have shared their perspectives and provided time for in-depth feedback. We are grateful to all of them for sharing valuable insights and experiences in the process of participating in this project and improving their livelihoods.

The evaluation's aim is to document progress against objectives, and, equally important, it is to document the emerging lessons, for the project at hand and for the future. In developing these findings, we have been assisted by a large number of project stakeholders and we are grateful to all of them. The team remains responsible for the judgments that we have made, and the recommendations that we make for the way forward.

### **The Evaluation Team**

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**January, 2013.**

## **Abbreviations**

CBO	:	Community Based Organization
EU	:	European Union
FGD	:	Focus Group Discussion
FKLDP	:	Freed Kamaiya Livelihood Development Project
FKUM	:	Freed Kamaiya Utthan Manch
FKs	:	Freed Kamaiyas
GoN	:	Government of Nepal
GDI	:	Gender Disparity Index
GDP	:	Gross Domestic Product
HIV/AIDS	:	Human Immuno Deficiency Virus/Acquired Immune Deficiency Syndrome
HDI	:	Human Development Index
ILO	:	International Labour Organization
INGOs	:	International Non Government Originations
IGAs	:	Income Generating Activities
JLG	:	Joint Liability Group
KLP	:	Kamaiya Livelihood Programme
KMs	:	Kilometers
KG	:	Kilogram
NNGO	:	Nirdhan Non-government Organization
NUBL	:	Nirdhan Utthan Bank Limited
NGO	:	Non – Government Organization
SRG	:	Self-reliant Group
SHGs	:	Self Help Groups
SNF	:	Swiss National Science Foundation
SDC	:	Swiss Agency Of Development Cooperation
UNDP	:	United Nations Development Program
VDCs	:	Village Development Committee
VAHWs	:	Veterinary Animal Health Workers
NPR	:	Nepalese Rupee



## **The End Term Evaluation Report Freed Kamaiya Livelihoods Development Project**

**Smita Premchander and V. Prameela**  
**Submitted to: PLAN Nepal**

### **Executive Summary**

#### **Introduction**

The abolishment of the Kamaiya bonded labor system in July 2000 has not put an end to poverty of those who were exploited under the system. Whilst gaining freedom from servitude on the one hand, livelihood opportunities were lost on the other. In order to sustain existing and new livelihood opportunities for Freed Kamaiyas (FKs) the Freed Kamaiya Livelihoods Development Project (FKLDP) was designed and implemented for five years in Bardiya district (January 2008-December 2012) with the financial support of European Union (EU). This project covered 28 VDCs and one municipality (Gulariya) and aimed to improve the livelihood of 7500 FK families. The project is financed by the European Commission and is being implemented by PLAN Nepal in coordination with PLAN Netherlands. The partners on the project are Nirdhan, NGO (NNGO) and Nirdhan Utthan Bank (NUBL) and local CBOs and relevant government departments.

This end term evaluation (IIE) is the second comprehensive review of the Project, with an earlier mid term evaluation completed in May 2011. The current evaluation aims to assess its achievements against targets, relevance, effectiveness, efficiency and sustainability of the project design. The evaluation also has learning objectives, whereby lessons derived from the experiences on the FKLDP can inform and support other projects to effectively address the issue of rehabilitation of freed bonded labour.

The evaluation followed principles of stakeholder participation and utilisation. In addition to desk review and direct observation, the study primarily involved semi structured interviews and focussed group discussions, covering all categories of project stakeholders and partners: Plan Nepal, Nirdhan NGO and Nirdhan Bank, local Community Based Organisations (CBOs), District Officers of Agricultural and Livestock departments, key informants, and members of Self Reliant Groups (SRGs). Discussions were held with women, children, adolescents and parents who are direct beneficiaries of the project. The field visits covered ten VDCs of the programme, in Bardiya district. A survey was conducted with 220 women geographically spread over the VDCs to document the livelihoods before and after the project. However while the study assessed the impact before and after the project, it could not cover a

*with/without* perspective, due to shortage of time to visit non-project Village Development Committee (VDCs).

## **The Performance Story**

The project story is explained through theory of change articulated by the evaluation team based on the project log frame. It was then validated and refined in the initial discussions with the project teams at Kathmandu and in the project office, including other key stakeholders as well. The theory of change outlines three broad pathways for achieving project objectives. The first pathway of providing trainings on technical and financial services, access to credit and start up inputs, improved irrigation facilities, access to markets led to farm practices such as vegetable cultivation, pig, and goat rearing, poultry, fishery and dairy. This resulted in increased food security and incomes of beneficiary households.

The second pathway of trainings on non-farm activities and access to markets led to families to take up non-farm livelihood activities like starting agrovets, grocery shops, cycle repairing shops etc. These led families to increased family incomes, and improved food security.

The third pathway of rights based training on child rights women rights and HIV/AIDS resulted in creating awareness, and influencing attitudes and behaviour. Women more aware of child rights were expected to get children's birth registered, and provide education and better care of children at home. Similarly, HIV/AIDS information was expected to motivate women to get themselves and their husbands tested for disease and also demand that their husbands take preventive measures.

## **Evaluation Findings**

In 2000 freed Kaimaiyas were liberated and most of the NGOs and donors worked to improve basic facilities such as housing, education and health. Due to this several Freed Kamaiyas (FKs) have access to housing and other basic facilities along with land given by Government of Nepal. As there was gap in improvement of livelihoods, Plan Nepal designed FKDLP with more focus on FKs families with livelihood related activities and implemented in Bardiya district which is one of the district where more FKs settled. So the FKDLP project is very relevant with regard meeting needs of FKs and regard to location.

Efficiency of project management was examined from different dimensions including, the achievements vis-à-vis the targets, the overall adherence to the project timeline. Under the project 317 SRGs were formed covering 7,717 women. The project achieved 100% target for most of the activities under Output 1 of Building Social and Community Institutions, includes formation of SRGs, number of families covered, developing local resources such as local farmers, VAHWS, local agricultural resource persons, construction of marketing cooperatives and promotion of weekly markets and agricultural fairs. Under Output 2 of Building Physical Community Infrastructure, out of 5 indicators the achievement was 100% against 3 indicators; construction of causeways, shallow tubewells, and surface irrigation canals. Targets

for two indicators under Output 2 i.e. installation of treadle pumps and construction of collection centres achieved 80 and 88% of targets respectively.

Under Output 3 of Transferring Livelihoods Skills, out of 6 indicators, 100% targets achieved for number of families trained and supported in vegetable cultivation, integration of fish pond subsystem in the vegetable farms, cultivation of foddered and forage crops, pig and goat rearing and members trained as business literacy facilitators. One indicator; number of families trained in off-farm activities achieved only 60% of its targets under output3.

Under Output 4 of Protecting Livelihoods and Strengthening Resilience, 100% targets achieved for two indicators, organizing trainings on HIV/AIDS and women's rights.

As overall achievements against targets, out of 30 indicators under 4 objectives the project achieved 100% of targets for 27 indicators. So the target achievement of 90% of the indicators is very efficient and the project completed within given period of time.

The identification of target was done through inclusion of 90% of the beneficiaries using cards (Red, Blue, White and Yellow cards) issued by Government of Nepal (GoN). Another 10% beneficiaries were allowed based on community selection. The significant impact of the project is to organising women as Self Reliant Groups and has access to financial services. Financial services acted as centre point which derived all other project inputs. Before the project was started there were no branches of NUBL in the project area. The project invited NUBL to start four branches in four regions of the district, and offered to cover the operational costs of working in these areas. In return, NUBL promised to give loans to SRGs, in multiples of their savings, ranging from 1:10 to 1:20. NUBL has kept up this promise, and now has four branches, all of whom have broken even by December 2012. Both the SRGs and bank branches are sustainable, and are likely to last well beyond the project period.

Eighty eight percent of the respondents are able to save and all of them save in NUBL and also 65% of them save in other groups formed by other NGOs and MFIs. Ninety seven percent of women have annual savings less than NPR 2,500 (\$ 28). Before joining SRGs only 47% of women taken loans, after joining SRG the percentage has increased to 70%. Of the 70% of women who took loans, 83% are accessing loans from NUBL followed by 12% accessing loans from cooperatives and 4% from relatives. None of them access loans from relatives and money lenders after becoming members of SRGs. Most of the loans taken from SRGs are utilized for productive purposes such as animal husbandry (79%), agriculture (54%) and business (37%) in descending order. This was mainly because NUBL has condition that its loan should be only used for productive purpose.

Except a few all of them participated in one or another training with 92% participating in training on vegetable growing. This is followed by training on piggery and fishery at 8% and 6% respectively. Seventy seven percent of respondents participated in trainings on women rights and 70% in awareness on HIV/AIDS. About 25% to 30% stated they understood access to education and health are main rights of women; 23% realised that access to information is their right and only 9% understood the



participation is their right. Only 4% and 3% of respondents were able to understand that property use and non discrimination are rights of women respectively. Forty eight percent of respondents have membership in forest committees. Thirty nine percent of respondents have membership in school management committees and 9% of them have membership in Wada Nagrik Munch<sup>1</sup>.

Thirty four percent of respondents have accessed local markets and 18% of them have accessed treadle pump/shallow tubewells created under project. Sixteen percent of the respondents accessed technical support of agriculture and animal husbandry. Only 4% of respondents have accessed cooperative markets developed under project, because forming marketing cooperatives is taken up in last year of the project and process of strengthening is under process.

A significant change has been happened after joining the project i.e only 13% of respondents depend on wage labour for their livelihoods which is less compared to 55% which was the situation before joining SRGs. It also shows that 65% of them are doing agriculture as their main occupation. This is because most of them got land and also respondents received required technical and financial services from the project. The average annual income of respondents increased from NPR 16, 677 (\$ 190) in 2008 to NPR 42, 723 (\$ 485) in 2012. The annual income increased by 2.6 times after joining SRGs. Eighty two percent of respondent's livelihoods situation has improved after joining SRGs.

The technical inputs on on-farm related activities have positive impact on improvement of cultivation of agricultural crops, vegetable cultivation and animal husbandry: goat and pig rearing, poultry, fishery farming. This had direct positive impact on food security. The access to markets helped to sell their produce in the markets and increased their family income.

The technical inputs on off-farm activities helped families set up businesses such as cycle repairing, grocery and meat shops etc. This led to increase family incomes which enabled them to purchase food items and increase their food security. Thus the project enhanced both house-hold incomes and food security.

The project inputs on right based had a positive impact on building women's self-confidence and ability to negotiate for their rights within family and community leading to family resilience

## **Sustainability**

The project created strong community based organizations with sustainable financial linkages through linking up with 4 branches of NUBL bank. The project kept the systems in place for technical sustainable through developing local technical resource persons for agriculture and animal husbandry through setting of agrovets and Veterinary Animal Health Workers (VAHWs) and making linkages with district officers of agriculture and animal husbandry.

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<sup>1</sup> Wada Nagrik Munch is Committee set by GoN with people's representation, to participate in implementation of village development activities and promote peace and harmony among people.

## **Challenges and barriers**

The first drawback is that women find interest rate is high and would like to have greater access to savings and slowly would like to build their own like cooperatives. Another aspect of financial linkages supported by the project, is the lack of competition that is created. Not made linkages other than NUBL financial resources though there are other MFIs like UNIC and Grameen Banks

The second draw back is that the project included only 10% of local dalits and other extreme poor though there more than 10% of poor people existing in the project area. The project does not include unmarried girls in SRGs in a view that unmarried girls will get married and dropped out from membership of SRG.

## **Conclusion and Recommendations**

Although the project is well designed and comprehensive, in the next phase of work, PLAN could consider making some improvements. To begin with greater inclusion could be achieved through extending coverage to those who are as marginalised and poor as Freed Kamaiyas. The proportion of including poor people could be increased from 10% to 25%. Another possibility is to plan a project in regions of Nepal which have concentration of bonded labourers from other communities such as Haliyas, Haruwas and Charuwas.

The microfinance model can be improved by greater retention of savings with women for their use in emergencies and household consumption. Identification of MF partner can be improved by following a process of bidding, to evaluate the best technical and financial option from the point of view of clients. For this, PLAN would have needed to retain flexibility about the Micro Finance (MF) partner, at the time of project proposal and design, rather than build it in already at the time of project proposal. .

The capacities of cooperatives can be improved through including the training aspects on concept of 2<sup>nd</sup> level institutions, management, dynamics in running group businesses and collective marketing. PLAN can build the business strategy into the activities of SRGs and the same could be transferred to second level institutions such as savings and credit cooperatives which could replace the role of NUBL over period of time. The capacities of local CBOs can be built so that the CBOs can deliver the higher quality of outputs and outcomes in the implementation of the project and helps to attain sustainability of activities and its impacts at grass roots level.

The project is highly replicable and offers several good practices that can be used to design projects for improving the livelihoods of particularly disadvantaged and extreme poor households and communities.

The abolishment of the Kamaiya bonded labor system in July 2000 has not put an end to poverty of those who were exploited under the system. Whilst gaining freedom from servitude on the one hand, livelihood opportunities were lost on the other. In order to sustain the newly gained freedom, it was of most importance that existing and new livelihood opportunities for Freed Kamaiyas (FKs) are developed and put to effective use. In absence of such opportunities, many families would be pushed towards other highly exploitative forms of labor relationships to make living.

In the above context, the Freed Kamaiya Livelihoods Development Project (FKLDP) was designed. The project is financed by the European Commission and is being implemented by PLAN Nepal in coordination with PLAN Netherlands. The project is implemented for five years (January 2008-December 2012 ) in 28 Village Development Committees (VDCs) and one municipality (Gulariya) of Bardia district to improve the livelihood of 7500 Freed Kamaiyas (FK) families.

The key implementing partners on the project are Nirdhan (NGO) and Nirdhan Utthan Bank (NUBL). Most of the activities are implemented by these two organizations. Limited activities are also implemented through Community Based Organizations (CBOs) of the rights holders (Freed Kamaiyas) and other issue based organizations.

This report presents the end term evaluation of the FKLDP project, assessing its achievements, gaps and challenges, and presents recommendations for PLAN-Nepal, for a future project in this area. The report begins with introducing the evaluation objectives, approach adopted and principles followed, and the methodology adopted for the evaluation. The second chapter outlines the context for the FKLDP project, including legal frameworks and policies in the country. It also describes the project interventions and an underlying theory of change behind the project design. Chapter 3 describes the project performance in relation to each of its planned interventions. Chapter 4 evaluates the project in terms of its relevance and validity of design, efficiency, effectiveness and sustainability. Chapter 5 reflects on the lessons arising from the project experiences. The report ends with conclusions, and recommendations to enhance effectiveness in the duration of the project and sustainability of key interventions, processes and structures beyond the project period.

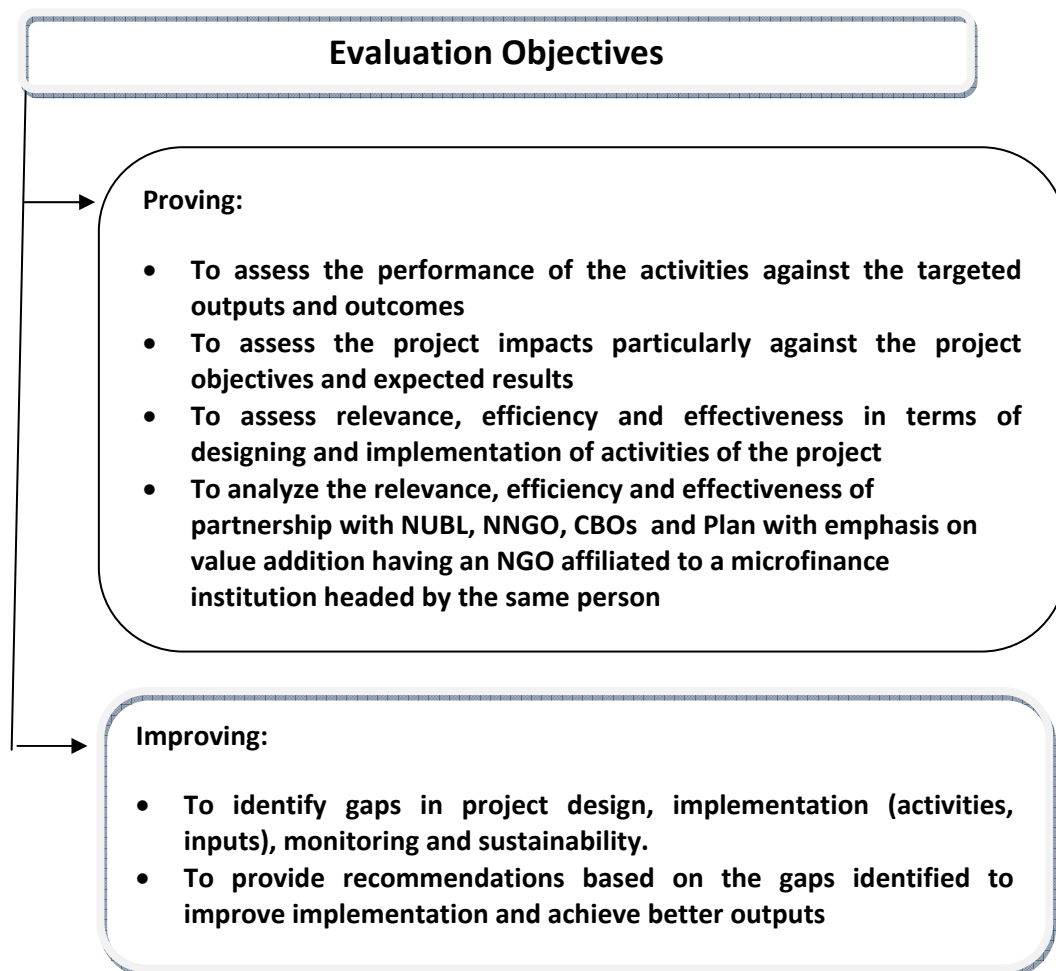
# 1 Evaluation Objectives and Methodology

The evaluation took a participatory and learning approach, which is outlined, and then followed up by a detailed description of the methodology.

## 1.1 The Evaluation Objectives

The evaluation approach is geared to two key objectives of evaluations: proving, improving (and planning) for impact. The **proving** approach assesses the extent to which the theory of change implicit in the project worked, the elements that worked well, and those where difficulties arose. It also reviews outcomes, so to “prove” effectiveness so far. The evaluation objectives of FKLDP are given in Figure 1. The detailed Terms of References (ToR) are given in Annexure 1.

Figure 1: Objectives of the Evaluation of FKLDP



The overall objective of the final evaluation is to assess the project performance against desired outputs, outcomes and impacts as mentioned in project log frame and recommendations for the future after the current project completes its tenure in December 2012.

The analytical approach to evaluation brings out areas where **improvement** is possible, in the duration of the current project. These yield lessons for **planning for improved impact**, and for new and improved approaches, for the current and future projects in rehabilitation of Freed Kamaiyas, and more broadly, any other type of forced or bonded labour<sup>2</sup>.

## **1.2 The Evaluation Principles**

Several key principles have been spelt out for evaluations of multi-stakeholder projects<sup>3</sup>. The first principle used in this evaluation is that of **stakeholder utilization of the evaluation and its findings**. Plan International commissioned the evaluation, with a clear brief that the results would be used also to feed into the planning of future programmes for bonded labour, women's trafficking and child protection. Thus the evaluation draws out lessons from the experiences of design, implementation and partnerships of the FKLDP project.

**Stakeholder consultation** was the second principle used, whereby the evaluation team has held discussions with a very wide range of stakeholders of the project, from the women members of Self Reliant Groups (SRGs), to their family members: children and husbands. Discussions were held with every institutional category of stakeholders: NGO, Bank, community based organizations (CBOs) such as the Freed Kamaiya Utthan Manch (FKUM), and village development committees (VDCs). In addition to visits, interviews and discussions at the field level, a stakeholder workshop was held in the project district to share preliminary results. A workshop was held at PLAN Kathmandu as well to share preliminary findings, and seek additional data to support the initial findings.

**Gender concerns were integrated** in the evaluation by ensuring (i) the involvement of both men and women in constituents'/beneficiaries' consultations and analysis; (ii) the inclusion of data disaggregated by sex and gender in the background analysis and justification of project documents; (iii) the formulation of gender-sensitive strategies and objectives and gender-specific indicators; (iv) outputs and activities consistent with these; (v) striving for gender institutional structures set up under projects; and (vi) in the terms of reference for evaluations, requiring the inclusion of impact assessment on gender equality and

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<sup>2</sup>Premchander, Smita; M. Chidambaranathan; V. Prameela and L. Jeyaseelan.2006. "Bonded Labour Projects: A Guide for Evaluation and Impact Assessment". Delhi: International Labour Organisation.  
[http://www.sampark.org/Documents/Bonded labour Projects A guide for Evaluation and Impact Assessment .pdf](http://www.sampark.org/Documents/Bonded%20labour%20Projects%20A%20guide%20for%20Evaluation%20and%20Impact%20Assessment.pdf)

<sup>3</sup> Some of these are by resource agencies for impact assessment of development projects, such as KFPE, in long term partnership with such as the Swiss Agency of Development Cooperation (SDC) and the Swiss National Science Foundation (SNF). International organisations have spelt out their own guidelines for evaluation, and one such is by ILO.

gender expertise in the evaluation team<sup>4</sup>. Other good principles of evaluations that are spelt out in publications of ILO's evaluation unit are utilized in planning and designing the evaluation, and preparing the report.

### 1.3 The Evaluation Methodology

The study is primarily qualitative, with in-depth interviews of SRG members revealing the major outcomes of the project. This is supplemented by a questionnaire survey covering all the different types of outcomes envisaged in the current project document.

The effectiveness of the project was assessed primarily using a *before-after project* comparison during interviews of SRG members, and in the questionnaire survey. Based on the log frame of the project a set of indicators were considered for evaluation, which are given Table 1.

**Table 1: Indicators Considered for Evaluation**

<b>Economical</b> <ul style="list-style-type: none"> <li>• Increased income of the family</li> <li>• Increased number of household members working</li> <li>• Increased sources of income</li> <li>• Increased access to credit and savings</li> <li>• Increased savings behaviour</li> <li>• Reduced loans from money lenders</li> </ul>	<b>Food Security and Livelihoods</b> <ul style="list-style-type: none"> <li>• Increased livelihoods options</li> <li>• Increased awareness about vegetable cultivation</li> <li>• Increased awareness about pig and goat rearing, fishery</li> <li>• Increased food security</li> <li>• Increased agricultural skills</li> <li>• Increased access to markets</li> <li>• Increased access to technical resources</li> <li>• Increased access to animal husbandry and agricultural inputs</li> </ul>
<b>Social and Political</b> <ul style="list-style-type: none"> <li>• Increased self confidence</li> <li>• Increased mobility</li> <li>• Increased awareness on women rights</li> <li>• Increased awareness on child rights</li> <li>• Increased awareness on HIV/AIDS</li> <li>• Increased enrollment of children to schools</li> <li>• Increased awareness about financial transactions</li> <li>• Able to sign</li> <li>• Higher recognition at home</li> <li>• Increased participation in community based committees</li> </ul>	<b>Institutional</b> <ul style="list-style-type: none"> <li>• Increased membership in SRGs</li> <li>• Increased unity among members</li> <li>• Increased access to several institutions</li> <li>• Increased participation in the discussions</li> <li>• Increased skills in accounts keeping</li> <li>• Able to talk with outsiders</li> <li>• Able to negotiate with the stakeholders of the project</li> </ul>

<sup>4</sup> I-Eval Resource Kit International Labour Organization – Evaluation Unit Guidance Note 4, September 14, 2012, p3. [http://www.ilo.org/wcmsp5/groups/public/---ed\\_mas/---eval/documents/publication/wcms\\_165986.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_mas/---eval/documents/publication/wcms_165986.pdf)

These indicators were incorporated in the questionnaire to map changes after project intervention. They were also included in the checklist for FGDs with SRGs. The methodology for the evaluation was primarily qualitative, with a wide range of detailed interviews. The elements of the evaluation were as follows:

**Table 2: Categories of Stakeholders met During Field Visits**

<p><b>1. Review of documents:</b> These included the project document, monitoring reports, mid-term evaluation, and other reports on Kamaiyas. The list of documents studied is given in Annexure 3.</p> <p><b>2. Focus group discussions (FGDs):</b> were held with members of SRGs, and with children. The list of SRGs visited are given in Annexure 4.</p> <p><b>3. Interviews with key informants:</b> These included technical resource persons trained under the project, husbands of SRG members and individual enterprise owners from a selection of enterprises.</p> <p><b>4. SRG Assessment data:</b> The project has an internal assessment of SRGs, which was analysed to understand performance of groups, make the selection of groups to visit, and used for sample selection of household level questionnaire.</p> <p><b>5. Individual/ household level questionnaires:</b> A total of 220 interviews were conducted with SRG members. The detailed report of household survey is given in Annexure 5.</p> <p><b>6. Direct observation:</b> Field visits were made to see the physical infrastructure created by the project, for individual, shared or community use.</p>	Stakeholder Category	Number
	SRGs	13
	Households	220
	Nirdhan NGO (NNGO)	2
	NUBL	5
	CBOs	3
	District level government officers	2
	Children	6
	Male members	7
	Key informants	
	• Agrovets	4
	• VAHWs	2
	• Social mobilisers	2
	• Agricultural technical person	2
	• Grocery shop owner	6
	• Piggery unit owner	2
	• Barber shop owner	1
	• Cycle repairing shop owner	1
	• Goat rearing unit owner	2
	• Vegetable cultivation farmer	4
		10
	Physical Infrastructure	No.
	• Causeway	1
	• Canal	1
	• Marketing fairs	2
	• Collection centre	1
	• Treadle pumps	4
	• Shallow wells	3

A total of 289 people were interviewed: the number of each category of respondents to the evaluation questions is given in Table 2.

The SRGs to be included in FGDs were selected based on three criteria: remoteness, age and grading. Some SHGs were selected from remote and some from villages well-connected to local markets, so that a balanced picture would emerge, relating to incomes and food security. SRGs aged 1 to 3 years were selected, to give a balanced analysis of their performance and sustainability. Finally, the project has graded SRGs based on several criteria, and some SRGs were selected from grades A, B and C (see Annexure 4 for details). The households were selected based on geographical area: some were taken from mid, west and eastern parts of Bardiya district. The findings of the household survey are contained in Annexure 5.

#### **1.4 Evaluation Management and Limitations**

This is a multi-dimensional project, with various types of interventions by three categories of organizations: NGO, CBOs, and a microfinance bank. The evaluation was conducted in a very short time frame, and so is limited by a very quick overview of the field operations. Ideally, the evaluation team would have liked to visit a few more non-project areas and families. However this was not possible due to shortage of time.

## **2 The Project Context and Theory of Change**

The project was designed for a especially disadvantaged group of people, Freed Kamaiyas (FKs), who were bonded labour to agricultural landlords for generations, were freed by a legal Act of the Government of Nepal (GoN) in 2001, but years after attaining freedom, continued to need livelihoods support. The background and nature of the project are now discussed in detail.

### **2.1 Freedom and Livelihoods of Freed Kamaiyas**

Nepal is one of the lowest ranked mainland countries in Asia in terms of Human Development Index (HDI), with a rank of 138 out of 172. It ranked 120<sup>th</sup> out of 136 countries on the Gender Disparity Index (GDI), with low levels of life expectancy, school enrolment and literacy of girls and women. UNDP estimated Nepal's GDP per capita at \$ 360 in 2006, with 31% of its population living below the poverty line. Poverty is deeper in rural areas, especially in the hills and mountains of mid and far western regions, exacerbated by poor land quality and skewed landholding patterns. Feudal relations in agriculture have led to landless labourers becoming economically dependent on land owners. It is not surprising that low assets and incomes and high levels of debt result in a practice whereby the labour of these vulnerable households is pledged to and controlled by the landlords /employers. The families experience excessive working hours, low wages, bondage of one or more family members, and do not have the freedom of mobility, or of changing the job or employer.

The problem of bonded labour has been recognized and addressed by the GoN in many ways. The Ministry of Land Reform and Management, which is responsible for undertaking Kamaiya welfare programmes, began its Kamaiya Livelihood Programme (KLP) in 1995. The Department conducted a



census survey of Kamaiyas in bondage covering five western districts of Nepal: Dang, Banke, Bardiya, Kailali and Kanchanpur districts. This first official survey identified 15,152 Kamaiya households and a total of 83,375 members spread over these districts. Following the survey, and a strong demand from civil society agencies and activists, the GoN abolished the *Kamaiya* Labour System on 17 July 2000 and enacted the *Kamaiya* Labour (Prohibition) Act 2001. Any written or verbal contract made between the landlords (*Jamindars*) and Kamaiya or their family members was declared null and void, and was made punishable by law.

After attaining freedom, Kamaiya families were in dire straits due to lack of a place to stay, having been evicted from their homesteads on the farms of the landowners. They did not have assured work, nor did they have resources to sustain themselves. At this time, a wide range of development organizations came forward to support FKs. The support from international agencies like International Labour Organization (ILO), International Non Government Organizations (INGOs) and Non Government Organizations (NGOs) has resulted in<sup>5</sup>:

- Land distribution for 90 to 99% of the targeted families
- Significant reduction in the number of children working including reunion of 644 girls who were domestic workers (*Kamalaris*) , with their families
- School enrolment of almost 11,000<sup>6</sup> children. This represents an 86% enrolment rate of 6-12 year children.
- In 2006, 63% of freed Kamaiyas receive the minimum wage (46% aware of the bonded labour legislation and 32% of the minimum wage legislation)
- Improved capacity of implementing agencies

Among Kamaiyas, all have been freed and most have been reached through government's rehabilitation measures. By March 2010, over 25,000 Kamaiyas have been given entitlement to the land on which they had already made homesteads. The GoN had committed to settle all FKs by the mid of July 2010, i.e., by the end of the fiscal year. Although the Ministry of Land Reform and Management progressed well in this work as evidenced during the evaluation, rehabilitation still remains to be completed.

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<sup>5</sup> Jeddere-Fisher, Keith. 2005. Impact Assessment and Final Project Evaluation of the Sustainable Elimination of Bonded Labour in Nepal, Phase-I, August 2005.

<sup>6</sup> The report has considered boys and girls directly enrolled. Another group of boys and girls who were mainstreamed into schools after Non formal education /bridge up courses, bringing the total number of boys and girls mainstreamed into formal schools to 15,364.

## 2.2 The Project's Overview and Theory of Change

A brief overview of the project is depicted in Table 3.

**Table 3: Key Details of the Project**

<b>Project title</b>	Freed Kamaiya Livelihoods Development Project
<b>Project donor</b>	European Commission
<b>Project budget</b>	1.027 million Euros
<b>Start date</b>	January 2008
<b>End date</b>	December 2012
<b>Development objective</b>	To improve the livelihood of 7500 Fred Kamaiya families and well being of 37500 children in the Bardiya district through increasing food security and enhanced income generation
<b>Project locations</b>	28 Village Development Committees (VDCs) and one municipality i.e Gulariya in Bardiya district
<b>Key targets</b>	7500 members particularly female heads of households, of 250SRGs and other CBOs in Freed Kamaiyas community

The main objectives of the project are:

- To have sustained the newly gained freedom of ex-bonded labourers and their families.
- To have reduce extreme poverty in Nepal.
- To have ensure that human and child rights are respected and that children can realize their full potential

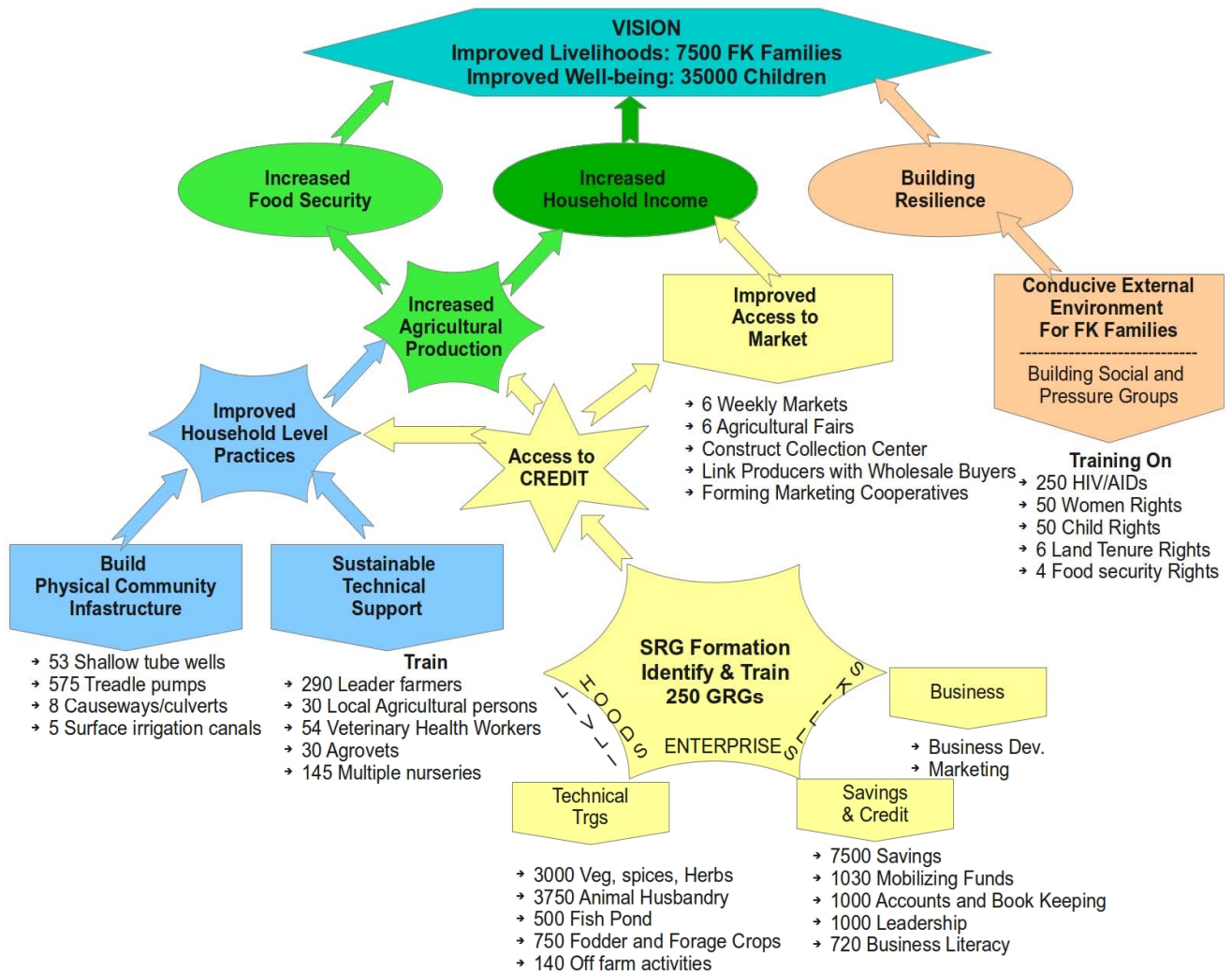
The different types of support provided are :

1. Build social and community institutions,
2. Build physical community infrastructure,
3. Transfer livelihoods skills and
4. Protect livelihoods and strengthen resilience.

The theory of change of this project was elaborated by the consultant team based on the project log frame. It was then validated and refined in the initial discussions with the project teams at head office and branch office, including other key stakeholders as well. The resulting picture is depicted in Figure 2 overleaf.

The theory of change depicted in Figure 2 has three main elements. The first one is the change that the project would like to bring in the community: the vision and key objectives. A second element is the assumptions made to bring the specified change. The third is pathways or pre-conditions that are required to effect the change. The picture elaborates the elements of desired change, and the preconditions, outlining the pathways of change envisaged by the FKLDLP project.

Figure 2: Theory of Change



The Figure 2 shows that the project's vision is to improve the livelihoods of 7500 FK and well-being of 37,500 children in the Bardiya district. A key assumption of the project is that FKs are skilled in agriculture and animal husbandry as they were working in land-lord houses/fields as Kamaiyas. In 2000 due to national policy most of the freed Kamaiyas got land from the Government.

The objectives or the changes that the Project would like to bring were: to increase food security, increase household incomes and increase family resilience. The project had several inputs towards achieving these objectives which are conceptualized here as three distinct, get interlinked pathways.

The key methodology involves organizing women from FK families into self-reliant groups (SRGs) consisting of 25-40 women. After formation of SRGs the project provided access to credit and savings

and capacity building trainings on financial and technical aspects. Financial services include trainings on savings, accounts keeping, and business literacy. The technical services include training on agriculture, vegetable cultivation, animal husbandry (goat rearing, fishery and poultry) and nurseries. Along with the trainings the project provided start up support for the families to start farm and non farm livelihood activities.

In addition, the project provided marketing facilities through promoting weekly markets, organizing agricultural fairs and linkages between wholesale buyers and construction of collection centres.

In-order to sustain technical trainings the project developed local resources which include leader farmers, agrovets, Village Animal Health Workers (VAHW). To sustain the improvements in agriculture production at community level the project developed irrigation facilities through construction of causeways/culverts and surface irrigation canals and installing shallow tube wells, treadle pumps.

The inputs for community organization, financial linkages, marketing and technical support together resulted in increased agricultural production, which directly augmented food security. When surplus production is sold, cash incomes increase. Thus the first two objectives of food security and income increase are achieved by four broad streams of inputs: community organization combined with financial linkages, and technical and marketing support.

Pathway that the project followed to empower women and create conducive external environment and have protected livelihood and strengthened resilience, was through providing training on women's rights, child rights, HIV/AIDS and food security rights. The theory of change envisages that group members, once aware, will practice their knowledge on women rights, such as following family planning methods. The training on child rights is expected in better care at home, reduced violence on children, enrolment and retention of children into schools without gender bias, and birth registration of children.

Finally, HIV/AIDS training is expected to result in requesting husbands to use condoms, desist from sex outside marriage; if at all, have protected sex during their migration period, and take check ups for HIV/AIDS from time to time. These resulted in building women's self-confidence and ability to negotiate for their rights within the family and community, influencing behaviour of family members and thereby leading to family resilience.

These are the pathways the Project envisages, for leading to improved food security, increased income and family resilience, resulting improved livelihoods of 7500 FK and well-being of their children.

### 3 The Project Performance

The story of the project is told in this report following the Theory of Change that the project implicitly follows, and which is described earlier. In this section, the performance of different components of the project against the stated objectives and specific targets is discussed. The first step of the project was to identify the beneficiary households towards whom all the project inputs were targeted.

#### 3.1 Beneficiary Identification

The project aimed to reach 7500 households of Freed Kamaiyas, for which the government categorization of Kamaiya families was used. The Government of Nepal (GoN) issued cards to FK families in four colours, as given in Table 4.

**Table 4: Vulnerable Categories and Access to Land**

<b>Card type</b>	<b>Definition</b>	<b>Freed Kamaiya members</b>	<b>Percentage of beneficiaries</b>
<b>Red</b>	Landless freed Kamaiya households	6732	65.9
<b>Blue</b>	Landless living on public land	5143	32.4
<b>White</b>	Freed Kamaiya households with less than 700 m <sup>2</sup> land	3020	1.7
<b>Yellow</b>	Freed Kamaiya households with less than 700 m <sup>2</sup> land	1367	
<b>TOTAL</b>		<b>16262</b>	<b>100</b>

**Source: Report on Mid Term Evaluation of FKLDP of Bardiya District, Nepal May 2011.**

The project decided to work with FK families as long as they had a card issued by the government (red, blue white or yellow) as long as the family was certified by the government as eligible for government support, PLAN project could include them as beneficiaries.

This criteria for targeting has a major advantage in that it is very clear, and there is no possibility of inclusion or exclusion error by the project staff. In order to be flexible, 90% of the beneficiary identification was done using cards, and another 10% beneficiaries were allowed based on community selection, so that up to 10% of the neighbours or other community people could be selected by members of each SRG.

### 3.2 Achievements Against Targets

Plan Nepal identified the key partners and assigned relevant target for FKLDP as follows:

1. NUBL, to form SRGs and provide financial services and business literacy and other finance related trainings;
2. Nirdhan, an NGO, to take up all the capacity building trainings of non-financial topics; and
3. Local CBOs, to construct small physical infrastructure such as diversion causeways, surface irrigation rehabilitation, treadle pump and shallow tube-well boring installations.

The achievements against the targets set for various outputs are given in Table 5.

**Table 5: Achievements Against Targets**

Activities/ Outputs	Targets	Achievements till 30 <sup>th</sup> November 2012 (Value and Percentage)
<b>Output 1: Building social and community institutions</b>		
1. SRGs formed	250	317 (127% )
2. Families covered	7500	7717 (103% )
3. Lead farmers trained	30	30 (100%)
4. VAHWs trained	54	54 (100%)
5. Marketing cooperatives established	6	6 (100%)
6. Leader farmers trained	290	290 (100%)
7. Local agricultural resource persons trained	30	30 (100%)
8. Private multipurpose nurseries established (Original target of 145 revised to 38)	38	38 (100%)
9. Weekly markets promoted	6	9 (150%)
10. Agricultural fairs organized (Original target of 6 revised to 5)	5	5 (100%)
11. Fairs held for linkages between the producers and wholesale buyers developed at regional and national level	2	2 (100%)
12. SRG members provided business skill development classes	720	792 (110%)
13. SRG members trained in mobilizing funds and book-keeping	1,030	1520 (148%)
<b>Output 2: Building physical community infrastructure</b>		
14. Causeway/culverts constructed and are in use by the community (revised from proposed target of 6 to 8)	8	8 (100%)
15. Treadle pumps installed (Original target of 675 revised to 575)	575	506 (88%)
16. Shallow tube-wells installed (Original target of 53 revised to 31)	31	31 (100%)
17. Surface irrigation canals constructed	5	7 (140%)
18. Collection centres constructed for vegetables, fruits and herbs (Original target of 6 revised to 5)	5	4 completed one is in progress (80%)

<b>Output 3: Transferring livelihood skills</b>		
19. Families trained and promoted to start-up support for vegetable and spice cultivation	3000	3052 (102%)
20. Families trained and promoted to start integrating fish pond (Revised from proposed target of 500 to 303)	303	303 (100%)
21. Families trained for improvement of fodder and forage crops	750	752 (100%)
22. Families trained in animal husbandry and supported to set up to start-up goat/pig rearing (Revised from 3750 to 3437)	3437	3440 (100%)
23. Families trained in off-farm activities and provided start-up grants	300	180 (60%)
24. SRG members trained as business literacy facilitators	140	140 (100%)
<b>Output 4: Protecting livelihood and strengthening resilience</b>		
25. HIV/AIDS sessions organized for SRG members	250 sessions	250 (100%)
26. Women's rights orientation trainings	50	50 (100%)

The project achieved 100% target for most of the activities under Output 1 of Building Social and Community Institutions, which includes formation of SRGs, number of families covered, developing local resources such as local farmers, VAHWS, local agricultural resource persons, construction of marketing cooperatives and promotion of weekly markets and agricultural fairs. Under Output 2 of Building Physical Community Infrastructure, out of 5 indicators the achievement was 100% against 3 indicators; construction of causeways, shallow tubewells, and surface irrigation canals. Targets for two indicators under Output 2 i.e. installation of treadle pumps and construction of collection centres achieved 80 and 88% of targets respectively.

Under Output 3 of Transferring Livelihoods Skills, out of 6 indicators, 100% targets achieved for number of families trained and supported in vegetable cultivation, integration of fish pond subsystem in the vegetable farms, cultivation of foddered and forage crops, pig and goat rearing and members trained as business literacy facilitators. One indicator; number of families trained in off-farm activities achieved only 60% of its targets under output3.

Under Output 4 of Protecting Livelihoods and Strengthening Resilience, 100% targets achieved for two indicators, organizing trainings on HIV/AIDS and women's rights.

The project exceeded the target for several indicators, including outreach to households through SRGs , surface irrigation canals constructed, business skill development classes, weekly markets promoted at different location and members trained in mobilizing funds and book-keeping. The targets under physical infrastructure facilities such as treadle pumps installed and construction of collection centres for vegetables, fruits and vegetables, were not completed in early December, at the time of end evaluation. This could be because they were assigned to local CBOs, who, though close to the community, and successful in mobilizing groups, reportedly lacked the technical expertise needed to

complete the infrastructure. The CBOs, however, reported that they had insufficient finances to provide for technical staff, and another issue relevant here is the use of CBOs for physical infrastructure was an after-thought to involve them; they were better positioned to lead and conduct the rights-based activities of the project.

The activities related to food security and land tenure rights were dropped by the project, ostensibly because the government agreed to provide land to the FK families, and also completed the allocation for many families. Another reason could also have been that Nirdhan, the leading NGO partner in the project, is not a rights-based organization, and though it could deliver technical trainings, it was not an appropriate channel for conducting rights based awareness campaigns.

### **3.3 SRG Formation and Credit Linkage**

The project followed the Self Reliant Group (SRG) model to form social and community institutions. The SRG model is adapted from Grameen Bank model, with many client-friendly elements integrated into the Joint Liability Group (JLG) methodology of the Grameen model. The differences between these two models are given in Table 6.

**Table 6: Comparing SRG and Grameen Bank Models**

<b>SRG model</b>	<b>Grameen Model</b>
15 to 30 members in rare cases up to 42 members	5 members in JLG, 7 JLGs per centre (group)
100% of savings can kept n Bank or 50% with group and 50% with Bank	100% savings kept in Banks
Loan period 1 or 2 years	Loan period 1 year
Monthly installments	Weekly installments
24% interest rate, on reducing balance	Flat 24% interest rate
Women deposit money in bank	Staff deposit money in Bank
Leaves 6% margin at group – from this 1% is used to meet service charge of loan	Do not leave any margin with group

In Grameen model as loans were given and collected from individuals by the staff of loan providers there is no ownership of the group, whereas in SRG model the loan is given through the group and the women deposit both savings and credit in the bank on rotation basis, creating ownership and sustainability of the groups. In SRG model, as women get loans at 24% diminishing rate, a one percent service charge, and they can take loans up to Nepalese Rupee (NPR) 60,000 (\$<sup>7</sup> 681) for production purposes. Women find the feature of monthly installments of repayment in the SRF model better than the weekly installments of the Grameen model, because most of the women started livelihoods activity which takes 2-3 months to yield incomes. Further, the practice of leaving 6% margin with the groups has motivated them to take credit enabling the SRGs to repay loans on time and achieve 100% repayment rate.

<sup>7</sup> Conversion rate is taken as 88 Nepalese Rupee per US Dollar



There two types of savings one is group savings and personal savings. Women make savings in SRGs which is deposited in NUBL bank and also in other (2-3) groups formed by other institutions where the savings is kept in group. The groups formed by other institutions are of 5- 15 years old still alive and running these group meetings every month along with SRG meeting. In few groups 50% of SRG savings is deposited in NUBL and the remaining is kept in group. This is mainly used to meet household consumption expenses. The amount of savings in SRG varied from NPR. 31 (\$ 35) to NPR 71 (\$0.81) in a month and in other groups is about NPR 10 (\$ 0.11) to NPR 20 (\$ 0.23) in a month. Along with savings women are paying one rupee which is used to meet group expenses. On group savings they are getting 6% of interest and groups did not share their savings. The group collects penalty for not attending the group without premier permission from group, and late coming to the group meeting and not wearing uniform. This penalty amount varies from NPR 5 (\$ 0.06) to NPR 20 (\$ 0.23). All the members of SRG know about individual savings which shows that members attend the group meetings regular and discuss about their savings and credit details.

The concept of the group is not new for the women in Bardiya district because most of the women are also members of the 2-3 other groups formed by different institutions such as UNIC, ESPACE, RRN, Pragathi etc. The main difference between these groups and SRGs formed in the project and the other NGOs is that the latter have promoted savings based groups, whereas the Project has designed a credit linkage with NUBL, so that the women were able to access big loans and technical support (such as training on vegetable cultivation, pig, goat rearing poultry and fishery etc) and improve their productivity and earnings. The Agrovets and Veterinary Health Workers developed in the project helped women to have access to the inputs and health services needed for the livelihoods activities started by them.

The main impacts of the project arise from FK women's inclusion in community based forums, SRGs, and able to access to financial and technical services. Financial services are key engine that drives all other project activities. These financial services include savings and credit. Along with group savings some of the members of SRGs are doing individual savings which ranges between NPR 500 (\$ 6) to NPR 3,000 (\$34). Women use personal savings to meet emergence expenses.

Members of SRGs understood concept of group and are disciplined in attending meetings and honest in making savings and repaying their loan installments along with interest. This helped to achieve 100% repayments of credit provided by NUBL. Multiple savings promoted responsible savings behavior. Responsible savings behaviour and cohesiveness of the SRGs is unique characteristics of other groups where people divide their savings as soon as the project completes. Group dynamics were not seen prominently in the SRGs mainly because of culture of Tharu community who are generally honest, worked as Kamaiyas in groups in land lord houses and also taken land on lease and shared their crop production.

Officially most women taken loans for production purposes but unofficially some of them used for repairing or construction of house and meeting marriage expenses. Women are facing problems in

doing monthly installments as their farm activities have 2-3 months production cycle. Due to this reason most of women are paying installments from income source of wage labour.

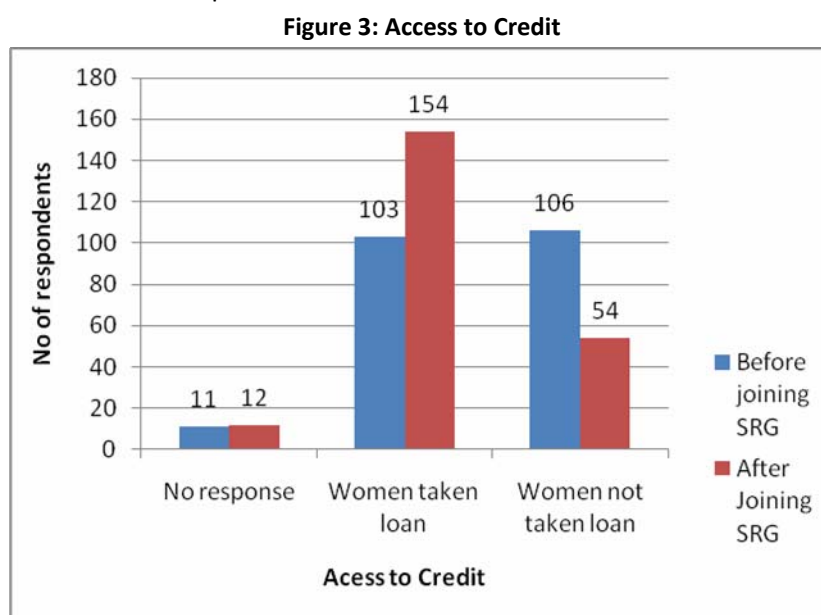
The loan amount gradually increased from NPR 3,000 (\$ 34) to NPR 60,000 (\$ 681) women are finding difficult to pay 24% interest rate. They made efforts to reduce it through negotiating with NUBL. These negotiations did not worked out because NUBL cannot charge different rates to different clients in the region. NUBL has strict polices which will be implemented through out country. There is no any incentive for the 100% repayments from NUBL.

NUBL provided loan insurance but did not provided crop and animal insurances, due to which NUBL is able to reduce their risk on loan port folio but women could reduce risks with their crop or animals. As NUBL has policy of providing loans only for production purposes women are accessing loans from relatives or money lenders to meet big emergence needs such as medical marriage and travel expenses (migrate to outside countries like Malaysia or India).

As described earlier women deposit savings and loan amount in NUBL on rotation basis two women in a month (at a time). This policy helps women to increase mobility, become aware of financial transactions in Banks, sustainable in carrying out savings and credit activity. Whereas two women loose their daily wage and also are at risks as they are carrying large amounts o money ranging from NPR 20,000 (\$ 227) to NPR 1,00,000 (\$ 1136). In some groups women are paid NPR 80 (\$ 0.91) towards travel expenses but in most of the groups women pay by themselves or go by walking of 10 KMs.

The household survey showed that the 88% of the respondents are able to save and all of them save in NUBL and also 65% of them save in other groups formed by other NGOs and MFIs. Ninety sveen percent of women have annual savings less than NPR 2.500 (\$ 28).

Figure 3 provide details about comparison of access to credit before and after SRG formation.



Before joining SRGs only 47% (103 out of 220) of women taken loans, after joining SRG the percentage has increased to 70%. This clearly shows that members had easy and timely access to credit.

Figure 4 provides information about source from which mainly respondents taken loans after joining SRG.

**Figure 4: Sourcewise Access to Credit**

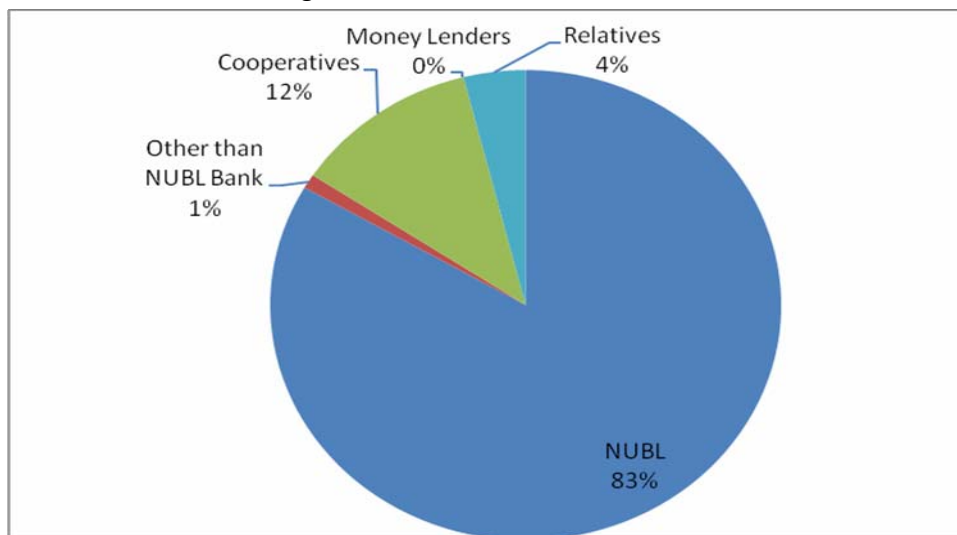


Figure 4 show that after becoming members of SRGs, of the 70% of women who took loans, 83% are accessing loans from NUBL followed by 12% accessing loans from cooperatives and 4% from relatives. None of them access loans from relatives after becoming members of SRGs.

Figure 5 provides information about purpose for which credit from NUBL is utilized.

**Figure 5: Purposewise Utilization of Credit Accessed from NUBL**

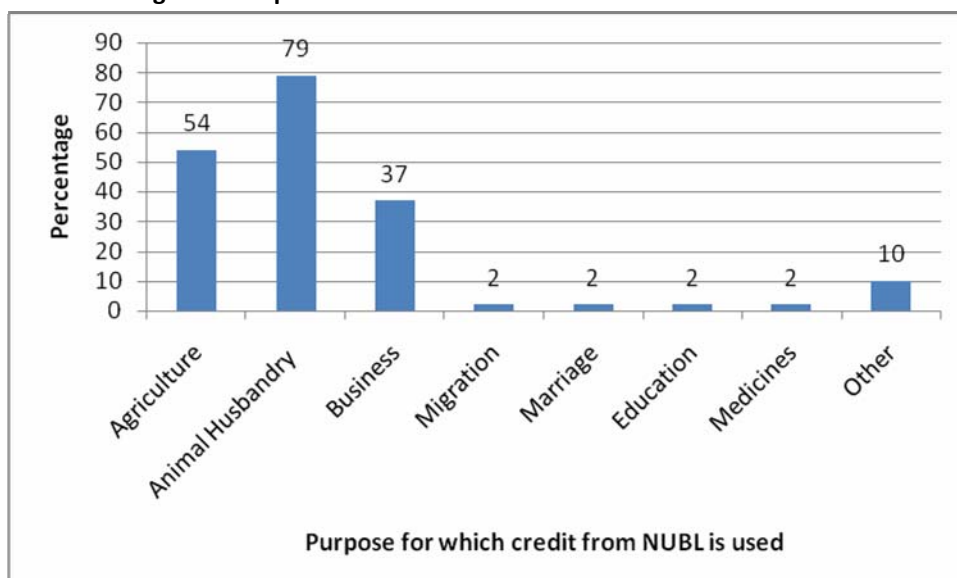


Figure 5 shows that most of the loans taken from SRGs are utilized for productive purposes such as animal husbandry (79%), agriculture (54%) and business (37%) in descending order. This was mainly because NUBL has condition that its loan should be only used for productive purpose.

The trainings provided to women leaders on business literacy and book keeping helped women to do their signature and write the group accounts. In most of the groups still depend on social mobilizer to write accounts. In all the groups treasurer writes accounts of group on voluntary basis. As this is not done on rotation basis and not paid for her time over a period of time completion of the project, treasurer may de-motivated and stop writing the accounts of group. The projected should have encouraged the group to pay women's time cost from the money the 6% margin earnings of groups. This strategy helps women to motivate to learn accounting systems and earn money through writing group accounts and at the same time group could learn how to do savings and credit activities as a business. The same business strategy could be transferred to second level institutions such as savings and credit cooperatives which could lead to replace the role of NUBL over period of time. The strategy of accepting writing accounts o voluntarily by women is related to gender aspect because most of the time women do not calculate their time cost either in running their business or group activities.

Writing group accounts by women helped women to become sustainable with relate to maintenance of group accounts at the same time NUBL might have saved staff timing for which project paid operation costs. The strategy of accepting writing accounts voluntarily by women is related to gender aspect because most of the time women do not calculate their time cost either in running their business or group activities.

### **3.4 Agricultural Income and Food security**

The household survey showed that 92% of the respondents have land and 6% of the families are landless. Two percent of respondents did not answer the question. This also corresponds with the baseline done in 2002 by ILO, which shows that 92% of Kamaiyas

#### **Ramdhani able to do multiple livelihood activities and made new house**

Ramdhani belongs to Parvathi Swavalambhene Samuha in Konaite village. She has three two daughters and one son. Two daughters got married and son is migrated to Malaysia. Son work as daily wage labour in Malaysia. She has received one piglet from the project and she took first loan of NPR 3000 from NUBL and bought two pigs. From which she is able to multiply to 6 pigs within 8 months. She sold when each pig reached to 60 KGs weight. She sold at the rate of NPR 150 (\$ 1.7)/Kg so earned NPR 7,500 (\$ 85) from each pig. She earned NPR 54,000 (\$ 614) through selling 4 pigs. Whole seller comes to village and buys meat. She has five Katthas of land where one Kattha is used to construct house. In the remaining 4 Katthas her family cultivates paddy, wheat and vegetables. Family keeps paddy and wheat for household consumption and sells the vegetables. In the last year April she earned NPR 25000 from vegetable selling. She has taken NPR 1,50,000 (\$ 1705) as personal loan form NUBL and of which NPR 150000 is used to send her son to Malaysia and remaining NPR 50000 is used to construct house. She was proud to own and so keen to show her house. Her son has send NPR 125000 within two years so she is able to repay her loan using returns form selling pigs and vegetables and her son earnings. She and her husband told that due to member of SRG able to get loan and do piggery, increased vegetable production and made an asset of house.

have been allotted government lands. Of 92% of those who own land, 30% have less than 2 Katthas and another 30% have between 2 and 5 Katthas. This is due to that the Government of Nepal enacted Kamaiyas Labour (prohibition) Act 2001 to abolish the Kamaiyas labour system and by March 2010, over 25,000 Kamaiyas have been given entitlement to the land on which many have already made homes. GON has given 2 or 5 Kath's depending upon the market value of land. Given that the land holdings are small it is not surprising that 55% of the respondents were engaged in wage labour before joining the SRGs.

A significant change has been happened after joining the project i.e only 13% of respondents depend on wage labour for their livelihoods which is less compared to 55% which is situation before joining SRGs. It also shows that 65% of them are doing agriculture as their main occupation. This is because most of them got land and also respondents received required technical and financial services from the project.

The household survey showed that almost all families grow different cereal crops on their land, in addition 85% of families grow other crops along with cereal crops. During group discussion several women shared that after joining SRG along with cereals they also grow vegetables as they have received training on vegetable growing.

Figure 6 provides details about number of families who keeps produce for household consumption and also families that sells in the markets.

**Figure 6: Selling Capacities of Produce**

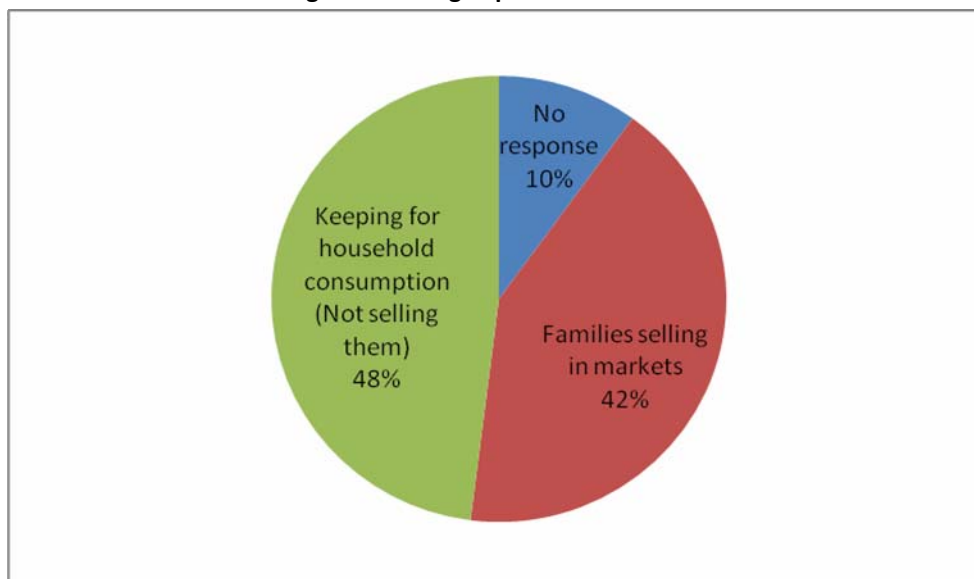


Figure 6 show that 48% of respondents are keeping the prodcue for hosuehold consumption which led to increased household food security . Forty two percentage of them sell their produce. During group disscusion women epxressed that families that own more than 3 Kathas of land are able to get a marketable surplus, especially vegetables, while families with have less than 3 Kathas keep their entire produce for hosuehold consumption.

The average annual income of respondents increased from NPR 16, 677 (\$ 190) in 2008 to NPR 42, 723 (\$ 485) in 2012. The annual income increased by 2.6 times after joining SRGs. The most significant increases are in agriculture and livestock sectors (see Table 2 and 3 in Annexure 5).

Figure 7 compares the income position of households in 2008 and 2012.

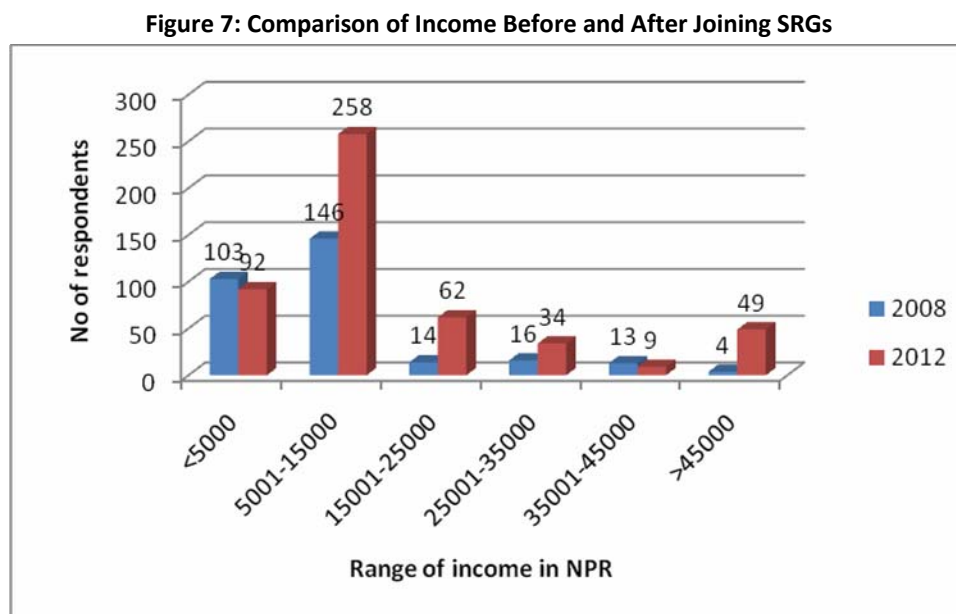


Figure 7 shows that number of families whose income range is between NPR 5,001 (\$ 57) and NPR 15,000 (\$ 170) increased from 146 families to 188 families in 2012. Number of families whose income is above NPR 45,000 (\$ 511) is increased from 4 families to 49 families in 2012. Whereas the families whose income range is less than NPR 5,000 (\$ 57) was more i.e 103 families in 2008 compared to 2012 where 92 families have income range of less than NPR 5,000 (\$ 57).

Eighty two percent of respondents said that overall their situation of livelihoods improved after joining SRGs. Only 3% of them expressed that there is no change in their livelihoods after joining SRGs. The data showed that main contributing factor for improvement of livelihoods is joining the SRG (93%) followed by receiving loans (81%). Eighty percent of households mentioned goat and pig rearing and 53% mentioned purchase of cows/buffaloes as contributing factors.

The overall data shows that incomes of the target families have increased after project interventions. The agriculture related interventions have had a positive impact on food security and increase in household income led to improved ability to purchase food, with a positive impact on food security as well.

Families moved from growing only cereals to a combination of cereals and vegetables. The project contributed to increased productivity resulting in increased value of the crops, and along with access to markets, this will led to higher incomes. Thus food security would be enhancing through:

- Increased production through better adoption of technology;
- Diversification of products, from just cereals, to a combination of cereals, pulses and vegetables;
- Better value derived through improved marketing, through new markets, and/or increased mobility to nearby markets; and
- Higher incomes deriving from a more diversified set of financial products and other services offered.

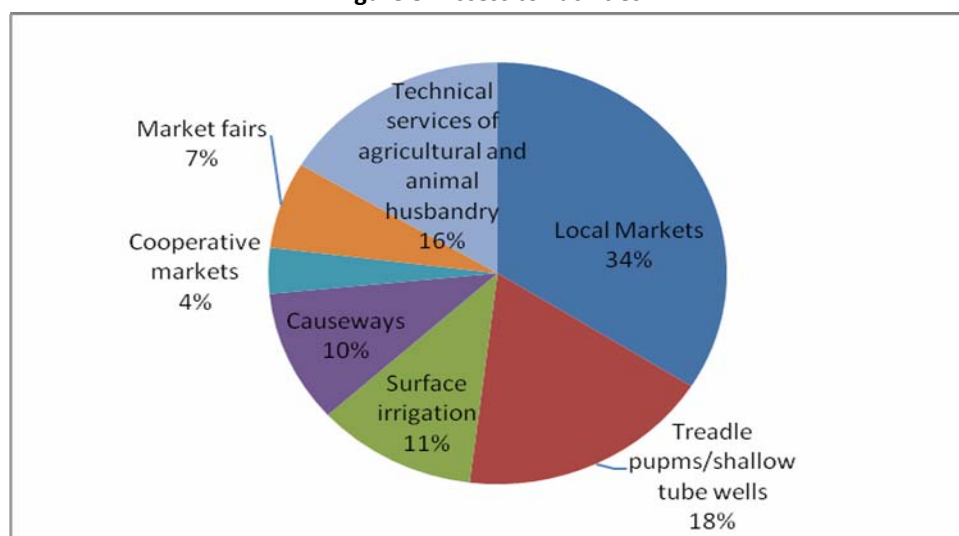
Thus the project enhanced both household incomes and food security.

### **3.5 Creating Technical Competence Along Value Chains**

An important project input was technical trainings to SRG members to increase agricultural productivity and incomes. The household survey showed that except a few all of them participated in one or another training with 92% participating in training on vegetable growing. This is followed by training on piggery and fishery at 8% and 6% respectively.

In addition to trainings, the project provided a wide range of facilities from physical infrastructure to market access. Figure 8 provides information about the types of facilities accessed by members of SRGs through the project.

**Figure 8: Access to Facilities**



The household survey shows that 34% of respondents that they have accessed local markets and 18% of respondents that they have accessed treadle pump/shallow tubewells created under project. Sixteen percent of the respondents accessed technical support of agriculture and animal husbandry. Only 4% of respondents have accessed cooperative markets developed under project, because forming marketing cooperatives is taken up in last year of the project and process of strengthening is under process. Thus increased production, enhanced marketing and higher amounts of income earned contribute to higher levels of food security compared to a time before launch of the project.

The introduction of local farmer leaders, agrovets, multiple nurseries and veterinary animal health workers, benefited SRG member's access to inputs such as seeds, fertilizers and pesticides on time within their villages. This helped to reduce cost and time on travel to buy the inputs and dependency on male members for farm and animal husbandry activities.

### ***3.6 Empowerment and Family Resilience***

The project provided several inputs in terms of rights awareness to SRG members which includes trainings on HIV/AIDS, women's rights, child rights and food security rights. The household survey showed that 77% of respondents participated in trainings on women rights and 70% in awareness on HIV/AIDS. About 25% to 30% stated they understood access to education and health are main rights of women; 23% realised that access to information is their right and only 9% understood the participation is their right. Only 4% and 3% of respondents were able to understand that property use and non discrimination are rights of women respectively. The household survey showed that 48% of respondents have membership in forest committees. Thirty nine percent of respondents have membership in school management committees and 9% of them have membership in Wada Nagrik Munch<sup>8</sup>.

Thirty seven percent of respondents responded that they understood that unprotected sex is one of the main causing factor of HIV/AIDS. Thirty four and 29% of respondents said that getting injection with used needle and infected blood transmission are two other causing factors of HIV/AIDS respectively.

These inputs helped to create awareness, demand for effective implementation of their rights, and thus empowering the FKs. In turn, this represents empowerment and resilience to external factors.

### ***3.7 Impact on Children***

The project is expected to impact positively 37,500 children, although the interventions on this livelihoods project are more social than economic. The economic indicators helped to increase incomes and assets which increased the household ability to educate children. Further, training on child rights increased awareness and influenced behaviour of parents, creating a more protective home

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<sup>8</sup> Wada Nagrik Munch is Committee set by GoN with people's representation, to participate in implementation of village development activities and promote peace and harmony among people.



environment for children. The household survey showed that before joining SRGs 58% of the family members never enrolled in schools where as after joining oonly 23% (11+12) are never enrolled in schools. It also showed that 34% of family members are currently enrolled in either schools or colleges. This was confirmed that again in the FGDs.

The household survey showed that 92% of children below 18 years are having birth certificate. In FGDS women expressed that having birth certificate is one of the rights of children which was learned in trainings on child rights.

## **4 Evaluating the Project**

Having discussed in detail the performance of the project on all its components, this section now draws together the analysis on its relevance and validity of design, efficiency, effectiveness and sustainability. It also looks at the gender dimension of the project design and implementation.

### ***4.1 Relevance and Validity of Design***

The relevance and validity of the project design is seen from the perspective of the current national development and policy context, project strategy and approach, institutional design and activities planned under the project. Obviously the analysis draws from the hindsight of project implementation.

#### **4.1.1 Relevance of Focus on FK in the changing national context**

Bonded labour was abolished in Nepal in 2001, and FKs, though free, were in dire straits as they had become jobless and home-less at the same time. A socio-economic survey conducted in 2002 showed that housing was a priority at the time, and even though many donors provided humanitarian aid at the time, work on livelihoods was slow to begin. Table 7 presents a comparison of programmes designed for bonded labourers (Shrama, Shiva and Ram K. Krsihna, 2002) in 2002 with FKLDP designed in 2008. less than 20% of donor supported programmes included an element of income generation.

**Table 7: Comparison of Programmes of other NGOs and Plan's FKLDP**

<b>Category</b>	<b>Extent of other NGOs programmes designed<sup>9</sup>, 2002, in percentage</b>	<b>Plan Nepal FKDLP design, 2008, in percentage</b>	<b>Remarks</b>
House construction	55	Nil	Not needed because by 2008 all FK are having housing facility
Participation in user groups	39	100	All 7717 women are included in SRGs
Literacy class	25	100	Business and adult literacy trainings
Skill development	18	2	Conducted less trainings programmes on off-farm skill training areas because the project more focussed in building skills in on- farm livelihood activities
Income Generating Activities	17	100	Promoted agriculture, vegetable cultivation, livestock on-farm IGAs and agrovets, grocery, cycle repairing, beautiparlour non farm IGAs
Micro credit	15	100	Micro finance as they have savings and credit components
School support	17	Nil	Planned to bring Plan's sponsorship programme later
Health related	14	100	Not general health but more focused on HIV/AIDS awareness
Agricultural extension	13	100	Developed agrovets, technical resource persons to provide agricultural extension support
Trade Union	4	Nil	Instead of trade unions promoted producers, marketing and savings and credit cooperatives
Kamaiya movement programme	13	Nil	Planned land and tenure rights movement activity but later on dropped out

The comparison shows that PLAN has supported Freed Kamaiyas for many years, to organise themselves and demand their rights, thus gaining voice, influence and agency. In the FKLDP project, started in 2008, PLAN focussed on an important need of the FK families, that of attaining sustainable livelihoods. Thus

<sup>9</sup> Source: Shrama, Shiva and Ram K. Krsihna, 2002, Socio-economic Information on Ex-Kamaiyyas of Nepal (Dang, Banke, Bardiya, Kailali and Kanchanpur).

the project has been a highly relevant one, in terms of meeting the rehabilitation needs of FK households.

#### **4.1.2 Validity of the design**

The validation of the project design is predicated upon whether it meets the needs of the intended beneficiaries at the time of initiating the project. A survey commissioned by ILO soon after the Kamaiyas were freed (Sharma, Shiva and Ram K. Krsihna, 2002), showed that 98% of the kamaiyas are from Tharu families. A district wise comparison shows that there is more food insecurity in Bardiya district compared to Dang, Banke, Kailali and Kanchanpur. The literacy rates were 45% among men and 30% among women of Kamaiya households. After liberation, 91% of Kamaiyas got access to land, with an average of 4.18 Katthas, of which 1.0 used for house construction and the rest for cultivation. Along with farming on their own land, most Kamaiya households made share-cropping arrangements with land-owners, sharing 50% of the produce with them towards land lease. The main sources of livelihoods of Kamaiyas were labour, migration, agriculture and livestock.

The project is very well designed attending to the livelihoods patterns of freed Kamaiyas families and also issues of the families, such as small land holdings, food insecurity, low literacy, no business and marketing skills etc. The project provided technical, financial and marketing related activities and access to microfinance added value to existing livelihoods activities which led to increased income and food security of the families.

#### **4.1.3 Relevance and validity of institutional arrangements and sustainability**

The most central intervention of the project is the link with financial services. Before the project was started in 2008, there were no branches of NUBL in the project area covering 28 VDCs of Bardiya district. The project invited NUBL to start four branches in four regions of the district, and offered to cover the operational costs of working in these areas. In return, NUBL promised to give loans to SRGs, in multiples of their savings, ranging from 1:10 to 1:20. NUBL has kept up this promise, and now has four branches, all of whom have broken even by December 2012. Both the SRGs and bank branches are sustainable, and are likely to last well beyond the project period.

Further, the project has trained women and men in technical services along the value chain, such as agrovets and village animal health workers. They have viable businesses now, and many are likely to sustain.

Collection centres were formed at the end of the project, mainly because some of the activities related to physical infrastructure got delayed, primarily due to shortage staff in Plan's district office. The implementation of these activities was assigned to local CBOs who had to hire technical persons to complete the tasks at hand. As the collection centres had just started at the time of the evaluation it was too early to assess their impact. For sustainability of the collection centres, it would be necessary

to build capacities of DRG members to manage various tasks related to these centres: process of collection, grading of quality of produce, price fixation, roles and responsibility of members, etc. It is unclear whether these tasks were anticipated and built into the project design, and even if envisaged, the project is short of time to complete them. The collection centres, therefore, will not receive during the project period, the capacity building inputs needed to ensure their sustainability.

## **4.2 Efficiency**

The efficiency of project management was examined from different dimensions including, the achievements vis-à-vis the targets, the overall adherence to the project timeline, and the institutional mechanism put in place for project implementation.

### **4.2.1 Overall handling of various project milestones**

The FKLDP project is a multi-layered project, with a range of interventions, described earlier as three broad pathways of change. There was an initial delay in project start up phase, which was overcome in implementation. There has been some attrition of staff in the NGO Nirdhan, leading to operational problems such as delays in payments to be made for different project activities.

Despite these and a complex set of processes involved and the multiple stakeholders to be brought on board, a significant effort was made to keep project implementation on track, through efficient use of resources, and strategic changes to align and coordinate different streams of project activities.

### **4.2.2 Targets Vs. Achievements of the Project**

In the available time and following the requisite processes, the actual achievements against the targets has been quite good, as discussed in Chapter 3. The Project effectively ensured formation of SRGs, and their access to financial resources for income generating activities. Targets for transferring livelihood skills, protecting livelihood and strengthening resilience were achieved fully or exceeded. Achievements fell short of targets, by 12 to 25% for only a few activities, including building physical community infrastructure. Feedback from various stakeholders indicated building of local resource persons helped to sustain all the livelihood activities planned in project design.

The activities related to food security and land tenure rights were dropped by the project, ostensibly because the government agreed to provide land to the FK families, and also completed the allocation for many families. According to the information given to the evaluators in early December 2012, the Project is likely to achieve the quantitative targets, and to utilize most of the available project funds.

### 4.2.3 Financial Efficiency

An examination of the allocated budget of the project to different types of activities is presented in Figure 9.

Figure 9: Budget Distribution

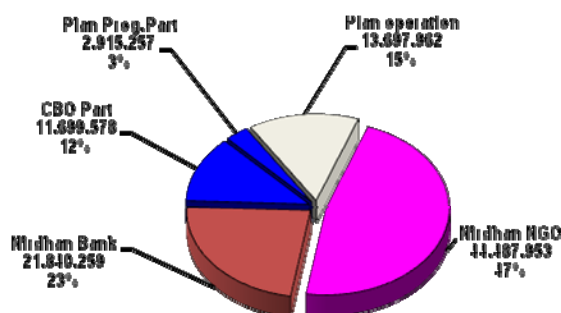


Figure 9 shows that 18% of total budget is kept by PLAN which is donor partner of the project and the remaining 83% of total budget is provided to the implementation partners; NGO and Nirdhan Bank and CBOs. The ratio of distribution of donor agency and implementation partner is 17:83 which is very efficient as much of the budget is gone to the implementation partners.

Another way of calculating financial efficiency is through calculating cost of formation and capacity building of SRGs. The total project cost is NPR 9,00,00,000 (\$ 1.022 millions) and the total members are 7,717. Cost per member is NPR 11,663 (\$ 133) including operational and direct benefits to members. Out of which on an average direct benefit has gone up to NPR 3,000 (\$ 34) per member in form of piglet, goat or machinery. Total capacity building cost of member is (NPR 11,663- NPR 3000) NPR 8,663 (\$ 98) for three years, so is estimated for one year at NPR 2,888 (\$ 33) which is efficient compared to NABARD standard of budget SHG formation in India which is Indian Rupees 3,000 (\$ 56). Thus the project has been highly efficient in terms of keeping management costs reasonable, achieving formation of community based institutions at a lower cost than SHGs in neighbouring countries e.g India.

### **4.3 Effectiveness**

The effectiveness of the project was assessed in terms of its success in performance against the indicators in the project's log frame. Re-cast in the form of a theory of change, it includes ensuring the main objectives of achieving community based savings and credit forums, effective and sustainable access to finance. The project has four immediate objectives and thirty indicators. Amongst all the indicators, the most significant achievement has been the linkage with NUBL for credit to SRGs and their members.

#### **4.3.1 Sustained Access to Financial and Technical Services**

A main impact of the project is sustained and timely access to credit. Cumulative loan during the project period is NPR 17 crores (\$ 1.93 millions). Women were able to take loans ranging from NPR 3,000 to 60,000 at 24% rate of interest with one year repayment schedule (monthly installments). About 88% of the members of SRGs availed of loans. The process to take loan includes submission of loan application to the group which is discussed during the meeting and submitted to NUBL. Within 2-3 days of submission of application women can take loan from the Bank. Four to five women go to the bank to take the loan which is issued as a cheque payment. Most women have received the amounts requested, with very few reports of loans being denied. On time availability of loans has helped women to make use of loan for livelihood activity (vegetable cultivation, animal husbandry etc.) that they had planned to do. For these types of farm activities on time loan availability helped women to do sowing and other cultivation practices on time helps to get good produce at the time of harvest.

As part of building community institutions, the project developed several local resources to sustain technical services created by the project in community. These are leader farmers, agricultural resource persons, and veterinary animal health workers, private multiple nurseries, agrovets, marketing cooperatives, linkages between producers and whole sale dealers and weekly markets.

#### **4.3.2. Improved Incomes and Food Security**

The project identified existing livelihoods in local area and added value through providing technical and financial and marketing services which helped women to start on-farm or off farm livelihood activities. On-farm activities include on-farm activities: agriculture, vegetable cultivation, piggery, goat rearing, cows, buffaloes, fishery, and poultry and off farm activities: grocer, agrovets, cycle repairing, meat shops, tailoring shops. Most of women have taken combination of a least three of these livelihood activities which helped them to increase income, food security, assets and improved health and decreased uncertainty.

Multiple livelihoods such as agriculture, animal husbandry to increase food security and women who are involved in off- farm activities were able to increase their family income, which in turn achieved food security through purchase of food items.

The household survey brought detailed information on use of income, as shown in Figure 10.

**Figure 10: Income Utilization Pattern**

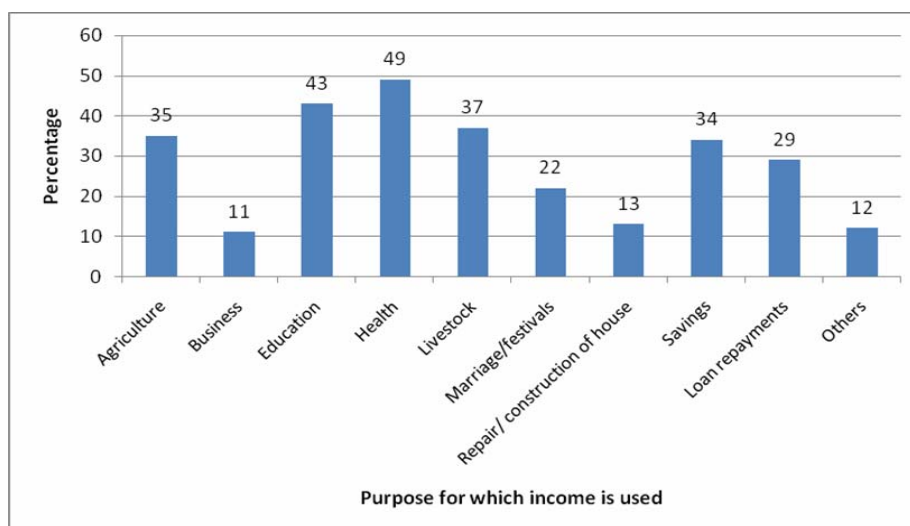


Figure 10 shows that nearly half of the respondents said that they have used income to meet expenses of health, and 43% of respondents used income for education. Other important usages are livestock (37%) agriculture (35%), savings (34%), loan repayments (29%) and marriage/festivals (22%) in descending order.

The household survey showed that 36% of the families' income is managed by female and in 28% families it is managed by male members. In 34% of the families the income is managed by both women. Thus women have gained participation or control of finance in 70% of the respondent households.

#### **4.3.3 Effectiveness in Achieving Resilience**

The project inputs on rights based trainings such as women rights, child rights and awareness on HIV/AIDS helped to create a conducive environment for empowerment of women, at home and community. This increased confidence to negotiate within and outside homes to exercise their rights.

#### **4.4 Sustainability**

The FKLDP model is definitely replicable and scalable to reach a wide range of excluded and marginalised families. Its sustainability arises from creation of strong community based organisations and sustainable financial linkages, with sustainable capacities created for technical assistance in the field of agriculture and animal husbandry.

In any project modality, sustainability is suspect because of non-continuance of the people and the structure that functions as catalyst. The critical questions that arise about sustainability, in the current project, are about the sustainability of the local forums created, of the linkages, the technical services to be provided by the resource persons trained, and finally, the sustainability of the outcomes leading to a long term impact on the families of the Freed Kamaiyas. As stated earlier, the NUBL offices in the project area have attained viability thereby long term financial linkages of SRGs are assured.

#### **4.5 Design and Implementation Drawbacks**

The project does have a few drawbacks. The first is a microfinance model that is skewed in favour of the supplier of microfinance. Even though the SRG model is fairer than the Grameen Bank model, women still find the interest too high, and would still like to have greater access to own savings, and eventually build own cooperatives so that they can be free of external debt. The practice of making the borrowers pay for the full insurance cost (of the life as well as loan insurance) is unfair in that the latter cost should be paid by the bank and not by the borrower. PLAN as the promoting agency for both the community groups and the microfinance linkages needs to question these hidden costs of composite products. Another aspect of financial linkages supported by the project is the lack of competition that is created. Although there are other MFIs like UNIC and Grameen Banks, PLAN has fostered linkages with only NUBL. Encouraging others would have promoted competition and SRGs would have choices of financial services providers.

The second drawback relates to inclusion of only 10% of local dalits and other extreme poor. This resulted in exclusion of people who are similarly socially or economically disadvantaged, and some who are even poorer than FKs, as they do not have land allocations by the government. In a project strictly targeting former bonded labour, it may have been operationally difficult to provide for other categories of poor. However, given more effective and inclusive targeting techniques, a future project could be more inclusive.

The project does not include unmarried girls in SRGs. This derives from a gendered view that has been institutionalised in Asian development projects. An unmarried girl is likely to get married and leave the village, therefore any project investment in unmarried women, such as inclusion in community based groups, leadership training, or other community based support, is viewed as a waste of project resources. The FKLDP project has followed this gendered view, and therefore missed out including many young women in SRGs, though some have been given technical trainings.



The project did have a vocational training element, which was based on people's own choice of vocation, and once a person took training with his/her own resources, the project provided for equipments and other costs to set up the business. While this is a good strategy for ensuring demand based training, and eliminates wastage of resources, it prevents an overall strategy being made. The project would have benefited from an interim analysis of the types of trainings people take, and the benefits it has, so as to guide the strategy for the remaining duration of the programme.

The project made little efforts in improving off- farm based livelihoods activities through providing vocational trainings to only few members. The promoted off-farm activities like grocery and agrovets will become saturated by starting one in each village where there are only 50 to 100 households, due to which only 2-3 women benefited. The project could have done market feasibility study in near by towns and identified market demand areas for providing vocational trainings. These types of inputs might have provided more options for women to start market oriented business along local (village) based businesses. Along with members of SRGs, the project could have considered conducting vocational trainings for men to increase skills and build human capital. These skills would help to increase income levels in migration within or outside country as skilled labor get much higher wages than unskilled labour.

The project adopted agriculture and livestock based livelihoods strategy, planning for capacity creation across the value chain in agriculture. Similar planning for livestock sector, however was lacking. Like multiple nurseries the project could have promoted breeding centers started by women so that they would have had breeding centers with a few women and regular supplies for other women engaged in goats, pig and poultry rearing. Anticipating the increased demand for animal rearing, the project would have been benefited from planning business across animal husbandry value chain.

Finally, the component of land tenure rights was deleted from the set of programme activities. As the government has been issuing land to FK families, an activity which has been continuing till 2011, the project team viewed the training on land tenure rights as un-necessary. There is, however, another dimension to land tenure: as the government-allotted lands are very small, up to 10 kathas, most FK families cultivate leased land. On these lands, where the owners are mostly absentee landlords, the cultivating families share half of the produce. There is a need to analyse the net earnings from agriculture on leased lands, to assess the extent to which labour and input costs are recovered. This type of analysis could have served as the base for discussions about the proportion in which land/labour returns are currently shared.

## **5 Conclusions and Recommendations**

This chapter reiterates the major conclusions of the evaluation, and outlines the recommendations; for PLAN Nepal and the key stakeholders who will carry forward the agenda for identification and rehabilitation of bonded labour families beyond the project period, and design new projects in this field of work.

### **5.1 Conclusions**

The FKLDP project aims to improve the livelihoods of Freed Kamaiyas in Bardiya district, and help them to attain higher household incomes, food security, and improved resilience through rights awareness and empowerment. The cornerstone of the project is formation of Self Reliant Groups (SRGs) whereby women come together to save and take credit for income generation. The project has provided access to loans by inviting NUBL to build capacities of the groups to do financial intermediation, and then providing them with savings and loan services. As part of the project, 311 SRGs have been formed, covering 7700 FK families. The NUBL has opened four branches in the project area of 28 VDCs in Bardiya, and these branches have provided loans of over NPR 17 crores (\$.1.93 millions) to the SRGs. The SHGs themselves have saved an amount of NPR 13 crores. (\$.147 millions) of which most is kept with NUBL and some is rotated by the groups as loans for a variety of IGA or social purposes.

At the individual level, women have been empowered through more knowledge, awareness, literacy, business and other skills, improved mobility and community and political participation. At the household level, enterprises have been diversified, most families report three or four types of IGAs. At the community level, made physical infrastructures related assets such as causeways, culverts improved mobility of adults to markets and children to schools and have access to markets to sell produce from agriculture, animal husbandry and buy inputs for agriculture and animal husbandry within villages which reduces cost of production. Some of the SRGs have made a common asset i.e community hall where they conduct group meetings

In terms of the three larger objectives families have increased their household incomes, and by increasing farm production and diversifying production base, also improved their food security. Increased understanding of causes of HIV/AIDS has led to increased attention to investigation and prevention and the confidence to demand collaboration from their partners. Other rights awareness trainings, about women and child rights, have also led to increased awareness and more conscious care of children, increased birth registration and school education of children. These in turn, have helped families to build resilience.

The Project design would have been more comprehensive if it had included a few additional components such as promoting livestock breeding centres. The financial linkages component focused on one service provider, inclusion of some others would have promoted competition. While the SRG model

is more client friendly compared to the Grameen model, it can be made fairer and more transparent with PLAN's oversight.

Finally, the exclusion of un-married young women from SRGs is evidence of society prevalent gender discrimination that gets institutes into development projects.

Barring these few aberrations, FKLDP project has achieved all its stated objectives has been effective in improving livelihoods of 7700 FK households and has delivered sustainable services and benefits to them.

## **5.2 Recommendations**

Several recommendations arise from the FKLDP experience which is useful for any project designed for freed bonded labourers, or a larger group of extreme poor households.

In a next phase of work, PLAN could change the project design to be more inclusive and effective, in the following ways:

### **1. Improve targeting through extend coverage to two groups:**

- In the same region of work, reach out to those who are as marginalised and poor as Freed Kamaiyas. These are even more excluded, having received no mainstream attention, and do not have access to the benefits that FKs do (wood, cash, land). PLAN currently allows 10% beneficiaries from among non-Kamaiyas. This proportion could be increased to at least 25%. Further, taking a lesson from programmes designed for the extreme poor, there could be clear poverty criteria which include people equally or more poor than FK households.
- Another suggestion for future work with bonded labourers is to work with Haliyas, Haruwas, and Charuwas. PLAN has a long track record of building organisations of Kamaiyas, that helped them gain voice and demand rehabilitation support from the government. Similar support to Haruwas, Charuwas and Haliyas will help them by empowering them to demand both release and rehabilitation. PLAN's engagement with livelihoods support to these communities will enable them to overcome poverty and bondage.

### **2. Improve the Microfinance Model**

The project can encourage savings to be divided consciously into two parts: one to be deposited in the bank which will help them to avail higher bank loans; and another to be retained at the group level, which will help women to take loans to meet household consumption expenses for which the bank does not provide credit. Further, NUBL should increase returns on savings, say from 6 to 10%,

which would then cover the hidden time costs and risks of women traveling, depositing money in banks, maintaining group accounts etc.

In addition, in the next phase iteration, PLAN could retain flexibility about the Microfinance (MF) partner, which can be based on bidding, to evaluate the best technical and financial option from the point of view of clients. It will build in an element of competition among the MFIs, who will offer competitive rates on savings and loans, and therefore get the maximum advantage to the community.

### **3. Capacity Building of Cooperatives and local CBOs**

There is a need to build capacities in understanding the concept of 2<sup>nd</sup> level institutions such as marketing, producer, and savings & credit cooperatives, their management and roles and responsibilities of the members of these cooperatives. There is a need to make business plans of these cooperatives to identify their viability and sustainability in future.

In-order to improve the impact of the collection centres and marketing cooperatives there is a need to initiate the concept of collective selling at the SRG level and then collection centres and marketing cooperatives. Members need to understand the dynamics in running group businesses i.e. collective selling. Building cooperatives needs at least two to three years.

In a second phase, the project could also include vocational trainings and gender trainings for men. There is need to build capacities of local CBOs so that the CBOs can deliver the higher quality of outputs and outcomes in the implementation of the project and helps to attain sustainability of activities and its impacts at grass roots level.

Finally, while the project has achieved overall success, it is not yet complete. Many SRGs are doing well, but many still need support and monitoring to strengthen them. While SRGs are sustainable, economic activities need to be supported for longer. The SRGs could be brought together as cooperatives, and credit cooperatives would then aggregate the financial services to enable women to bargain better with NUBL, and also to increase women's own savings. Cooperatives could also be formed for economic operations, similar to the vegetable marketing cooperatives. These will enable women to coordinate purchase of production inputs and marketing, and therefore derive benefits of collectivization. There is need to build business strategies at SRG level and combine SRGs and the same second level institutions such as savings and credit cooperatives which could lead to replace the role of NUBL over period of time, or at least equalize power relations.

The project is highly replicable and offers several good practices that can be used to design projects for improving the livelihoods of particularly disadvantaged and extreme poor households and communities.