Federal Democratic Republic of Nepal

Area: 147,181 km²
Population: 29.3 million, of which 81% live in rural areas (2017)
Population in agriculture: 72% of labour force
GDP growth: 5.9% (estimated in 2017-18)
Human dev index: 0.574% (2017)
Child malnutrition prevalence: 36% in 2016 (stunting 0-5 years) (down from 49.2% in 2006)

Sources: IFAD, World Bank

IFAD operations (since 1979)

- Total number of IFAD-funded projects: 17
- Number of ongoing projects: 4
- Total portfolio cost: US$ 681.3 million
- Lent by IFAD: US$ 284 million

Areas covered by projects

- Leasehold forestry
- Community infrastructure
- Community savings and credit
- Climate change adaptation
- Livestock
- High-value crops

Evaluation coverage

- Time frame: 7 years
- Projects evaluated: 8 (of which 4 ongoing)
- Total financing: US$206.7 million
Key findings

**RELEVANCE**
Improved farmers’ access to markets. Value chain linkages supported for cash crops, seeds and to some extent milk.

Increase in productivity of high-value products and inclusive commercialization of agriculture e.g. in hill and mountain areas, 83% of beneficiaries reported increase in productivity.

**EFFECTIVENESS**
Delays caused by complex project design, which required adaptation during implementation, and by external shocks (e.g. 2015 earthquake).

**EFFICIENCY**
Positive impact on household income and net assets with significant increases for groups raising livestock, producing seed and high-value products.

**IMPACT ON RURAL POVERTY**

**GENDER EQUALITY AND WOMEN’S ENPOWERMENT**
High participation of women in projects – between 44% and 80% - raised women’s status at the household community level and in rural institutions.

**NATURAL RESOURCE MANAGEMENT**
Leasehold forestry helped restore degraded forest areas into healthy forest, producing fodder, firewood and timber and non-timber products.

A study shows an increase in literacy from 49% in 2006 to 86% in 2013.

High value products:
- Spices
- Off-season vegetables
- Fruits
- Cereal
- Dairy products

Key recommendations

1. Support federalization as an integral part of the preparation of the new country strategic opportunities programme and project designs.

2. Continue the support to value chain development with renewed emphasis on inclusiveness.

3. Bring back into the spectrum of IFAD funding the support to community development, basic infrastructure and services.

4. Strengthen partnerships for specialized technical support and for cofinancing.