

## Prepared for:



**Oxfam Nepal Country Office**  
**Jawalkhel, Lalitpur, Nepal**  
P.O. Box 3888  
Kathmandu, Nepal  
Tel: +977 1 527685/536075  
Fax: +977 1 523197

## **FINAL DRAFT REPORT**

# **EVALUATION OF SUSTAINABLE LIVELIHOODS SUPPORT FOR EARTHQUAKE AFFECTED FAMILIES IN NEPAL BY OXFAM NEPAL COUNTRY OFFICE**

**By**  
**Centre for Empowerment and Development**  
**Nakhu Jail Road, Saibhu-8**  
**Lalitpur, Nepal**

**P. O. Box 10475, Kathmandu, Nepal**



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Center for Empowerment and Development (CED) Nepal takes this opportunity to appreciate the hard work of untiring efforts for generating awareness and policy lobby for Fair Trade Promotion and livelihood improvement of producers through different interventions of projects of Oxfam through FTGN.

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Study Team  
July 2019

## EXECUTIVE SUMMARY

This is the final evaluation report of the “Sustainable Livelihoods Support for Earthquake (EQ) Affected Families (SLSEAF)” project implemented by Oxfam Nepal Country Office in partnership with Fair Trade Group Nepal (FTGN) in five EQ affected districts namely Sindhupalchowk, Nuwakot, Bhaktapur, Lalitpur and Kathmandu between 1<sup>st</sup> January 2016 and June 30, 2019. The project seeks to improve livelihoods and economic opportunities for 4,500 EQ affected men and women engaged in producing 10 selected products<sup>1</sup>.

The report adopted blend of both qualitative and quantitative research methods and used information gathered both from primary<sup>2</sup> and secondary sources<sup>3</sup>. Field survey was done in all five districts.

Findings of the study revealed that being the capacity building of producers as main component of project, producers have got chances to increase their capacity to run their business participating in different capacity building events. About 10% producers got training/orientation on GESI, 43% producers got opportunity to participate in A2F related activities and improved their business by taking loan from financial institutions. In addition, 40% producers have increased their skills on production through products related skill training. 76% producers have increased access to productive assets like tools and equipment, 11% producers got business management skill such as Start and Improve Your Business (SIYB), business plan preparation, business counselling and so on and running their business successfully. Only 10% members have got GESI (with couple/pair participants) training package.

There are evidences that project support has been transformed into income generation among the beneficiaries. About 80% of 5,008 beneficiaries (84% women) reported increased income through their enterprise/business by more than 20%. Average monthly income of the producers has been increased and was NPR 15,127.00 at the time of evaluation which is 5 times more as compared to baseline value. This increment is as the result of the project support on capacity building of producers and establishment of linkage with markets (Fair Trade Member Organizations and local markets) and financial institutions. There is strong linkage between market and the producers which will ensure the sustainable income of the producers. Though sales turn-over of targeted FTGN MOs did not expanded as envisaged due to decrease in demand for the handicrafts products in international market and low pace of expansion of domestic market, over 65% of the 4,500 targeted beneficiaries established linkages with FTGN. Over 80% products were bought by FTGN-MOs. Fair trade principles and practices are gradually being practiced in private and public sector actors; number of MOs increased by four and about 60% producers group increased knowledge on fair trade principles and practices. Ultimate impact of the project is evident with 55% of the target women and men producers reporting increased confidence and skills to use FTGN network for marketing of their products resulting to increase in income and 60.7% women producers reporting control over the use of increased income.

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<sup>1</sup> Ginger processing, lapsi (Nepali hog plum) processing, lokta paper (Nepali handmade paper), leather processing, tailoring, weaving, knitting, felt, ceramic and wood carving

<sup>2</sup> Primary sources include information gathered through Households (HHs) survey with 308 new and existing producers using survey solution on Computer Assisted Personnel Interview (CAPI), key informant interview (KII) with 27 Member Organizations (MO), representatives of selected local government (LG), stakeholders, and Focus Group Discussion (FGD) with beneficiaries from all project components and producers.

<sup>3</sup> Secondary sources include Post Disaster Need Assessment (PDNA) report, project documents, baseline study report, mid-line study report, project progress report, etc.

Almost these functions are done by MOs and local traders. Udhamsala as Business Development Service Centre (BDSC) has initiated and doing some fundamental preparation works to link with Trade and Export Promotion Centre (TEPC).

Product trading and pricing was done by MOs and traders and involvement of the producers themselves for trading and price fixation was either low or none. Utilization of some project supported technologies and equipment were seasonal and low. For example, due to seasonality in nature of production and availability of raw materials, lapsi and zinger based enterprises are operated for 3-4 months of the year and tools remains un-used for 8-9 months of the year. FTGN has yet to devise strategies for inter products linkages (cross enterprise utilization) of supported technologies and equipment.

FTGN has sound advocacy strategy but this strategy has not been fully implemented to influence fair trade policy within government system. This is mainly due to low in-house capacity and limited experiences of FTGN with different actors within fair trade ecosystem including government and meso level actors.

Field survey revealed that labour crisis and drop out are the major problems in Fair Trade (FT) because of labour intensive, low paid and over time works. Further, main responsibilities of unpaid works go to female members of the HHs.

Some Local Government have incorporated FT program such as Koseli Ghar, and support to trainings in their plan. Different campaigns such as TV talk show, FM, national workshop; printed media advocacy was completed for policy advocacy. Responsibilities of the unpaid works for female members of the HH were decreased due to availability of the home-based employment opportunities from this initiative and male members were gradually contributing more on unpaid household work as compared to baseline value.

Thus, the project made commendable progress, overcoming several delays and impediments in the early years to the stage where over 100% of household targets were reached, gender balance has favoured involvement of women (84%) and fairly inclusive with involvement of Dalit 4% Janajaties 74% and 22% others. Most of the project activities were implemented mobilising significant contributions from beneficiaries. Financial disbursement rate was over 95%. Notwithstanding complexity and diverse activities, the project team and implementing partner (FTGN) is expedited implementation within the challenging environment.

This is one of the successfully implemented projects on post-earthquake recovery. It has implemented over 95% of the planned activities, fully achieved 10 outputs, three outcomes and one goal indicators. Remaining 8 outputs, two outcomes and one goal indicators is partially achieved. The project is highly instrumental to restore the livelihood of EQ affected project beneficiaries. The project was found to be relevant, effective, efficient, and have impact on employment creation and income generation. Income and decision making process has been improved, producers capacity has been improved, producers has restored the damaged of EQ, producers and MOs business capacity has been augmented, fair-trade outlets/market expanded and BDSC started. However, continuity and sustainability of the foundation for market-led local economic development created by the project is doubtful owing to low capacity utilization of project supported equipment and tools, declining trend on turnover of MOs, and inadequate effort to advocacy and lobbying of FT principles and practices.

On the basis of the study findings, this report has made general recommendations on (i) managing development results, (ii) institutionalizing public audit system, (iii) access to finance and (iv) insurance, and following project specific recommendations for Oxfam Nepal Country Office and FTGN to consider in future.

- Enhance the capacity of producers to involve in the process of pricing of the products by increasing skills on negotiation, bargaining and marketing.
- Undertake market survey on regular interval with clear strategy and concrete action plan.
- Develop the business capacity of producers and MOs to explore alternative markets within Nepal (domestic), south Asia and so on.
- Develop functional and operable mechanism to monitor the production and market behaviors of producers and MOs and update periodically.
- Institute mechanism to promote inter-products linkage among the products to address the issue of seasonality on use of some of project supported technologies and equipment such as ginger and lapsi processing.<sup>4</sup>. So, increase the complementarities among products-stakeholders, wherever is feasible for synergy impact enhance the capacity utilization rate of these technologies and equipment.
- Explore the possibility to increase capacity utilization rate<sup>5</sup> of the technologies supported by the project. One of the options could be support to prepare proper business plan of the provided equipment and technology to maximize their capacity.
- Develop protocol of participatory action research (PAR) in some issues like environment (Leather dipping tank, drainage of industry wastages, pulper) and sustainable harvesting (Lokta, Dhasingare) for their continuity and sustainability.
- Support FTGN to expedite the implementation of the advocacy plan to promote FT principles and practices among relevant stakeholders through proper mobilization of its advocacy sub-committee.
- Under-take (i) orientation on Labor Act 2074 B.S. and (ii) Labour Audit in FTGN-MOs to increase solidarity and social harmony.
- Disseminate the findings of the evaluation on unpaid care work in massive scale and increase events of GESI training package. Such dissemination should address the issues of unpaid care work.

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<sup>4</sup> Apart GoN has enacted the guidelines for public offices to use domestic products 2071 B.S. Likewise, Industrial Policy 2067 BS has provisioned OSSC which looks like Udhamsala.

<sup>5</sup> For example lapsi and zinger products use only 3-4 months and remaining time tools remain un-used.

## ACRONYMS AND ABBREVIATION

A2F	Access to Finance
A2M	Access to Market
ACP	Association of Craft Producers
AUD	Australian Dollar
B2B	Business to Business
B2P	Business to Producer
BDSC	Business Development Service Center
CAPI	Computer Assisted Personnel Interview
CC	Climate Change
CED	Center for Empowerment and Development
CSIDO	Cottage and Small Industry Development Office
EQ	Earth Quake
FECOFUN	Federation of Community Forestry Users Nepal
FGD	Focused Group Discussion
FNCCI	Federation of Nepalese Chambers of Commerce and Industry
FT	Fair Trade
FTGN	Fair Trade Group Nepal
GESI	Gender Equity and Social Inclusion
GoN	Government of Nepal
HH	household
HQ	Head Quarter
i.e.	That is
ID	Institutional Development
IN	Indigenous Nationalities
INGO	International Non-Governmental Office
KII	Key Informants Interview
LG	Local Government
MO	Member Organization
OD	Organizational Development
OECD	Organization for Economic Contribution and Development
OSSC	One Stop Service Center
OWF	Organic World and Fair Future
P2P	Producers to Producers
PAR	Participatory Action Research
PWD	Person with Disability
RM	Rural Municipality
TEPC	Trade and Export Promotion Center
TL	Team Leader
UN	United Nations

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## **1. INTRODUCTION**

### **1.1. Oxfam Nepal**

Oxfam has been supporting the people of Nepal for more than 30 years with the vision to create a just society without poverty; a society in which all women and men live a life of dignity, enjoy their rights and assume their responsibilities as active citizens of Nepal.

Through its Sustainable Development Program, Earthquake (EQ) Response Program and Media, Advocacy and Campaign, Oxfam in Nepal aim to provide people with livelihood opportunities, ensuring that development-related activities are demand-driven and sustainable and that the most vulnerable are empowered to claim their rights.

Over the years, under the sustainable development program, Oxfam has worked in partnership with local civil society organizations and the government authorities and engage advance rural livelihoods, and vulnerable communities' resilience to climatic shocks and disasters. It has also engaged significantly to empower community people, especially women, to negotiate with people in power, influence decision making processes, claim rights and essential services to which they are entitled, demand accountability on the part of duty bearers and engage larger masses in advocacy efforts. Since the series of devastating earthquakes and aftershocks occurred in Nepal in 2015, Oxfam under humanitarian program worked in Gorkha, Dhading, Nuwakot, Sindhupalchowk, and Kathmandu Valley to deliver emergency relief and help the EQ-affected families to restore their livelihood.

### **1.2. Sustainable Livelihoods Support for Earthquake Affected Families Project in Nepal**

The EQ of 25<sup>th</sup> April 2015 and its aftershocks had killed 8,790 people, and injured around 22,300 people. The detail survey conducted by National Reconstruction Authority (NRA) in 31 EQ affected district shows that almost 800,000 personal houses were either damaged or destroyed. Several governmental and nongovernmental agencies and individuals such as donors, UN, INGOs, NGOs, private sectors responded to the victims for post-EQ recovery and livelihood restoration.

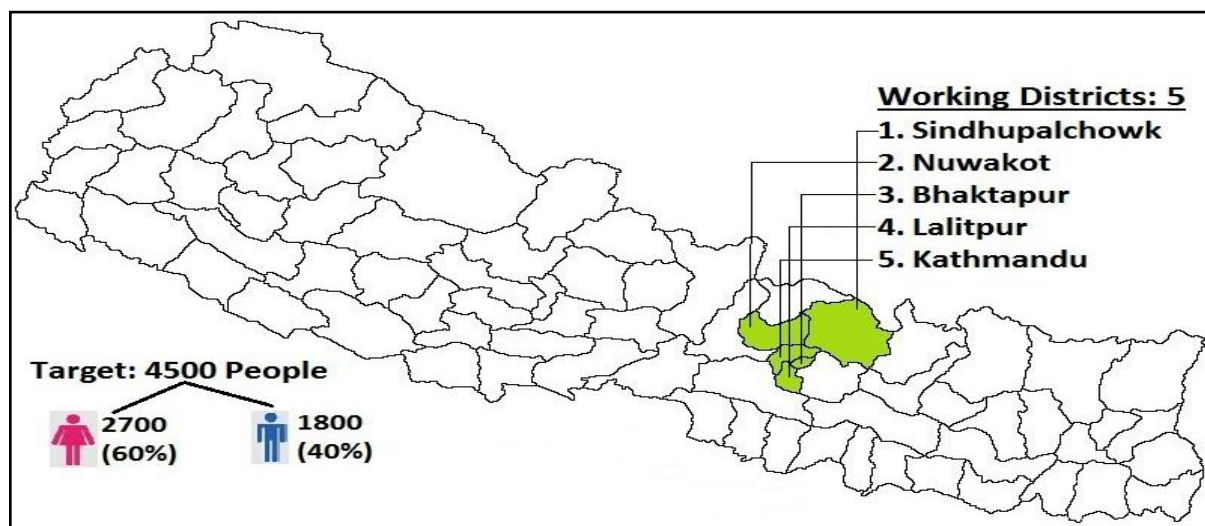
The EQ has significant impacts on lives and livelihoods of smallholder farmers, producers and artisans. Small producers and artisans have lost their homes, equipment, tools, raw materials and their livelihood options. All these affected the entire supply chain of Fair Trade Group Nepal's Members Organizations (FTGN-MOs). They faced damages and lost businesses. That had resulted delays in deliveries and cancellation of orders causing short term revenue declines and losing long term business opportunities to MOs.

With the technical and financial support from Oxfam Australia, Oxfam Intermon and Oxfam Solidarite, Oxfam Nepal designed and implemented Sustainable Livelihoods Support for EQ Affected Families (SLSEAF) Project in Nepal in partnership with Fair Trade group Nepal (FTG Nepal) in above mentioned five EQ affected districts between 1<sup>st</sup> January 2016 and 30<sup>th</sup> June 2019. The project seeks to improve livelihoods and economic opportunities for 4,500 EQ affected men and women producers in these districts.

As a part of this project, Oxfam and FTGN initiated need assessment of these districts. The assessment provided that some of the products had significant impact and competitiveness in national and international markets. These products had remarkable prospect to grow which

could in turn help to create employment and generate incomes of EQ affected families from project districts.

Figure 1: Map of Nepal Showing Project Districts



The project is creating base for sustainable production, income and employment for EQ affected families, with special attention paid to women and marginalized segment of social strata. Further, value chain/sub-sector analysis of selected products/commodities conducted under the project identified key opportunities and constraints in various layers of the value chain.

In five EQ affected districts, there were death of 6,433 (2,785 male and 3,647 female) people, 15,721 were injured, 272,119 privately owned houses fully damaged and 79,200 partially damaged (See Table 1).

Table 1: Effect of EQ in Project Districts

S.N.	District	Death			Injured	Private House Damaged	
		Male	Female	Total		Fully	Partially
1	Sindhupalchowk	1,507	2,063	3,570	1,569	89,884	2,751
2	Nuwakot	461	651	1,112	1,050	79,354	4,200
3	Bhaktapur	118	215	333	2,101	28,508	9,054
4	Lalitpur	75	110	1,85	3,051	29,056	8,064
5	Kathmandu	624	608	1,233	7,950	45,317	55,131
	Total	2,785	3,647	6,433	15,721	272,119	79,200

Source: <http://drrportal.gov.np/ndrrip/main.html?id=0> accessed on 30 July 2016.

### 1.2.1. Project Goal, Expected Outcomes and Results

Based on the background of the EQ damaged, Oxfam designed the project and its goal was to improve the livelihoods and economic opportunities for EQ affected women and men. The summary of project outcomes and outputs are presented in Table 2 and 3.

**Table 2: Outcomes of the Project**

Outcome 1	EQ affected 4,500 men and women producers are able to generate sustainable income.
Outcome 2	Improved market access of EQ affected men and women producers and FTGN member organizations.
Outcome 3	Fair trade principles and practices are practiced in private and public sector actors.

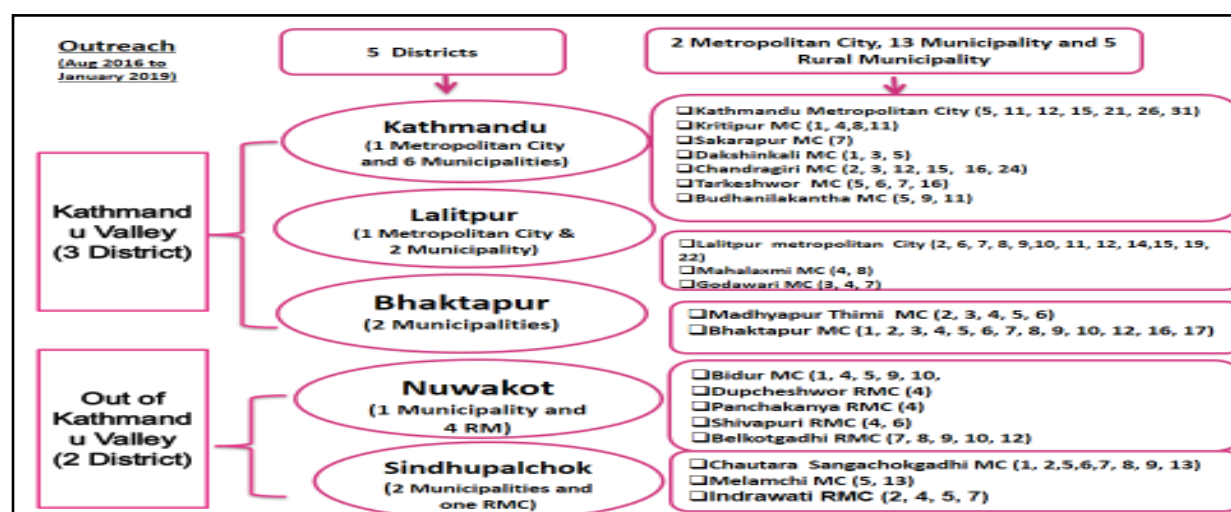
**Table 3: Outputs of the Project**

Output 1.1	Increased capacity of EQ affected existing producers to revive their business
Output 1.2	Increased capacity of EQ affected new producers to generate income
Output 2.1	Enhanced business capacity of FTGN and producer groups
Output 2.2	Establish Fair Trade Business Development Service Center
Output 2.3	Establish FT outlet and develop linkage of Fair Trade Outlet to the product.
Output 3.1	Enhance advocacy skills of FTGN member organization and producer's group
Output 3.2	Fair trade principles and practices are promoted in private and public sector actors.

**1.2.2. Project Coverage and Beneficiaries**

Period of the project is for 3 years and 5 months, starting from 1st January 2016 to 30th June 2019. It has covered 5 most affected districts by EQ where 2 metropolitan city, 13 municipality and 5 rural municipality has been taken as project areas.

**Figure 2: Project Coverage**



**Table 4: LG-wise Project Coverage**

LU/District	Kathmandu	Lalitpur	Bhaktapur	Nuwakot	Sindhupalchok	Total
Metro	1	1	0	0	0	2
Municipality	6	2	2	1	2	13
RM	0	0	0	4	1	5
Wards	28	17	18	14	14	91

Though the project was targeted to reach 4,500 producers but it reached to 5008 producers. The primary (direct) beneficiaries of the project are producers whereas produces groups, MOs, sales outlets, FTGN, BDSC are the secondary beneficiaries.

**Table 5: Producers Supported by the Project**

District	Total producers	Sex		PWD	Producer	
		Male	Female		Existing	New
Bhaktapur	517	79	438	0	410	107
Kathmandu	1,806	385	1,421	120	1,447	359
Lalitpur	1,465	57	1,408	6	1,122	343
Nuwakot	557	153	404	1	20	537
Sindhupalchowk	663	105	558	9	224	439
Total	5,008	779	4,229	136	3,223	1,785

### 1.3. Objectives

This evaluation was focused at analyzing systemic actual project results and its underlying working mechanisms against proposed outcomes and theory of Change. The specific objectives of this assignment were:

- Establish the relevance i.e. extent to which the objectives were consistent with beneficiaries' needs and priorities
- Document the effectiveness i.e. extent to which the targeted project objectives and outcome were achieved (or are expected to be achieved) with consideration of the how they are achieved. What was project's contribution to changes or impact? What impact (positive or negative) that has been achieved.
- Assess the sustainability i.e. extent to which the benefits are likely to continue after the project (sustainability of the output/outcome created by the project and the partnership with Oxfam, local partner and local body)
- Provide recommendations i.e. identify and generate lessons learned from the implementation of the project's activities and the outcomes achieved that will be useful for similar projects in the future for the same sector.
- Develop specific recommendations for Oxfam Nepal Office, implementing partners and stakeholders, based on learning, with consideration for how/what is specific to this geography or cultural context that might need to be amended for wide scale applicability of the model.

### 1.4. Limitations

Following were the limitations of this study.

**Database of the producers:** Selection of the sample size is based on the database maintained and provided by project team of Oxfam and FTGN. Database has maintained in simple form of excel. Some of the minor correction on selecting sample size needed because of missing, duplicating and adding of respondents which slightly delayed the field tasks of the study though managed smartly in coordination with partners.

**Agricultural season:** We all know that early monsoon was started at the time of evaluation. So, this is the main agricultural season to make nursery and planting the paddy. Survey has found that producers have this occupation as second main occupation. So, plan of field survey needed to manipulate and manage accordingly.

**Time of responses:** Main occupation of the Valley respondents is trade related tasks. Wasting of hours of time makes them great impact. So, time availability of the Producers in the case of Kathmandu Valley as we planned was not sufficient.

**Time for local level planning:** Study period was the time for local level planning and endorsement of the plans at ward and Municipality levels. Different such meetings had been organised with people who were our respondents too, hampered the plan to visit LG representative.

## 2. APPROACHES AND METHODOLOGY

Participatory research tool has been adopted for undertaking this assignment. This study was done in consultation with Oxfam Nepal Office and other stakeholders.

### 2.1. Evaluation Approach

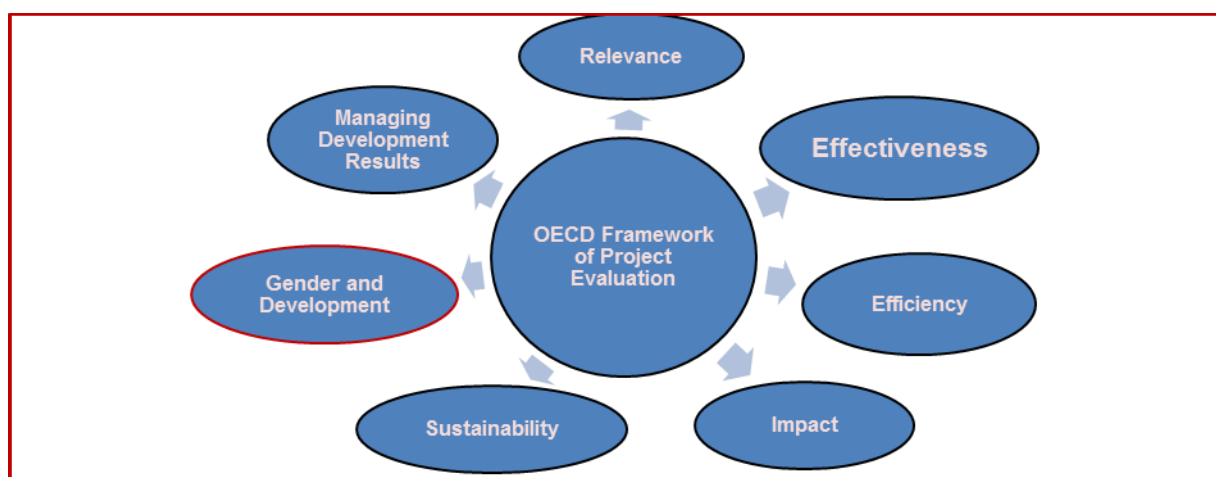
Appropriate methodology was designed demonstrating all key evaluation components i.e. context, impact, effectiveness, efficiency, relevancy, sustainability and lesson learnt. The methodology was finalized in consultation with Oxfam Nepal Office and FTGN.

The evaluation was the blended of both qualitative and quantitative methods for data collection and review the secondary data sources including project related documents. Survey Solution on Computer Assisted Personnel Interview (CAPI) was applied for the survey. Household survey (HHS) with producers (both new and existing) as primary beneficiaries and key informant interview (KII) with project partners, FTGN Member Organizations (MOs), representatives of selected local government (LG), stakeholders, and focus group discussion (FGD) with beneficiaries from all project components was carried out.

Experienced field researchers were mobilised for primary data collection. Probability Proportionate Sampling (PPS) method was used to determine sampling frame, sample size and respondents which was finalised in close consultation with Oxfam Nepal Office and FTGN professional team<sup>6</sup>.

Organization for Economic Cooperation and Development (OECD) framework for project evaluation was adopted in this study for project evaluation. All the questionnaires' and checklist for primary data collection revolved around this framework. The analytical process followed was almost identical to methodology followed in baseline study to compare the accurate changes before and after the intervention of the project.

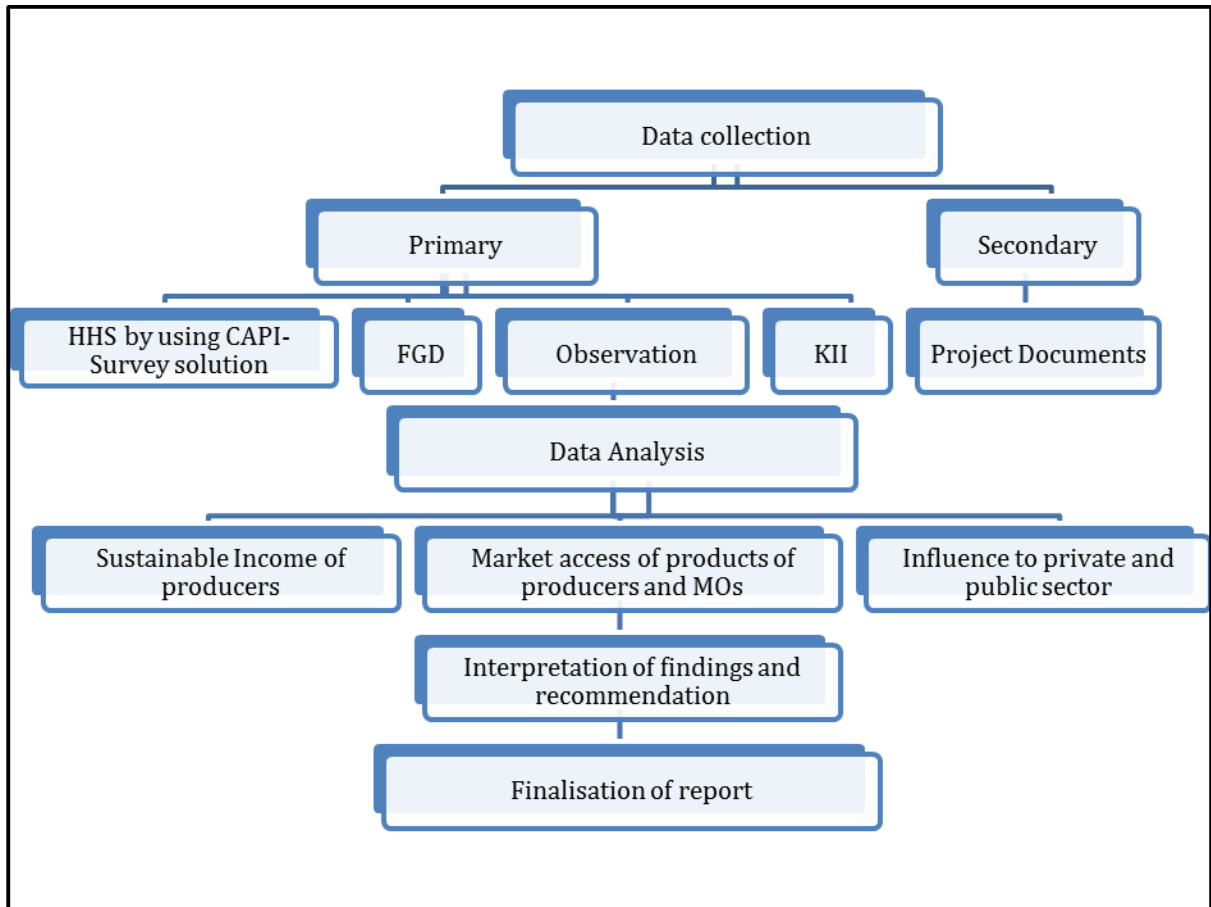
Figure 3: OECD Framework for Project Evaluation



The evaluation framework used in this study is depicted in figure 4.

<sup>6</sup> Some of the respondents rejected for interview and some were not traced as per given list. So, such respondents were replaced not affecting overall sample size in consultation and as given by Oxfam and FTGN.

Figure 4: Evaluation Framework



## 2.2 Methodology

The methodologies followed in this evaluation were as outlined hereunder.

### 2.2.1 Secondary data collection

Secondary information used were obtained through a review of project proposal, baseline survey, mid-term evaluation report, Quarterly Annual and Periodic Reports, Project Activity Implementation Guidelines, Video Documentary and Case Studies/Success Stories.

### 2.2.2 Primary Data Collection

HH survey, FGD, KII and case studies are the technique used for primary data collection. Survey Solution/CAPI tool was applied for primary data collection to assess and capture the accuracy of the data in consultation with Oxfam. An experienced system developer handled CAPI and trained the field researchers.

### Sampling Methodology and Sample Size

The sample size was determined for HH survey, which depends on a compromise between margin of error and resources available for undertaking the assessment. An attempt was made



to draw a manageable sample size to be completed within assigned time. For this, the statistical assumptions made include: 5% margin of errors at the 93% confidence interval. The formula used to estimate the sample size were;

$$\text{Sample Size} = \frac{\frac{z^2 \times p(1-p)}{e^2}}{1 + \left(\frac{z^2 \times p(1-p)}{e^2 N}\right)}$$

N = population size • e = Margin of error (percentage in decimal form) • z = z-score

Population Size=5005      Margin of Error=5%,      Confidence level=93%

Sample Size=308

### **Data Collection Tools**

HHs survey, FGD, KII, Case study, one to one discussion, and observation were used for primary data collection.

**Household Survey:** This is the main tool used to capture quantitative part of the evaluation. Five field researchers trained on CAPI were mobilized for HH survey and their work was closely supervised by research experts, IT expert, and Oxfam and FTGN professionals.

**Focus Group Discussion:** Information on qualitative achievements of the project were collected through FGD carried out with producers and MO members. Product based FGDs were carried out in the project districts ensuring representation of the all the project components and beneficiaries.

**Key Informants' Interview:** Two types of KII were planned for this study i.e. Individual level and institutional level to gather information on stakeholders' perception and understanding on project intervention.

**Case Study:** Selected case studies were prepared to understand the process of changes in livelihood (income and employment) of target people. Considering time and resource, both old and new case studies are presented in the report.

### **2.2.3 Field Researchers, Training and Data Collection**

In order to enhance the capacity of the field researchers, an orientation event was organized in consultation with Oxfam Nepal and partners.

The field survey was completed on time. Project and partner's staffs of SLSEAF facilitated to mobilise field researchers and informed producers for data collection during field activities. Progress of the study was periodically updated to Oxfam's project coordinator and project officer and settled the issues on bilateral understanding.

## 2.2.4 Description of Products and Producers

A total of 308 samples were surveyed and these samples are in-house (28%), home based producers (42%) and new producers (31%). These sample represents all the five project districts.

Table 6: District-wise Sample Size Distribution

District Name	In-house Producer	Home-based Producer	New producer	Total	% of Total
Sindhupalchowk	6	13	22	41	13
Kathmandu	64	40	15	119	39
Bhaktapur	1	26	1	28	9
Lalitpur	14	50	22	86	28
Nuwakot			34	34	11
Total	85	129	94	308	100
% of Total	28	42	31	100	32

Sample represents all 10 trades namely lapsi, leather, lokta paper, ginger, weaving (traditional dhaka), ceramic, wood carving, tailoring, felt and hand knitwear representing from above mentioned five project districts.

Table 7: District wise surveyed sample size with Trades

Product Type	District						Total	% of total
	Sindhupalchowk	Kathmandu	Bhaktapur	Lalitpur	Nuwakot			
Lapsi	25			11		36	12	
Leather	7					7	2	
Lokta paper		35				35	11	
Ginger					19	19	6	
Weaving: Traditional Dhaka	2	1		11		14	5	
Ceramic			6			6	2	
Wood Carving				4		4	1	
Tailoring	4	16		10	4	34	11	
Felt		28		3		31	10	
Hand knitwear	3	39	22	47	11	122	40	
Total	41	119	28	86	34	308	100	
% of total	13	39	9	28	11	100		

Sample for the study were selected to ensure that it is fairly representative of the project supported beneficiaries. Of the total sample, 14% were men and 86% were women. Similarly, of the total sample, 5% were Dalits, 67% Janajaties and 29% others. The sample also include people with disability (PWD).

**Table 8: Details of respondents in Gender, Ethnicity and PWD**

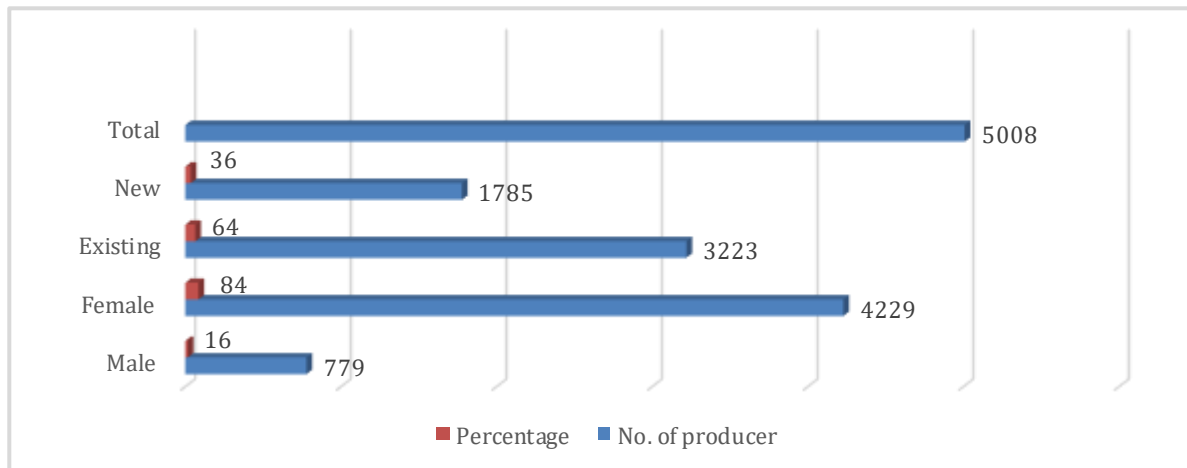
Producers Type	Gender				PWD			
	Men	Women	Total	% of Total	Men	Women	Total	% of Total
Existing producers								
Dalit	0	6	6	3	0	1	1	33
Indigenous	14	146	160	75	0	0	0	0
Others	7	41	48	22	1	1	2	67
<b>Total</b>	<b>21</b>	<b>193</b>	<b>214</b>	<b>100</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>100</b>
<b>% of Total</b>	<b>10</b>	<b>90</b>	<b>100</b>		<b>33</b>	<b>67</b>	<b>100</b>	
New producers								
Dalit	6	3	9	10	0	0	0	0
Indigenous	6	39	45	48	0	1	1	25
Others	10	30	40	43	1	2	3	75
<b>Total</b>	<b>22</b>	<b>72</b>	<b>94</b>	<b>100</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>100</b>
<b>% of Total</b>	<b>23</b>	<b>77</b>	<b>100</b>		<b>25</b>	<b>75</b>	<b>100</b>	
Total Sample								
Dalit	6	9	15	5	0	1	1	14
Indigenous	20	185	205	67	0	1	1	14
Others	17	71	88	29	2	3	5	71
<b>Total</b>	<b>43</b>	<b>265</b>	<b>308</b>	<b>100</b>	<b>2</b>	<b>5</b>	<b>7</b>	<b>100</b>
<b>% of Total</b>	<b>14</b>	<b>86</b>	<b>100</b>		<b>29</b>	<b>71</b>	<b>100</b>	

### 3. REVIEW OF THE PROJECT PERFORMANCES

#### 3.1 Project Outreach

Against the target to cover 4,500 beneficiaries, the project has been able to bring 5,008 people under its ambit. Of the total participants, 1,785 (36%) were new and 3,223 (64%) were existing beneficiaries. Across gender, 84% (4,229) were female and 16% (799) were male.

Figure 5: Total Beneficiaries of the Project



#### 3.2 Major Interventions

Project activities, outputs, outcomes and impact are logically linked. These activities were designed to increase producers' income and employment and its affiliated MOs by promoting Fair Trade products, practices and principles. Project interventions are grouped into three as under.

- Support EQ affected men and women producers to generate sustainable income
- Improve market access of EQ affected men and women producers and FTGN member organizations
- Promote fair trade principles and practices among private and public sector actors

A discussion on achievement of the project under above three aspects follows hereunder.

##### 3.2.1 Support EQ affected men and women producers to generate sustainable income

Project support has been targeted to increase the capacity of the EQ affected (i) existing producers to revive their income, and (ii) new producers to generate income.

##### Support to Existing Producers:

The project supported 3,223 existing producers through (i) group formation and strengthening; (ii) product based skill development training, (iii) provision of equipment and tools, and (iv) matching support to pay rent for working space and product outlets. Project's achievements to support existing producers are provided in Table 9.

Table 9: Outreach of the project among the existing producers

S.N.	Type of support	Unit	Total	Gender		Ethnicity			People with Disability		
				Women	Men	Dalits	Janajaties	Others	Total	Women	Men
1	Group formation and strengthening	No	3,223	2,794	429	52	2,590	581	102	68	34
2	Products based skill development training	No	1,049	1,011	38	16	812	221	56	40	16
3	Equipment and tools	No	2,780	411	2,369	48	2,256	476	100	67	33
4	Renting of working space and product outlets	No	5	5	-	-	4	1	-	-	-
1	Group formation and strengthening	%	100	87	13	2	80	18	3	2	1
2	Products based skill development training	%	33	31	1	0	25	7	2	1	0
3	Equipment and tools	%	86	13	74	1	70	15	3	2	1
4	Renting of working space and product outlets	%	0	0	-	-	0	0	-	-	-

Source: Project Progress Report

### Support to New Producers:

The project supported 1,785 producers on (i) group formation and strengthening, (ii) start and improve your business training, (iii) provision of equipment and tools, (iv) skill development training, (v) interaction with banks and financial institutions and (vi) exposure visit for knowledge sharing. Table 10 provides project achievements to support new producers.

Table 10: Outreach of the project among the new producers

S.N.	Type of support	Unit	Total	Gender		Ethnicity			People with Disability		
				Women	Men	Dalits	Janajaties	Others	Total	Women	Men
1	Group formation and strengthening	No	1,785	1,435	350	137	1,117	531	37	20	17
2	SIYB training	No	488	417	71	34	312	142	5	4	1
3	Equipment and tools support	No	1,027	775	252	65	608	354	23	13	10
4	Skill development training	No	977	867	110	80	654	243	17	7	10
5	Interaction with Banks and Financial Institutions	No	216	198	18	3	181	32	2	1	1
6	Exposure visit for knowledge sharing	No	31	19	12	5	7	19	-	-	-
1	Group formation and strengthening	%	100	80	20	8	63	30	2	1	1
2	SIYB training	%	27	23	4	2	17	8	0	0	0
3	Equipment and tools support	%	58	43	14	4	34	20	1	1	1
4	Skill development training	%	55	49	6	4	37	14	1	0	1
5	Interaction with Banks and Financial Institutions	%	12	11	1	0	10	2	0	0	0
6	Exposure visit for knowledge sharing	%	2	1	1	0	0	1	-	-	-

Source: Project Progress Report

### Other supports:

Project provided supports to EQ affected producers to upgrade their skill on (i) technical aspects, (ii) book keeping and accounting and, (iii) marketing, etc. These supports were geared to improve their skill to expand business and market products and services. Table 11 summarizes progress to support producers on proper business management.

Table 11: Outreach of the project's other support

S.N.	Type of support	Unit	Total	Gender		Ethnicity			People with Disability		
				Women	Men	Dalits	Janajaties	Others	Total	Women	Men
1	Refresher/advance skill training	No	187	174	13	1	153	33	7	4	3
2	Account keeping training	No	71	46	25	3	57	11	1	-	1
3	Advance marketing training (FTGN-MOs and Producers)	No	80	59	21	2	56	22	0	0	0
1	Refresher/advance skill training	%	4	3	0	0	3	1	0	0	0
2	Account keeping training	%	1	1	0	0	1	0	0	-	0
3	Advance marketing training	%	1.6	1	0	0	1	0	-	-	-

Source: Project Progress Report

Close scrutiny and analysis of outreach of the project support to EQ affected men and women producers to generate sustainable income reveals that it is highly gender balanced, and inclusive. As far as possible, the project supports were inclined among people with disability (PWD).

### 3.2.2 Improve market access of EQ affected men and women producers and FTGN member organizations

Under this, the project support cantered among enhancing business capacity of (i) producers' groups, and (ii) FTGN MOs and establish fair trade business development service centre and market outlet.

#### Support to EQ affected producers

The project supported EQ affected producers to establish market linkages with FTG MOs and/or local market, linkages with cooperatives, and organized interaction event with banks and financial institutions (BFIs) as presented in Table 12.

Table 12: Support to Promote Market Access to the Beneficiaries

S.N.	Type of support	Unit	Total	Gender		Ethnicity			People with Disability		
				Women	Men	Dalits	Janajaties	Others	Total	Women	Men
1	Linkages with FTGN MOs	No	4,618	3,909	709	138	3,439	1,041	122	80	42
2	Linkages with cooperatives	No	683	433	250	79	385	219	28	11	17
3	Interaction program with BFIs	No	1,884	1,489	395	96	1,220	568	76	33	43
1	Linkages with FTGN MOs	%	92	78	14	3	69	21	2	2	1
2	Linkages with	%	14	9	5	2	8	4	1	0	0

S.N.	Type of support	Unit	Total	Gender		Ethnicity			People with Disability		
				Women	Men	Dalits	Janajaties	Others	Total	Women	Men
	cooperatives										
3	Interaction program with BFIs	%	38	30	8	2	24	11	2	1	1

Source: Project Progress Report

In addition, the project supported producer's group to develop business plan and during the project period, business plan of all 10 selected products were prepared.

### Support to FTGN MOs

The project conducted advance marketing training where 40 FTGN members (53% women and 65% Janajaties) in order to enhance their marketing capacity. Six contingency plans were prepared which was followed by simulation exercises as an effort to emergency preparedness and response planning. They organized six trade-fairs and participated on it actively. Eleven events of business to business (B2B) meeting were organized and participated by FTGN MOs. These supports were geared towards assisting FTGN MOs to improve their market access.

### Establishment of Business Development Service Centre

The project completed the interaction meeting with stakeholders on concept of business development service centre (BDSC) and prepared its business plan. It was established as a FTGN's extended arm. In order to augment promotion and marketing, brochures and leaflets were printed, packages were developed and formal launching was done.

### Establishment of FT market outlet and development of FT outlet to the product

The project completed interaction meeting with FTGN members and stakeholders, and supported for (i) its establishment and operation and (ii) promotion and marketing. During the project period, it supported to link 10 products namely ceramic, knitting, ginger, leather, lapsi, felt, tailoring, weaving, lokta and wood carving with FT outlet. There has been marginal (4%) increase on sales revenue of FT outlet.

### 3.2.3 Promote fair trade principles and practices among private and public sector actors

The project support to promote fair trade principles and practices among private and public sector actors revolved around enhancing advocacy skills of FTGN member organization and producer's groups and promote fair trade principles and practices in public and private sector actors.

### Enhancing advocacy skills of FTGN member organization and producer's groups

In order to enhance advocacy skills of FTGN MOs and producer's group, project supported for events such as World FT day Celebration, Asia fair trade summit, National Symposium, launching of fair trade charter, and launching of radio and TV talk program. The project assisted to organize meeting of FTGN with UNDP, National Planning Commission, Ministry of Culture, Tourism and Civil Aviation and Local Municipalities. Further Oxfam provided direct support to FTGN/Project staff/FTGN MOs through activities such as Gendered Enterprise and Markets (GEM) / Integrated Market System Development Program, Rapid Care Analysis, Child Safeguarding and Disability Inclusion, Training on Advocacy Strategy Development, Training on GESI and Gender Analysis, Orientation on Monitoring, Evaluation, Accountability and Learning framework, Training on SIYB, Training on Fraud and Anti-corruption, Develop GESI Strategy of FTGN, Develop Child Protection Policy of

FTGN, Training on Emergency Preparedness and contingency plan preparation, Emergency Simulation Exercise and First aid training and simulation program.

**Promote fair trade principles and practices in public and private sector actors**

In order to promote FT principles and practices in public and private sector actors, through project support media coverage on fair trade events, issues and policies increased. Two FM programmes, two TV talk shows, one success stories booklet and one documentary were undertaken. Further, to produce policy recommendation documents, policy gap analysis done, advocacy strategy paper developed and a hand book drafted.

Refer Annex II for details on project interventions.

**3.3 Financial Status**

Total revised planned budget for the project is AUD 1,072,835 only and total expenditure at the time of evaluation is 96% of planned budget i.e. AUD 1,033,466. Analysis of the allocation of the budget reveals that 83% of the budget was allocated for program and 17% of the total budget was for meeting administrative cost.

Figure 6: Overall Status of the Project Budget ('000 AUD)

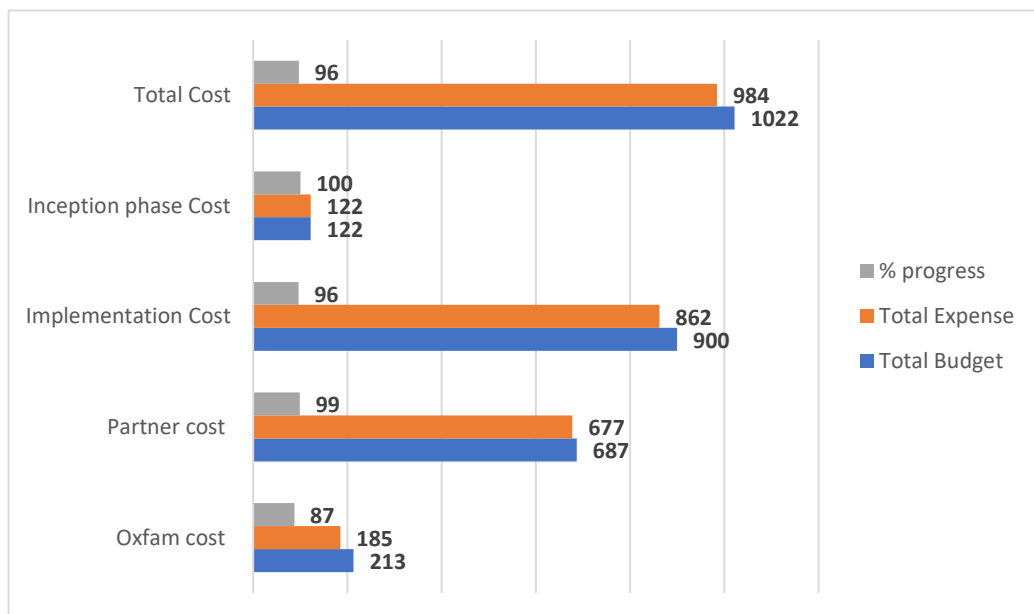
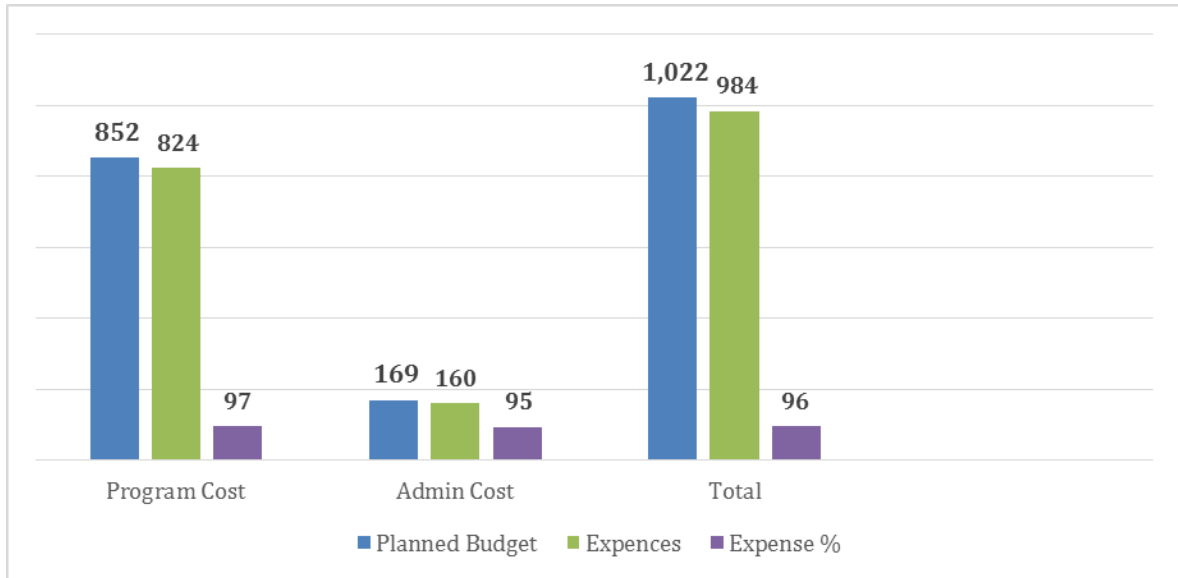


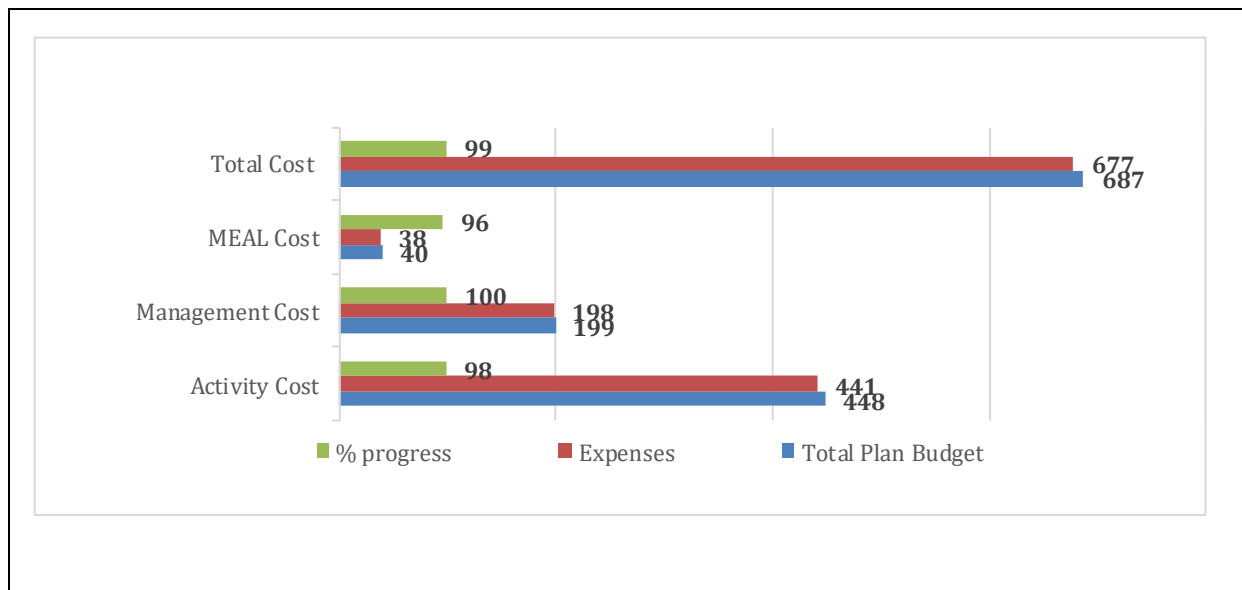
Figure 7: Planned Vs Actual Expenditure of the Project ('000 AUD)





**FTGN Budget:** FTGN is the implementing partner of the project. Project activities were implemented directly by FTGN in collaboration with MOs'. Total budget allocated for FTGN was AUD 687,000.00; 65% for direct activity interventions to producers, 6% for M&E and 29% for management cost. FTGN spend about 99% of allocated budget. Sector wise planned versus expenditure is shown in Figure 8.

Figure 8: Planned versus Expensed Budget of Partner ('000 AUD)



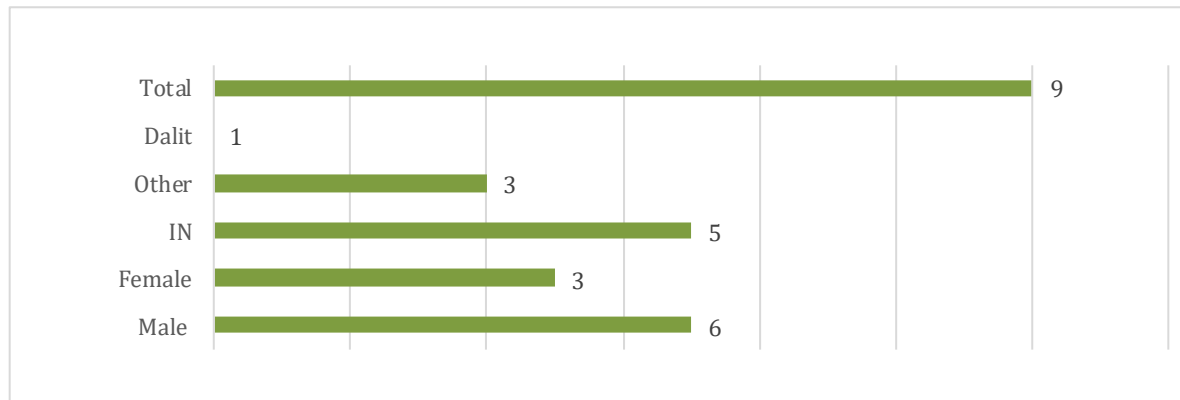
### 3.4 Human Resources

There were 9 members team of human resources (two professionals from Oxfam and seven members from FTGN) to implement the project.

Retention and inclusion of the staffs is another important part of the project to deliver the activities and achieve the expected outputs of the project. Frequency of the turnover of the staff was high as the staff got better opportunity. There have been three team leaders within

three years and there were frequent realignment of staff roles. The high staff turnover were partly also due to low capacity to work under challenging setting and lack of work culture to work under private sector management. Staff composition was also gender represented as well as socially inclusive (Figure 9).

**Figure 9: Structure of Project Staffs**



Considering the number of activities to be implemented, dispersed working areas and outcomes target, number of human resources mobilized in the project was lower. This was further aggravated due to high staff turn-over.

## 4. RESULTS AND DISCUSSIONS

As discussed already, this evaluation is based on the information gathered through secondary sources and primary information collected through household survey, FGD, KII, observation and case studies. This section presents the major findings of the evaluation.

### 4.1. Characteristics of the respondents

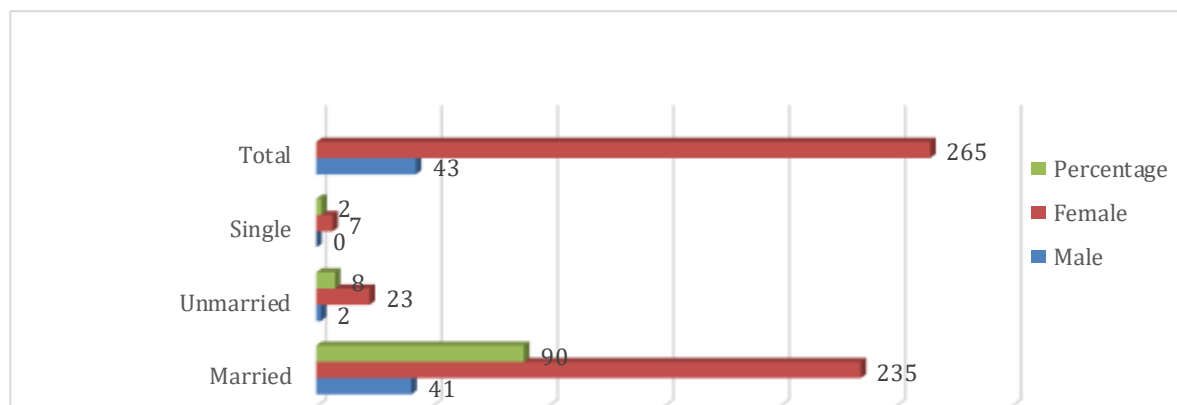
In this study, 308 (214 existing and 94 new) producers from all five project districts were surveyed. In what follows, major characteristics of these respondents are summarized.

**Education status:** 96% of the respondents have less than bachelor level education. Ten percentage of the respondents are illiterate where as 70% are having with secondary level education (up to grade X). 17 % have higher secondary and only 4% of the respondents have bachelor and master level education.

**Social strata:** A total of 306 respondents have owned citizenship card and 7 respondents with disabilities out of 308. Interestingly, 84% of the respondents have their own house. Age point of view, they range from 15 to 60 years only. 181 respondents represent the age range from 16-30 years where as female respondents are only 161.

**Marital status:** 90% of the respondents were married while 8% were unmarried (8%) and 2% were single.

Figure 10: Marital Status of respondent of the study



**Main occupation:** Occupations of the respondents include agriculture, job/wage, business / enterprise, salaried/regular wages (Govt. /Pvt.), and foreign employment. There were nominal cases of not engaged into income generation or gainful employment. Survey findings indicated that salary / regular wages in the trade (project supported 10 trades) were the main occupation followed by agriculture.

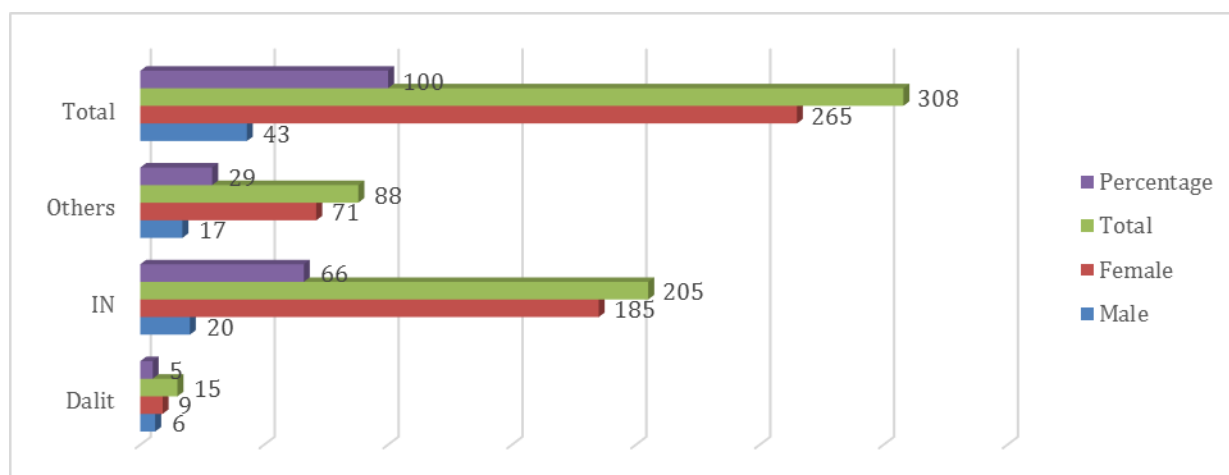
Table 13: Main Occupation of the respondents

Main Occupation	Male	Female	Overall	In percentage
Agriculture	17	56	73	23.70%
Job/wage	5	81	86	27.92%
Business/enterprise	9	38	47	15.26%
Salaried / regular wages (Govt. /Pvt.)	12	81	93	30.19%

Main Occupation	Male	Female	Overall	In percentage
Foreign Employment		8	8	2.60%
Not engaged into income generation		1	1	0.32%
<b>Total</b>	<b>43</b>	<b>265</b>	<b>308</b>	<b>100.00%</b>

**Ethnicity:** Below presented chart has clearly described the detail of respondents in terms of ethnicity and gender.

Figure 11: Ethnicity of the Respondents



## 4.2. Project Results

### 4.2.1 Achievement of Project Outputs

The project had seven outputs. The project implemented over 95% planned activities. The project design was quite scientific, relevant and effective in the sense that there were clear-cut linkages of project activities to project outputs.

Table 14: Status of Achievement of Project Outputs

Output No	Output description	Indicators	Baseline	Target	Achievement	Remarks
1.1	Increased capacity of EQ affected existing producers to revive their business	# of existing beneficiaries covered	0	2,000	3,223	Achieved.
		% of beneficiaries (60% women) report increased access to productive assets	9.0%	50%	139%	Achieved.
		% of beneficiaries (60% women) report increased knowledge and skill on business management	2.2%	60%	31.1%	No achieved.
		% of beneficiaries (60% women) report increased knowledge and skill on production	11.6%	60%	52.5%	No achieved.
1.2	Increase capacity of EQ affected new producers to generate income	# of existing beneficiaries covered	0	2,500	1,785	Not achieved
		% of beneficiaries (60% women) report increased access to productive assets	4.4%	60%	41%	Not achieved
		% of beneficiaries (60% women) report increased knowledge and skill on business management	0.6%	60%	37%	Not achieved
		% of beneficiaries (60% women) report increased knowledge and	5.3%	60%	39%	Not achieved

Output No	Output description	Indicators	Baseline	Target	Achievement	Remarks
		skill on production				
2.1	Enhanced business capacity of FTGN and producers' groups	% of targeted FTGN members increased buyers	44.0%	50%	41%	Not achieved
		Increased number of producers have buyers	37%	80%	103%	Achieved
2.2	Establish FT Business Development Service Centre	# of product business service provided by BDSC to the producers	0	10	21	
		# of FTGN MO, producer group and other clients have received business development services	0	0	21+50	Achieved
2.3	Establish FT market outlet and develop linkage of FT outlet to the products	# of project supported products linked to FT outlet	0	10	10	Achieved
		Increased sales revenue of FT outlet (NRs.)	3.69 million	3.82 million	4.0% increase	Achieved
3.1	Enhance advocacy skills of FTGN MO and producer's group	% of member representatives from FTGN MO report increased advocacy skills of FT promotion	0	80%	85%	Achieved
		% of producer groups report increased advocacy skills on FT promotion	0	60%	83%	Achieved
3.2	FT principles and practices promoted in public and private sector actors	# of media coverage on FT events, issues and policies	0	3	6	Achieved
		# of policy recommendation documents produced	0	1	0	Not achieved

Source: Field Validation Survey June 2019

Out of the 18 output indicators under 7 outputs, 10 are achieved and 8 are partially achieved. The project is behind the target to increase the capacity of EQ affected existing producers and far behind to serve the new producers to generate income.

#### 4.2.2 Achievement of Project Outcomes

The project had three outcomes. As analyzed in previous section, project had achieved 10 out of 18 output indicators. The project design was quite scientific, relevant and effective in the sense that there were clear linkages of project outputs to outcome.

Table 15: Status of Achievement of Project Outcomes

Outcome	Outcome description	Indicators	Baseline	Target	Achievement	Remarks
1	EQ affected men and women producers able to generate sustainable income	% of 4,500 target beneficiaries (60% women) report increase income through their enterprise / business by at least 20% (NRs)	3,193	80%	473%	Achieved
2	Improved market access of EQ affected men and women producers and FTGN MOs.	% increase in sales turnover of targeted FTGN MOs (NRs.)	NRs. 56.9 million	NRs. 62.6 million	NRs. 55.8 million	Not achieved
		% of target beneficiaries linked with FTGN and other buyers	36.8%	60%	103%	Achieved

3	FT principles and practices are practiced in private and public sector actors	At least 2 new members increased in FTGN	23	25	27	Achieved
		% producers group increased knowledge on FT principles and practices	7%	80%	60%	Not achieved

Source: Field Validation Survey June 2019

Out of the five outcomes indicators under three outcomes, three are achieved and two are partially. The project is behind the target to increase the capacity of FTGN MOs and promotion of FT principles and practices.

### 4.2.3 Achievement of Project Goal

The project was designed with clear goal to be achieved. As analyzed in previous section, project had achieved three out of five outcome indicators. The project design was quite scientific, relevant and effective in the sense that there were clear linkages of project outcomes and goal.

Table 16: Status of Achievement of Project Outcomes

Goal	Goal description	Indicators	Baseline	Target	Achievement	Remarks
1	EQ affected men and women producers able to generate sustainable income	% of target women and men producers reported increased confidence and skills to increase income through marketing of their production	4.3%	60%	55%	Not achieved
		% of target women producers report control over the use of increased income	43.0%	60%	60.7%	Achieved

Source: Field Validation Survey June 2019

Out of the two goal indicators under one goal, one is achieved and one is not achieved. The project is behind the target to increase the confidence and skills of men and women producers through marketing of their production.

**Refer Annex 3** for the in-depth assessment on different dimensions of outputs, outcomes and impact of the project.

## 4.3. Performance Evaluation

The overall performance of the project has been evaluated within OECD framework for project evaluation covering aspects such as relevance, effectiveness, efficiency, impact, sustainability, gender and development and managing development results. The assessment has been done within the project's result chains such as inputs, process, outputs, outcomes, and impacts (goal).

### 4.3.1. Relevance

The relevance refers the extent to which a development intervention conforms to the needs and priorities of target groups and the policies of Oxfam Nepal. Within this frame, relevance of this project was assessed from the perspective of the extent to which the project captured the needs and demands of the target group, policies of the Government of Nepal (GON), replication of project interventions, stakeholders' understanding of technologies, and assumptions and project design and approaches.

The project was the urgent need of the target group as the entire target groups were affected by EQ and in need to restore their livelihood in immediate, short and medium term. The project worked with one national partner that is mandated to uplift the livelihood of the marginalized and poor people whose urgent need was livelihood upliftment through marketing linkages of business/enterprises. Further, the project created the foundation of sustainable market linkages of the target people served by the project and mechanism to provide continuity options for capacity development of existing and potential producers, and marketing linkages for products produced in-house and/or home based enterprises. BDSC and FT market outlet has developed basis for continued linkages of the project beneficiaries for the marketing of their products.

**Table 17: Assessment of the Relevance of the Project**

S.N.	Key Indicators	Ratings	Explanation
1	Ability of the project to meet the needs of community as identified in the baseline, and project design	High	The project was an urgent need of the target group as the target groups affected by EQ. The project worked with poor and marginal people whose urgent need was restoring the livelihood.
2	Involvement of the community in project design and decision-making	Medium	Local communities were involved in different dimensions of the project design and decision-making.
3	Alignment of the project design with implementing partners' priorities and capacities	High	The project was highly aligned with priorities and capacities of the implementing partners, and policies of the GON as outlined in PDNA.

Source: Study Team's Assessment, June 2019

The project was implemented among the poor and disadvantaged, as well as PWD. Though the target of the project has been over met, there are still a notable number of the people who were yet excluded from this type and service delivery and capacity development. This demands increase on scale of operation of the project.

The project has addressed many of the problems of the target group by addressing their affordable and practical income and employment need. All the interventions of the project were targeted among the defined target groups. BDSC and FT outlets are developed that is expected to provide continuity to various interventions started under the project.

Assumptions and project design including working approaches, strategies, and models were relevant and occurred during project implementation. The implementation approach included strategies for BDSC and FT outlets development, market linkages, employment generation, promotion of FT principles and practices etc. occurs according to project design, including working approaches, and strategies. The strategies include features of inclusive development. The project has provided special attention on ensuring representation of all diverse groups in intervention; extend technologies to those areas less exposed to improved technologies, and skill training.

#### **4.3.2. Effectiveness**

Effectiveness refers to the extent to which a development intervention has achieved its objectives, taking their relative importance into account. In consistent with this definition,

effectiveness has been assessed through an assessment of changes in community and their consistency with project goal, objectives and outputs; other agencies working in the community; and achievement of the expected results.

Increase confidence and skills of women and men producers to boost income through marketing of their production and promote the control of women producers to use their increased income were two major changes of the project, which were consistent with goal to contribute on achieving national priority of government on supporting EQ affected communities as outlined in PDNA. The project activities are linked to project outputs; project outputs are linked to project outcomes, and project outcomes to project goal, implying that project interventions are consistent with project outputs, objectives and goals.

**Table 18: Assessment of the Effectiveness of the Project**

S.N.	Key Indicators	Ratings	Explanation
1	Project achieve expected results (goals, objectives and outcomes) outlined in the project document	Medium	FTGN and Oxfam implemented almost all the planned activities, which has contributed on achieving expected outputs, and outcome. Project impact in terms of increasing confidence and skills of women and men producers to boost income through marketing of their production and promote the control of women producers to use their increased income yet to be clearly visible.
2	Implementing partners developed their capacity through project activities	High	Partnership to implement different project activities has enhanced the (a) capacity of FTGN to increase new membership in FTGN and (b) increasing knowledge on FT principles and practices among producers groups.
3	Achievements of project target groups through improvement of living condition and income	Moderate	The project supported to increase production and productivity of existing and new producers through (i) social mobilization, (ii) product based skill development training, (iii) equipments and tools support, (iv) SIYB training, (v) interaction with BFIs, and (vi) exposure visit for knowledge sharing. These interventions were instrumental to increase income of these groups. Continuity and sustainability of these interventions among these target groups is doubtful.
4	Value-ability of partnership with partners for the envisioned project outcomes	Medium	The project has collaborated with FTGN for the outcomes as envisioned by the project. The partnership (formal and informal) with FTGN was highly valuable, and contributed to uplift the living conditions and income of the target groups.
5	Improvement in the livelihood of the target group	Medium	There is notable improvement in livelihood of the target groups. Volume of sales has increased notably (more than four-fold) leading to increase in income and employment, while income of FTGN MOs reduced marginally due to change in circumstances. Continuity of some of project initiatives is doubtful.
6	Provision of technical assistance	High	Provision of technical assistance, skill training and equipment and tools support was integral part of this project. These supports were effective to increase labor productivity.
7	Target group feedback system put in place and its effectiveness	Medium	There is no systematic household feedback system. The current feedback system is verbal and getting the opinion and perception of the target beneficiaries.



S.N.	Key Indicators	Ratings	Explanation
8	Type of HH feedback received and partner addressing feedback	Medium	Household feedback is received in areas of quality of equipments and tools, skill training, etc. Oxfam Nepal and FTGN have gradually addressed the feedback thus received through reform on service delivery.

Source: Study Team's Assessment, June 2019

The project had 18, 5 and 2 indicators for outputs, outcomes and goals respectively. The project achieved over 50% indicators fully and remaining indicators were partly achieved. This has been mainly attributable to implementation of all project activities, and proper involvement of target group in different stages of project cycle management. Large number of women trained on different aspects of business management has yet to use their acquired skills for sustained and continued income and employment generation due to lack of continued enabling environment and support structures for their continued and sustained use.

### 4.3.3. Efficiency

The efficiency designates the extent to which the costs of a development intervention can be justified by its results, taking alternatives into account. To assess the efficiency, this study examined the measures taken in managing resources and reduces duplications and overlaps as well as review of the strategies used to reduce costs and maximize benefits.

Project allocated funds based on detail activity-wise breakdown, used bank voucher rather than cash in paying for expenses, and follows clear rules in payment to partners and target group for inputs leading to transparent management in resource planning and implementation.

**Table 19: Assessment of the Efficiency and Value for Money (VfM) of the Project**

S.N.	Key Indicators	Ratings	Explanation
1	Implementation of the project as per project plan	High	Project implementation was completed as per the project plan. There was initial delay on start of the project implementation mainly due to delay completing preparatory works, which was catch-up during the actual implementation.
2	Influence of delay on project's efficiency	Low	Despite the difficult geographic terrain, frequent EQ aftershocks, and staff-turn over, implementation of project interventions was almost timely. Despite these unforeseen circumstances, there has been no notable influence of delay on project's efficiency.
3	Mitigation of delays	High	The project followed the adaptive management practices, and collaborated with implementing partners and other key stakeholders, which was effective, efficient, and instrumental to mitigate initial delays on project implementation.
4	Efficiency of the partnership model	Good	Partnership model has been very effective. FTNG was experienced on implementing similar project and was exposed to result based management system.
5	Ability to include the targeted beneficiaries	High	FTNG, under the clear guidance of the Oxfam Nepal has demonstrated proven ability to include targeted beneficiaries under its service delivery framework. Most of the targeted beneficiaries participated on skill training, linking their products with FTGN MOs.
6	Value for money	Medium	Cost per beneficiary was NRs. 15,890/- and benefit cost ratio was

S.N.	Key Indicators	Ratings	Explanation
			slightly more than one.

Source: Study Team's Assessment, June 2019

FTGN worked seriously to ensure synergy across stakeholders, collaborated with local government, and community based organization, leading to avoiding duplication and overlaps of resources. Local resources were used to a maximum possible extend, and project support was used for managing imported materials. Project coordinated with other agencies largely to avoid duplications and overlaps.

Considering that improved livelihoods and economic opportunities for EQ affected women and men is the top most priority of the government, and government is simultaneously implementing different livelihood support interventions. Despite that FTGN had comparative and relative advantage on supporting local people on attaining market linked livelihood support, it has yet to collaborate with the government program. Thus, there is little initiative to optimizing results while minimizing or saving of the resources.

Though project achieved anticipated outcomes within its timeframe through coordinated efforts and mobilizing local and community participation to extend possible, and they have not fully been able to provide continuity to this initiative. Aspects of cost sharing is quite new, and there exist prospects that greater results could have been achieved if all activities were implemented on cost sharing basis with beneficiaries, and use/mobilization of local resources are planned properly.

#### 4.3.4. Initial Impact

Impact refers to intended and unintended changes of target groups as a result of the project. To measure the changes, this evaluation dealt with the availability of baseline value; and assessment of change in the life of beneficiary, changes in the capacity of FTGN, and contribution of the project due to changes. Average income of the target groups was NRs. 15,127/- which was a notable change compared to the baseline.

**Table 20: Assessment of the Initial Impact of the Project**

S.N.	Key Indicators	Ratings	Explanation
1	Results achieved on increase in income community and women empowerment, and vulnerability reduction	Medium	Field survey revealed that 55% target women and men producers increased confidence and skills to increase income through marketing of their production (lower than project target of 60%) and 61% target women producers reported control over the use of increased income (slightly more than project target of 60%). Average monthly income was NRs. 15,127/-. This has been instrumental for increased employment, women empowerment, and vulnerability reduction.
2	Impact on vulnerability reduction of community and women	Medium	Project supported target groups to establish linkages with BFIs, cooperatives and FTGN MOs. This initiative had been instrumental make them feel more secured, and reduce their vulnerability to risk at the time of disaster.
3	Contribution of the project on changing policies, practices, ideas and beliefs	Low	The project conducted (i) policy gaps analysis, (ii) high level policy dialogue with policy makers (parliamentarian) and (iii) one day event on promotion of fair trade principles and practices. These however has limited influences on changing policies,

S.N.	Key Indicators	Ratings	Explanation
			practices, ideas and believes.
4	Results that are attributable to the project and its interventions	High	Increased confidence and skills of the target group to increase income through marketing of their production, women's control over the use of increased income and a verage monthly income was NRs. 15,127/- are the results of project and its interventions.
5	Attribution based on an assessment of adequacy, plausibility or probability	Medium	Project has small scale, and implemented as pilot. Replication is either none or very slow. There is a greater efforts needs for replication and scale-up of the process tested and best practices emerged through project interventions.

Source: Study Team's Assessment, June 2019

There exists evidence of increased capacity of FTGN in terms of technical and managerial knowledge, skills and use of acquired knowledge on business promotion. It has capacity to design and implement project that addresses their business promotion and expansion of business linkages with the poor and marginal in-house and home based producers.

#### 4.3.5. Sustainability

Sustainability denotes continuation or longevity of benefits from a development intervention after cessation of development assistance. Along this line, the sustainability is assessed taking into account integration of results into local development planning, meaningful participation of stakeholders in planning and implementation, financial resources available with implementing partner and government agencies. The project intervention is yet to be replicated in other nearby areas. Local people were exposed and oriented to all interventions started under the project and they have better understood and engaged in design, implement and learn out of the project activities.

Table 21: Assessment of the Sustainability of the Project

S.N.	Key Indicators	Ratings	Explanation
1	Provision for on-going technical backstopping support	Medium	Project beneficiaries were in-house and home based producers. Over 92% of the producers were linked with FTGM MOs and they are likely to receive the technical backstopping support after the phase-out.
2	Improvement on capacity of FTGN to ensure continuity on the result achieved by the project	Medium	Though FTGN has upgraded capacity on project related activities, they lack resources to provide technical support to ensure continuity on the result achieved by the project. FTGN should be proactive and take initiative in maintaining what has been achieved through project even after project phase out.
3	Quality of the technical services	Medium	Quality of the technical services provided by the project was mixed. While the quality of the technical services on software was very high, but the same on hardware, especially equipment and tools support was medium to low, especially capacity utilization front.
4	Technical services meeting the target groups' need and establish basis for	Medium	Though technical services provided under the project was meeting the target groups need, and priorities, but basis for continuity of the initiatives is very slim, on the absence of the proven business relationship.

S.N.	Key Indicators	Ratings	Explanation
	continuity of the initiatives		
5	Increase in earning level of the beneficiaries	High	Earning level of the project beneficiaries increased by more than four-fold and reached to NRs. 15,127/- per month.
6	Positive impact of the initiatives to target groups	Medium	Employment creation and income generation are the positive impact of various initiatives of the project to target groups.
7	Any unintended consequences arise due to project implementation	Low	There is virtually no or very low un-intended consequences arise due to project implementation. There is high acceptance of target group both for in-house and home-based production.

Source: Study Team's Assessment, June 2019

Skill development especially through training and use of equipment and tools could be potentially integrated in local level planning and could be very effective intervention for income generation and employment generation. The project has provided insufficient focus on these aspects, and there is very limited institutional memory for their continuity.

The participation of stakeholders, particularly FTGN in planning and implementing relevant intervention was highly meaningful on various interventions. Support of local government is yet to be meaningful during implementation and annual planning to enable and motivate concerned stakeholders to provide continuity to project started initiatives.

Local Government have regular budget and have in principle expressed their commitment to support project promoted initiatives. Though FTGN lacks fund to support these activities, they can match it with government resources. Such aptitude is currently missing in FTGN, who neither has interest nor commitment to provide continuity to the learning of the project for local economic development. They have the tendency to work on business like mode than project like mode for livelihood improvement of poor and disadvantaged groups.

#### **4.3.6. Gender and Social Inclusion**

The intent of looking gender and development separately is to assess the extent to which voices of women and disadvantaged groups are given priority in the project. In this evaluation gender and development is looked to assess level of integration of gender and social inclusion related factors in various project supported intervention. In general, project interventions are characterized towards ensuring greater participation of female and disadvantaged groups by specifically targeting them, inclusion of women headed households, participation of both male and female into almost all training and capacity development activities, and emphasis on women's empowerment. This implies that gender related factors implemented meaningfully in the project.

**Table 22: Assessment of the Gender and Development of the Project**

S.N.	Key Indicators	Ratings	Explanation
1	Gender and social inclusion issues identified as having affected results	High	Low participation of women and disadvantaged groups and low women empowerment status were main gender issue identified during project design. The project positively and strategically addressed these issues.

S.N.	Key Indicators	Ratings	Explanation
	achievements		
2	Change in equity between men, women and disadvantaged groups	Medium	The project followed professional approach to ensure equity on benefit sharing and distribution. There has been significant change in inequality situation identified during baseline between men, women, and disadvantaged groups. The holistic approach adopted by the project was instrumental to ensure balance on distribution of the development results.
3	Men, women and disadvantaged affected differently by results	Low	Households were the unit of interventions in most of the project interventions. As a result, men, women and disadvantaged groups were not affected differently by results. Priority was given to target to women and disadvantaged groups at the household level both in

Source: Study Team's Assessment, June 2019

Women's and disadvantaged groups' participation in both planning and implementation was high as evidenced by the fact that about 84% of the total participants of project activities were women, 4% Dalits and 74% Janajaties. The participation of Dalits was in proportion to their presence in the locality. It was evident that the entire focus of the project was geared towards empowerment of the women, Dalit, Janajaties and other disadvantaged groups. In this project, Oxfam in Nepal worked at grassroots level and proven its commitment to engaging socio-economically disadvantaged community members in decision-making at all levels.

#### 4.3.7. Managing Development Results

Oxfam Nepal's partnership in implementing this project with FTGN worked well contributing to achievement of the project results and objectives. FTGN was highly responsive and worked well for delivery of different project activities properly.

Table 23: Assessment of FTGN Capacity to Manage Development Results

S.N.	Key Indicators	Ratings	Explanation
1	FTGN's capacity and expertise on result achievements	High	FTGN demonstrated capacity and expertise on result achievements. They have long working relationship donor supported project and are result oriented.
2	Contribution of distinct expertise, capacities or networks of the partner	Medium	FTGN have comparative advantages on market linkages and ensured marketing through buy-back guaranteed. They are good on project management, but have limited expertise on technical aspects of implementing project focused on agriculture development, food security and nutrition improvement.
3	Contribution on strengthening working relationship between Oxfam Nepal and FTGN	Medium	Being the implementing partners, FTGN strengthened working relationship with Oxfam Nepal. The project was instrumental to sensitize FTGN on complexities involved on implementing market led project.

Source: Study Team's Assessment, June 2019

Local authorities, people, government officials, and market actors appreciated the work performed by FTGN. Further FTGN lauded its relationship with Oxfam Nepal and vice-versa indicating the good working relations. This implies that there is foundation for managing development results.

#### 4.4. Key Learning from the Project

The project made commendable progress, overcoming several delays and impediments in the early years to the stage where over 100% of household targets were reached, gender balance has favoured involvement of women (84%) and fairly inclusive with involvement of Dalit 4% Janajatis 74% and 22% others. Most of the project activities were implemented mobilising significant contributions from beneficiaries. Financial disbursement rate was over 95%. Notwithstanding complexity and diverse activities, the project team and implementing partner (FTGN) is expedited implementation within the challenging environment. Key learning from the project follows hereunder.

**Role of advocacy and lobbying is vital for sustainability:** In the context that GON lacks fair trade policies, the need for advocacy and lobbying is vital to influence policy makers and planners and government need to come up with FT policy. Level of efforts on advocacy and lobbying would have been strengthened for sustainability of the project supported initiatives.

**Market led<sup>7</sup> approach adopted by the project provide basis for sustainable market linkages:** This project is mainly market led, and the project has been very effective to provide high levels of customer satisfaction, retaining those customers, ensuring a high quality customer experience, and achieving the longevity of the customer lifetime value within their company.

**Interventions combining elements of rural value chains, capacity building and assets (equipment and tools) transfer leads to a positive impact on economic outcome and strengthening of market linkages for the rural poor:** The project that focus on enhancing market linkages should take efforts to identify appropriate livelihood opportunities and offer customized training to enhance skills in the area. In addition, capital or asset support for the participants can lead to enhanced economic outcomes.

**Role of facilitators is crucial:** Project that focuses on social mobilization and group formation for enhancing market linkages need to invest substantial time and resources to ensure identification and selection of facilitators. It is critical, as these facilitators would play a substantial role in sustenance of the group and the eventual realization of social outcomes like gender empowerment.

**Women empowerment is challenging process:** Project that target women should ensure that the recipient is supported by members of her household. Resources to persuade and convince key members of the household should be factored in the plans. GESI training and ensuring GESI sensitive implementation is not enough.

**BSDC have fundamental role for sustainability:** The sustainability of the project relies on proper functioning of BSDC and it plays fundamental role for sustainability of the initiative. But BSDC was created at the end of third year. It should have been created at the beginning of the project. This could have strengthened the capacity of producers significantly. This would have further strengthened the capacity of BSDC.

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<sup>7</sup> A **marketing** strategy in which a company seeks to determine what products a consumer might want, and then moves the company to develop those products. It relies heavily on **market** research. This strategy can be used concurrently with an **asset-led marketing** strategy.

**Performance based delivery approach:** The project worked with FTGN MOs and FTGN to MOs relationship was based on activity. Such an approach brought some dissatisfaction among MOs. Based on the experiences of the project, performance based delivery approach could have been better wherein Expression of Interest or proposal could have been called from MOs on particular activity related to business and sub-project based implementation could have been explored.

## **5. SUMMERY, CONCLUSIONS AND RECOMMENDATIONS**

This final evaluation study on impact of Sustainable Livelihoods Support for EQ Affected Families in Nepal was initiated and carried out in the month of June 2019. Project was technically and financially supported by Oxfam and implemented by FTGN. Project was implemented in most five EQ affected districts: Kathmandu, Bhaktapur, Lalitpur, Nuwakot and Sindhupalchok. Main objective of the evaluation was to analyses the systemic actual results of the project and its underlying working mechanisms against the proposed outcomes and theory of change. Data used in this report was obtained both from primary and secondary sources. Survey Solution CAPI, HH Survey, FGD, KII, one to one discussion and different field observations were the tools used for primary data collection.

FGDs were focussed to groups of all ten products and executive members of FTGN-MOs to extract individual product learning. Likewise, 20 KIIs were carried out with LG representatives, MOs representatives and elite producers from different products. Altogether, 308 Producers (36% new and 64 % existing producers) were interviewed for this evaluation where all ten products producers have been covered. Out of them, 4% were from Dalit community, 3% from PWD, 74% from indigenous nationalities community and 86% respondents were female producers.

Summary of major findings, conclusions and recommendations of the study ware summarized hereunder.

### **5.1. Summary**

Producers got chances to participate in different capacity building events. About 10% producers were involved on training/orientation on GESI, 43% producers joined in interaction project with BFIs to promote A2F related activities, and 40% producers participated in products related skill training. The project supported 76% producers with tools and equipment, 11% producers got business management skill such as Start and Improve Your Business (SIYB), business plan preparation, counselling and so on.

About 80% of 5,008 beneficiaries (84% women) reported increased income through their enterprise/business by more than 20%. Average monthly income of the producers has been increased and was NPR 15,127.00 at the time of evaluation which is 5 times more as compared to baseline value.

The sales turn-over of targeted FTGN MOs did not expanded as envisaged due to decrease in demand for handicrafts products in international market and low pace of expansion of domestic market. Despite that over 65% project beneficiaries established business linkages with FTGN. Over 80% products were bought by FTGN-MOs. Fair trade principles and practices are gradually being practiced in private and public sector actors. Number of MOs in FTGN increased by four and about 60% producers group increased knowledge on fair trade principles and practices.

Ultimate impact of the project is evident with 55% of the target women and men producers reporting increased confidence and skills to use FTGN network for marketing of their products resulting to increase in income and 60.7% women producers reporting control over the use of increased income.



Udhamsala as Business Development Service Centre (BDSC) has initiated and doing some fundamental preparation works to link with Trade and Export Promotion Centre (TEPC). Product trading and pricing was done by MOs and traders and involvement of the producers themselves for trading and price fixation was either low or none. Utilization of some project supported technologies and equipment were seasonal and low.

The advocacy strategy prepared by FTGN could not be implemented fully to influence fair trade policy within government system. This is mainly due to low in-house capacity and limited experiences of FTGN with different actors within fair trade ecosystem including government and meso level actors.

Labour crisis and dropout are the major problems in FT because of labour intensive, low paid and over time works. Further, main responsibilities of unpaid works go to female members of the HHs.

Some local government have incorporated FT program such as Koseli Ghar, and support to trainings in their plan. Different campaigns such as TV talk show, FM, national workshop; printed media advocacy was completed for policy advocacy. Responsibilities of the unpaid works for female members of the HH were decreased due to availability of the home-based employment opportunities from this initiative and male members were gradually contributing more on up-paid household work as compared to baseline value.

## **5.2. Conclusions**

This is one of the successfully implemented projects for post-earthquake recovery. It has implemented over 95% of the planned activities, fully achieved 10 outputs, three outcomes and one goal indicators. Remaining 8 outputs, two outcomes and one goal indicators is partially achieved. The project is highly instrumental to restore the livelihood of EQ affected project beneficiaries. The project was found to be relevant, effective, efficient, and have impact on employment creation and income generation. Continuity and sustainability of the foundation for market-led local economic development created by the project is doubtful. Major conclusions of the study follow hereunder.

**Income and decision making process:** Existing producers have earned more income and have decision making power compared to new producers. Decision making power of the women producers in HH expenditure, income and uses of own income has increased compared to baseline.

**Access to productive assets:** Capacity utilization of the project supported equipment/tools and technology was low and mainly under-utilized. Proper business plan is needed to use the maximum capacity of the provided technology and tools.

**Capacity development of producers:** Capacity development support received by existing and new producers has been instrumental to enable them to generate sustainable income. The capacity of the new producers has been increased after project intervention in the areas of negotiation, confidence, bargaining.

**Damaged and recovery of earth-quake:** The damaged intensity of the EQ was more on building (residence) rather than enterprises. Only 2% of the respondents claimed for enterprises damaged by earth quake. All the producers have received the recovery support

either from GoN or other stakeholders. These supports were entitled in the name of livelihood, cash and training.

**Business capacity enhancement of producers and MOs:** Business capacity of the MOs has been increased because of related capacity building events such as training, exposure and counselling. Enhance capacity is fully monetized and reflected in increase income of the participating producers while there is some lag to reflect on increase sales turn-over of MOs.

**Turnover of the MOs:** Average annual sales turnover of MOs is slightly decreasing, because of gradual decrease on demand for handicrafts products in domestic and international market.

**Business development service centre:** BDSC was created at the end of third year. It should have been created at the beginning of the project. This could have strengthened the capacity of the BDSC.

**Fair trade outlet/market:** Home based and new producers groups have potentialities of additional access to other markets avenues for product marketing and they are not exploring for further market penetration.

**Advocacy and lobbying for fair trade principles and practices:** Producer groups and FTGN-MOs have limited knowledge on lobby and advocacy for FT principles and practices.

**Unpaid work:** Existing producers have to contribute less hours for unpaid work as compared to new producers.

**Climate change:** The project provided climate smart technology under tools/equipment supports to producers and there are low or no climate change issues in the business managed by the project supported beneficiaries.

### 5.3. Recommendations

Based on the above mentioned analysis and findings, and conclusions, some of the major recommendations are given as below:

#### 5.3.1 General Recommendations

**Management of development results:** The project has produced highly invaluable development results, and developed the strong foundation for addressing market-led approaches to local economic development. Ensuring continuity and sustainability of these results through proper management is yet a challenge. Oxfam Nepal need to explore and develop mechanism to ensure continuity and sustainability of the outcome and impact of the project by integrating a component of managing development results in project cycle management.

**Institutionalize the public audit system:** As a last opportunity for the project beneficiaries to complain about missing payments or materials, or other issues, and after everything is decided to be correct, a future outlook on how to best make use of the intervention in future project activities should be started through institutionalization of public audit system. Basically, everybody who is interested need to be invited in the event ensuring the representation of users, local government, political party representatives, partner

organization, and donors. Hence, Oxfam should institute public auditing process more formally and critically, and use it as an integral part of the project management.

**Access to finance:** Project has provided inadequate focus on importance of access to finance as an indirect input of production, and effort to support the producers to establish business and functional linkages with formal financial institutions including insurance was inadequate. Oxfam Nepal and FTGN need to acknowledge the role of access to finance for creation and development of enterprise/business including marketing and value chain development and should include access to finance as an integral part of the project support.

**Insurance:** Focus of the project on insurance was not adequate. Considering the intense focus provided by GON and Nepal Insurance Board to promote insurance, project should integrate insurance in the project activities as a risk management mechanism and to improve the risk bearing capacity of producers. Continued relationship with insurance companies and renewal of insurance policy will expedite and support for ensuring the continuity and sustainability of the business/enterprise development interventions. This is important in the context of the post-disaster support nature of the project.

### **5.3.2 Project Specific Recommendations**

**Empowerment (socio-economic):** Enhance the capacity of producers to involve in the process of pricing of the products by increasing skills on negotiation, group bargaining, cost benefit analysis and marketing.

**Market survey and strategy:** In view that market demand and supply for FT products is highly volatile and dynamic, undertake market survey on regular interval with clear strategy and concrete action plan.

**Business capacity of producers and MOs:** In the context of decreasing international and domestic market for handicrafts, enhance the capacity of producers and MOs to explore the alternative markets i.e. domestic, south Asia and so on.

**Database and Status Update:** FTGN MOs need to acknowledge that producers are their permanent members and they need to monitor their status using function and operable mechanism to monitor their production and marketing behaviors.

**B2G, B2B AND B2P Linkages for Synergy:** This is the era of inter-dependent rather than independent. Theory of coexistence for existence (Business to Government, Business to Business, Business to producers) is very important for business sustainability. In view of this complementarities among the products-stakeholders, wherever is possible, should be increased for synergy impact.

**Utilization of supported tools equipment and technology:** In view that project supported equipments and tools are under-utilized, facilitate producers to prepare proper business plan of the provided equipment and technology to ensure that they are utilized to a full potentials.

**Research and development:** Develop protocol for Participatory Action Research (PAR) in some issues like environment (Leather dipping tank, drainage of industry wastages, Pulper) sustainable harvesting (Lokta, Dhasingare) for their continuity and sustainability.

**Coordination with public:** Ensure that coordination with government and other stakeholders are regular and frequent to promote FT principles and practices and add the value to ensure continuity and sustainability of emerged concept.

**Networking and alliance formation with like-minded organization:** Make alliance and networks MOs, FTGN, and other stakeholders engaged on enterprise/business promotion to influence the promotion of FT principles and practices as well as augment benefits to producers, MOs and FTGN.

**Lobby and advocacy to establish FT as recognized business:** In the context that none of the legal document of GoN (Act, Policy, Guidelines, and Procedure) has officially recognized fair trade principles and practices, commission different levels of activities to establish FT as recognized business and accessed the fund from different public offices.

**Sensitization of labor act and labour audit:** Though FT principles and practices are as per the provisions by Labour Act 2074 B.S., MOs and producers are facing labour crisis and labor dropout because of labour intensive, low paid and over time works. Conduct orientation on Labor Act and Labour Audit to increase solidarity and social harmony among producers.

**Unpaid Care Work:** The fact that main responsibilities of unpaid care works go to female members of the HH, this message need to be disseminated as much as possible among the producers. Further, intensify the GESI (Couple/Pair Participants) training package among the producers.

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## ANNEXES

### Annex 1: Project Performance against Log-frame Indicators as of June 2019

S.N.	Result level	Base Line	End Line	Indicators	Unit	Baseline	Target	End line	Result achievement status	Description
1	<b>Goal:</b>									
1	<b>Improved livelihoods and economic opportunities for earthquake affected women and men</b>	<b>8.4.2</b> <b>8.52</b>	<b>9.5.1</b> <b>9.7a</b>	% of target women and men producers report increased confidence and skills to increase income through marketing of their production	%	4.30%	60%	55.0%	Moderately achieved	Products of the existing producers are sold by FTGN-MO and Traders. Only half of the products of new producers are sold by themselves.
		<b>8.10 =Yes</b> <b>3.3.1=female</b>	<b>3.3.1=female</b> <b>9.13=Yes</b>	% of target women producers report control over the use of increased income	%	42.94%	60%	60.7%	Achieved	Existing producers have more control on it as compared to new one
2	<b>Outcome 1</b>									
	<b>Earthquake affected men and women producers are able to generate sustainable income.</b>	<b>3.2</b>		% of 4500 targeted beneficiaries (at least 60% women) report increased income through their enterprise/business by at least 20%	NPR.	NPR 3,193 monthly	80%	473%	Achieved	Demand of the handicrafts in international market is decreasing and domestic market is not well established. So, there is still potentialities to increase the average income
	<b>Output 1.1 - Increased capacity of the earthquake affected existing producers to revive their business</b>	<b>8.11.1</b>	<b>9.15 (1 and 2)</b>	1. % of 2000 targeted beneficiary (at least 60% women) report increased access to productive assets (equipment/tools/renting space)	%	8.92%	50%	139%	Achieved	Project support was massive and around 76% of the total producer is supported by these.
		<b>8.5</b>	<b>9.6=Yes</b>	2. % of 2000 targeted beneficiary (at least 60% women) report increased knowledge and skill on business management.	%	2.20%	60%	31.1%	Not achieved	Only 10% of total producers got SIYB training and mostly involved for production rather than business promotion. Besides that, project provided support

S.N.	Result level	Base Line	End Line	Indicators	Unit	Baseline	Target	End line	Result achievement status	Description
										in Business Plan preparation, account keeping training to some beneficiaries. Similarly, most of the beneficiaries have got business counseling during regular follow up support which is not calculated in this figure as project does not have proper record of regular business counseling.
		<b>8.4.1</b>	<b>9.4=Yes</b>	3. % of 2000 targeted beneficiary (at least 60% women) report increased knowledge and skill on production.	%	11.55%	60%	52.5%	Achieved	This is the main function of the producer and activities were also designed accordingly.
	<b>Output 1.2 - Increased capacity of the earthquake affected new producers to generate income</b>	<b>8.11.1</b>	<b>9.15 (1 and 2)</b>	1. % of 2500 targeted beneficiary (at least 60% women) report increased access to productive assets	%	4.44%	60%	41%	Not achieved	Project support was intensive
		<b>8.5</b>	<b>9.6=Yes</b>	2. % of targeted beneficiary (at least 60% women) report increased knowledge and skill on business management.	%	0.56%	60%	37%	Not achieved	Only 10% of total producers got training and mostly involved for production rather than business promotion. Besides that, project provided support in Business Plan preparation, account keeping training to some beneficiaries. Similarly, most of the beneficiaries have got business counseling during regular follow up support which is not calculated in this figure as project does not have

S.N.	Result level	Base Line	End Line	Indicators	Unit	Baseline	Target	End line	Result achievement status	Description
										proper record of regular business counseling.
		<b>8.4.1</b>	<b>9.4=Yes</b>	3. % of targeted beneficiary (at least 60% women) report increased knowledge and skill on production.	%	5.30%	60%	39%	Achieved	This is the main function of the producer and activities were also designed accordingly.
<b>3</b>	<b>Outcome 2</b>									
	<b>Improved market access of earthquake affected men and women producers and FTGN member organizations</b>	<b>KII</b>	<b>KII</b>	% increase in sales turnover of targeted FTGN member organizations.	NPR	NPR 56.9 Million	NRs. 62.6 Million	NPR 55.8 Million	Not achieved	Demand of the handicrafts in international market is decreasing and domestic market is not well established.
		<b>8.6</b>	<b>9.8</b>	% of 4500 target beneficiaries have linkage with # FTGN and # other buyers	%	36.76%	60%	103%	Achieved	Most of the products are bought by FTGN-MOs
	Output 2.1 - Enhanced business capacity of FTGN and producer groups		Progress report	% of targeted FTGN members have increased buyers	Number	44 (in averag	44	41 in average	NA	Most of the products are bought by FTGN-MOs
			Progress report		%	44%	50%	41%	Not achieved	Most of the products are bought by FTGN-MOs
		<b>8.6.2</b>	Progress report	Increased number of producers have buyers	%	37%	80%	103%	Achieved	Most of the products are bought by FTGN-MOs
	Output 2.2 - Establish FT Business Development Service Center			# of product business service provided by BDSC to the producers	Number	0	10	21	Achieved	FTGN has developed the service package under Udhamsala
					# of FTGN member organization, producer group and other clients have received business development services	Number	0	0	21 MOs, 50 PGs	Achieved
	Output 2.3 Establish FT outlet and develop			# of project supported products are linked to FT outlet	Number	0	10	10	Achieved	All the products are linked with FT outlet.



S.N.	Result level	Base Line	End Line	Indicators	Unit	Baseline	Target	End line	Result achievement status	Description
	linkage of Fair Trade Outlet to the product.			Increased sales revenue of FT outlet	NPR	NPR 3.69 million	NPR 3.82	4% increase	Achieved	Domestic market is still not established
<b>4</b>	<b>Outcome 3</b>									
	<b>Fair trade principles and practices are practiced in private and public sector actors.</b>			At least 2 new members increased in FTGN	Number	23	25	27	Achieved	4 MOs took membership
				% of producers group have increased knowledge on fair trade principles and practices	%	7%	80%	60%	Not achieved	Orientation with promotional materials at producers' level have been conducted and distributed.
	Output 3.1 Enhance advocacy skills of FTGN member organization and producer's group			% of member representatives from FTGN member organization report increased advocacy skills on Fair trade promotion.	%	0	80%	80%	Achieved	Advocacy training to MOs, Advocacy strategy, Sub-committee for advocacy
				% of producer groups report increased advocacy skills on Fair trade promotion.	%	0	60%	60%	Achieved	300 Handbook of compilation of government policy and provision distributed and oriented at producers level
	Output 3.2 Fair trade principles and practices are promoted in private and public sector actors.			# of media coverage on fair trade events, issues and policies	Event	0	3	6	Achieved	2 FM, 2 TV talk show, media coverage. 200 Flex and 2 hording board of FT principles distributed
				# of policy recommendation documents produced.	Number	0	1	0	Not achieved	Existing policies gaps and provisions prepared.

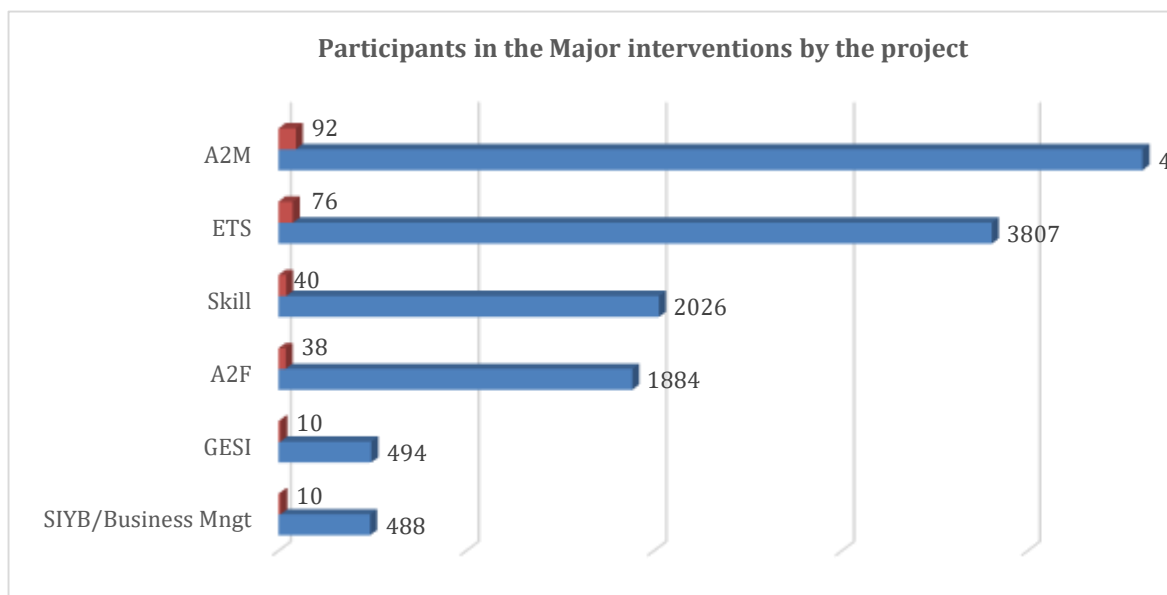
## Annex 2: Review of the Project Performances

Project performances were reviewed covering aspects such as major interventions, output and project beneficiaries. The project benefited about 5,008 people (84% women, 64% existing producers and 36% new producers) against the target of 4,500 beneficiaries.

### Major intervention of the Project

Major interventions of the project have designed mainly to increase income and employment of producers and affiliated MOs by promoting FT products, practices and principles.

Figure A2.1: Participants in the Major Interventions by Project



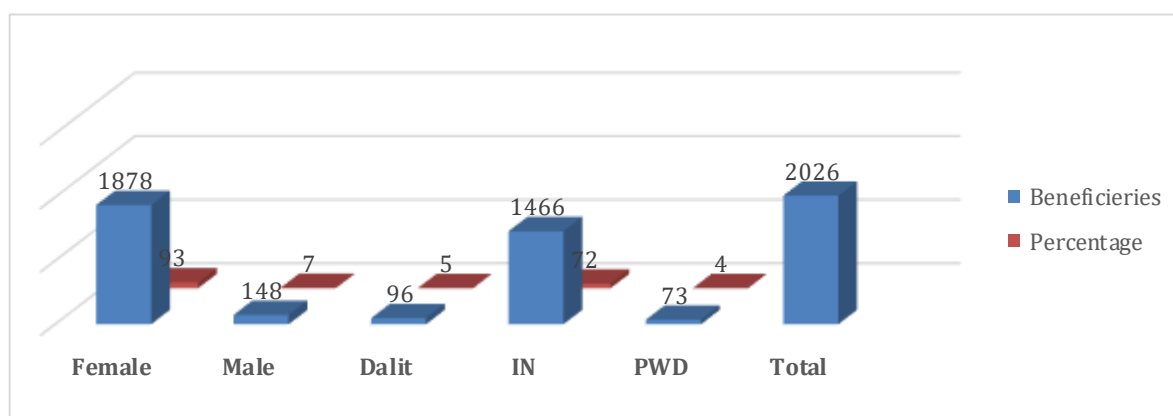
Broadly, all the intervened activities can be categorised in to three groups. These major interventions are capacity building of producers by providing training on GESI, Skill Development, SIYB/Business Management, linkages with BFIs & Markets and supports to producer for tool/equipment and appropriate technology. Capacity buildings of FTGN and MOs by providing exposure on FT markets and exhibition, business counselling, training on advocacy and lobbying and properly documentation of the tasks as evidences.

Progress reports of the project has mentioned that 40% of the total produces has got products related skill training, 10% received the business related training, 76% got tools supports, 38% oriented on A2F, 92% got access to market (A2M) and 10% of the total producers got orientation on GESI. Detail of the participants' number under these events has been shown in figure A2.1.

### Capacity Building of Producers and MOs

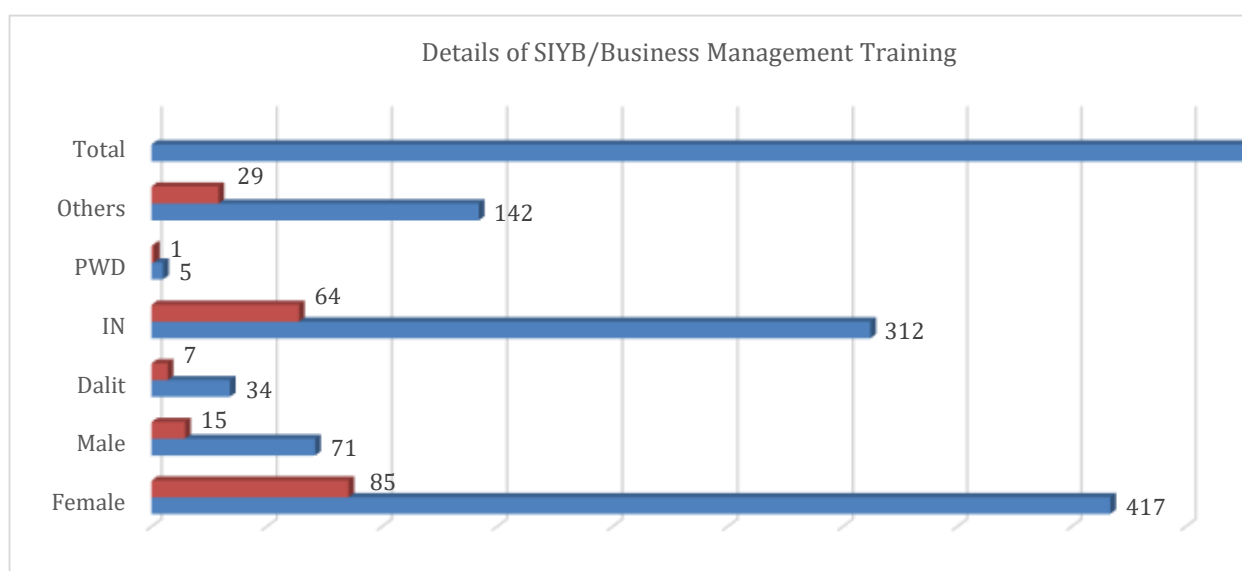
Formation of social capital and enhancing their capacities by providing different trainings and exposures are major planned activities under this category. These include formation of FT producers group and facilitate to link with MOs, providing training of start and improve your business (SIYB), business counseling and management, technical skill development on different products, OD/ID and awareness campaign for FT principles and practices.

Figure A2.2: Beneficiaries of Skill Development Training



Project progress reports indicated that 2,026 producers got opportunity to attain skill development training for different products.

Figure A2.3: SIYB/Business Management Training

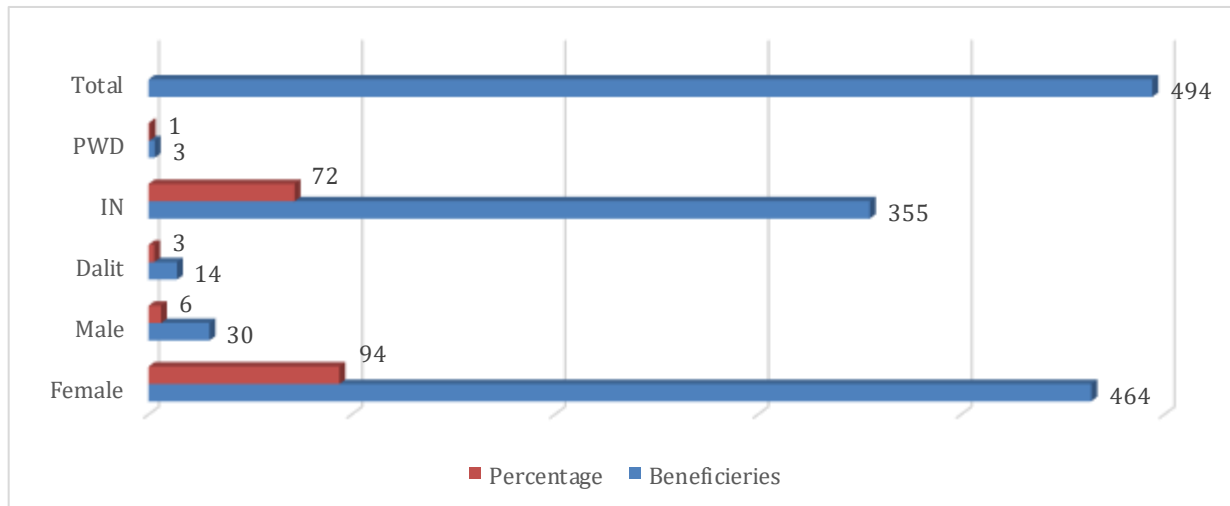


Business plan and its implementation is very crucial to strengthen the business in long run. Different reports of the project have showed that very less number of producers i.e. 488 (10% to total beneficiaries) got chances to attain SIYB training. Number of participants of SIYB training was low due to nature of producers (in-house and home-based) and their low interest in such training. After getting such training, participants prepared business plan at individual and institutional levels. The project supported preparation of business plan of all ten products have been prepared and shared with affiliated producers. It was not practiced to prepare individual level producers business plans. In addition, 40 MOs and 40 producers' groups have received the different training like advanced marketing, A2F orientation and account keeping through BDSC.

Gender sensitization and gender balance as cross cutting is core values for sustainable development in terms of participation and capacity building process. Of the total participants,

4,229 (84%) were women and remaining 16% producers were men. Project has provided GESI training for only 494 (10%) producers, of which 6 % participants were men and remaining 94% were women. Participation of men was quite effective to ensure gender equality at HH level through sharing work duties and responsibilities proportionately.

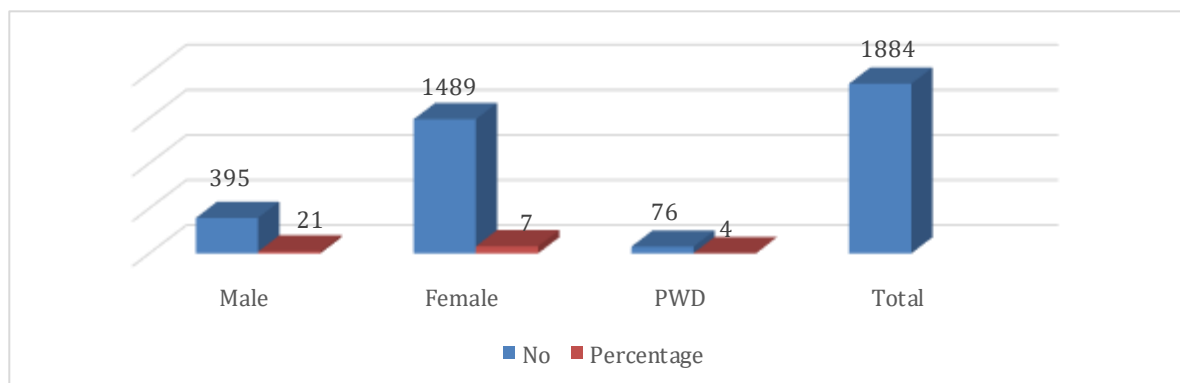
**Figure A2.4: Participants of GESI Training**



**Linkage and alliance development**

Linkages and alliance building of the project focused on promoting access financial services and promote business of MOs and producers in different levels of market i.e. from local to international avenues. About 1884 (38%) producers participated in the interaction programme organized by the project with BFI to ensure access to finance for enterprise establishment and management. Of the total participants, 71% were women and 29% were men. Despite large coverage, very few producers are linked with BFIs for deposit services rather than borrowing and other services.

**Figure A2.5: Linkages to BFIs for A2F**

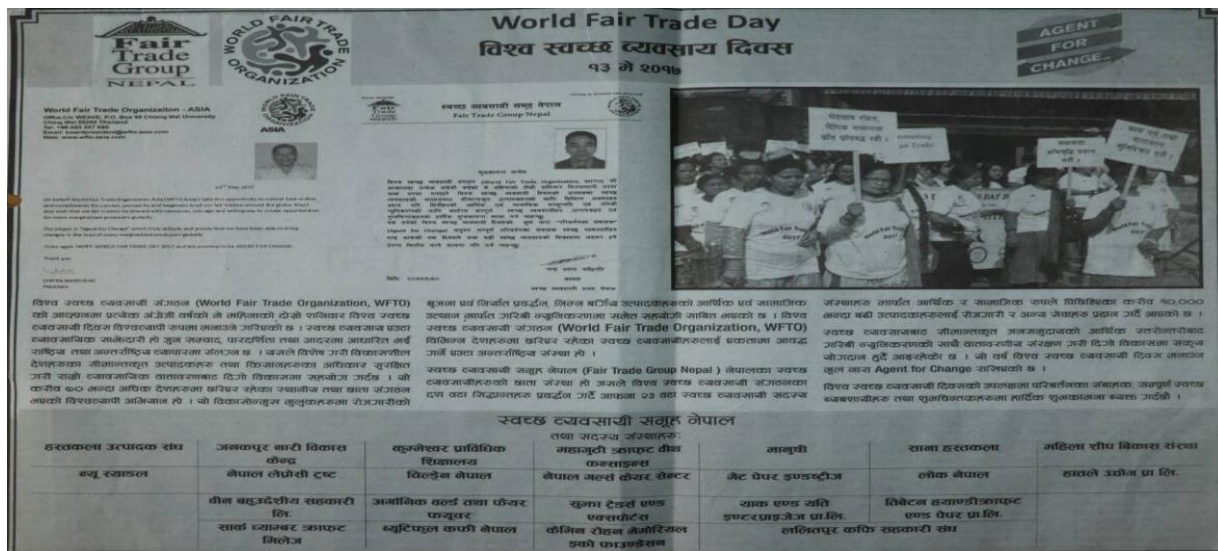


Apart, A2M of the producers are very encouraging that 92% of the total producers have access and linkage with different types (MOs, local traders) of market.

Initiatives on policy level debate were taken more at central level as compared to community and MOs level. These debates were led and facilitated by FTGN. Advocacy strategy paper for FTGN was prepared including clear activities to be carried out at different levels. Advocacy committee at central level was formed to implement advocacy strategy. Besides, a compiled hand book of various government provisions and policies such as tax, subsidy, incentives and business registration process and procedures, information related to fair trade principles and practices, SDGs, information on BDSC were published and distributed to producers and MOs for awareness. Detail orientations of the handbook were also organized at producers group and MOs level.

FTGN played proactive role for policy influence. Different media advocacy campaigns were organized at central level such as TV talk shows, FM programs, national workshop, and printed paper news and so on.

Figure A2.6: Celebration of World Fair Trade Day



Exposure visit to senior government official (Mayor, Deputy Mayor, Representatives from MoICS) have organized to observe the different events.

Besides, it has been found that formation of loose network/alliance for advocacy is very effective for policy influence, but such activities were lacking in project activities. This has been one of the reasons for the low or no representation of FTGN to public forum/ committee/ council and so on.

### Market Structure and Technology

The project carried out activities such as establishment of (i) FT outlet for product promotion, marketing training and exposure to MOs, (ii) BDSC for providing business services and (iii) supporting advanced and appropriate tools/equipment/technology to promote the efficiency of business of the producers and MOs to enhance outputs level. This has been instrumental to enable producers design and supplying latest design and diversified products in the markets such as leather works, knitting, tailoring, weaving and wood carving. Despite good design, some of the products have challenge to sustain and compete in the market in a long run because of mis-match between demand and supply of the products. As a consequence, some

of the products have less supply such as lapsi, ginger, and lokta while some products have over supply such as leather products and fabricated felt shoes. This calls for proper market analysis and planning matching with the demand and supply side.

The project tried to establish linkages of central level outlet to village level producers and structures, especially new producers though there are no any regular functions to link among them. So, the rural based products are not getting appropriate price and place though there is great potentiality to expand production. Leather products, lapsi and ginger are the cases to cite with.

Support of the tools / equipment / technology to the producers is another major project support. Project supported different types of tools/equipment and appropriate technologies to add value by supporting on different functions of product value chain. Equipments and tools were supported to all the products promoted by the project.

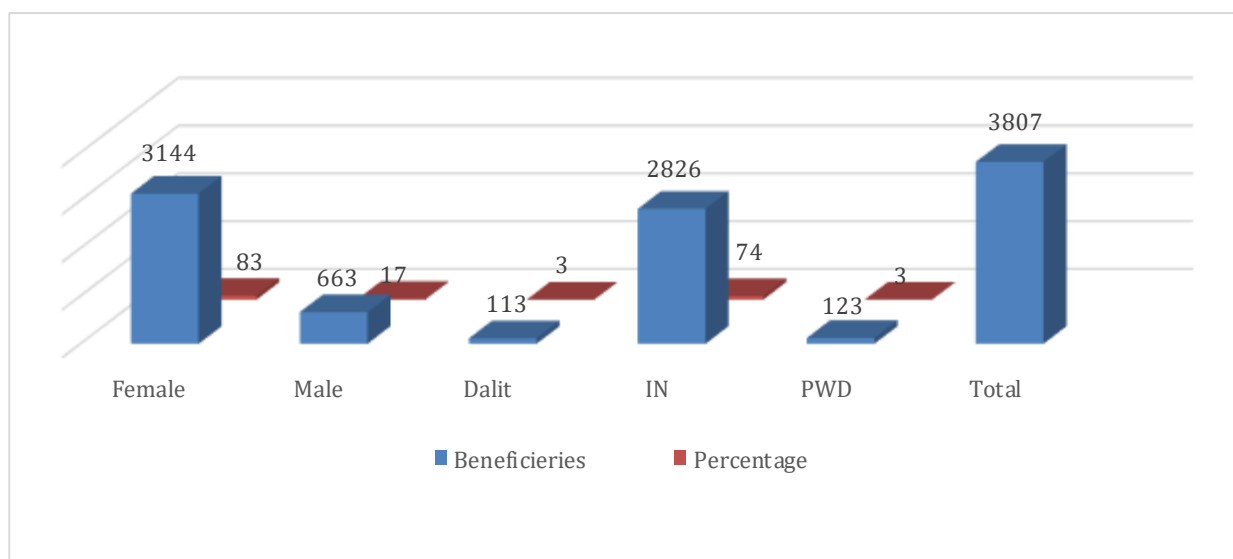
**Table A2.1: Types of tools, equipment and technology supported by the project**

Ceramics	Material support to build the kiln, pug mill-1
Ginger	Ginger powder Sealing machine (18 Inch) Packing Machine-1, Gunny Bag Sewing machine-1, Weighing machine-1, moisture meter-1, Plastic crates-15, Weighing machine, pulping machine, sealing machine
Knitting	Crocheting needles, scissors, wool, basket, box
Lapsi	Vacuum Pack machine, 2 Pulping machines, 2 Sealing machines, 1 Weighing machine, Boiler- 2, Grinding Machine, buckets, vat fiber
Leather	Leather shaving machine, sewing machine, leather sole pressing machine, scissors, punch holer, baankha, hammer, punch board, pliers and shoe model
Lokta	Calendaring Machine
	Fiber Vat-6 (wetting, washing, Bleaching and paper making), Modern Stove-1, Knife Beater Machine-1, Nylon Net for the frame-2 rolls, Hydraulic Jug-1, Bamboo Net-1 (Cover net, Nylon), Apron-5, Tool Box-1, 4-inch brush-4, frame-45
Tailoring	5 Sewing machines, 1 over lock machine, interlock machine, piko machine-1,
	cutting table, scissors, storing and wall rack, chairs and plastic tools
Weaving	5 Zuki Machines, sewing machine
Felt	Washing Machine, Furniture Set
Wood Carving	Carving Tool Set
	Carving tool set bag for holding the tool set, heater, electric jug, circular cutting machine, 2 HP motor, stand drill set, planner machine and router machine.

These equipment and tools were labor substituting in nature and they are meant to increase labour productivity. They are directly linked to reduce cost by substituting labor and increase sales revenue to diversify the products by enabling production of different models.

Project supported 3,807 producers by different tools and equipment's to enhance factor productivity. About 83% equipments and tools support were provided to women (Figure 2.7).

Figure 2.7: Tools and Equipment Supports



Field observation revealed that equipment and tools were not fully utilized. Producers are using technology for single product which is seasonal in nature. For example, equipments and tools supported to lapsi and zinger processing are used only for about three months for processing and they are left unused in remaining about 9 months of the year. Producers lack skills and confidence to use such equipment and tools in other products. Lack of diversified use of equipment and tools led to low capacity utilization of these technologies.

Research and Development (R&D) is very important to improve and adopt the technology. Participatory Action Research (PAR) encourages ownership and supports for localization of research findings. Most of these equipment and tools supported by the project are exported without adequate R&D at local level.

Besides, there are some issues to be researched/addressed such as environmental pollution (dipping tank for leather, lokta, drainage management of factory wastages), sustainable harvesting of lokta, dhasingare which are directly related to FT principles. It was found that the project activities are not addressing these issues of R&D.

## Magarni Didi as recognized and established an Entrepreneur



Ms Sanu Thapa Magar, aged 54, lives in Chandragiri Municipality-3, Thankot with a husband and two children. She was deprived of going formal education though got opportunity adult education "Praudsikxya". However, she was extrovert quite different than other ladies. She looks cheerful, active, fearless, confident and always enthusiastic to do something by herself. Such an enthusiasm inspired her to join ACP and works 8 years from 2050 B.S as in-house producer.

She has around 3 decade's experiences of felt trade promotion. From this experience, she registered Ganesh Hasta Kala Udyog with overseas returnee husband at cottage office 2059 BS to produce felt products. She said, " I am happy, I have earned 3 storied building, started from taking loan NRs 50,000 from ACP" Also added that she had around 50 staffs before earth quake but nowadays only 15-20. Most of the producers left because of comparative advantages to other business. She is running her own business at her own home with additional a flat at rent.

She has also received tools/equipment from FTGN as furniture sets, washing machine and drier machine. She added with smile that there was no any damage by earthquake though the order has been minimized comparatively. Her udyog is producing products of felt as per demand of ACP i.e. Socks, globes, shoes, mats and many more which goes to international market. She added that production was decreased due to EQ damage and decrease local demand, monthly transaction took place now on average NRs. 3-5 lakh only. The remuneration of producers' ranges from NRs. 6000 to 10000/ month. Her net profit is around NRs. 60000/ month, sufficient for all house expenses. She quoted, "I am really happy and pleased by the support provided by the project as I still manage to make quite a good earning and also, some sisters still could get employment opportunity to support their sustainable livelihood." She is a source of inspiration to many women, especially those who are illiterate but has got hope to earn and support for their sustainable livelihood from such a micro enterprise too.



### Annex 3: Assessment of Outputs, Outcomes and Impact of the Project

#### Outcome 1: Producers are able to generate sustainable income

- Output 1.1 - Increased capacity of the EQ affected existing producers to revive their Business
- Output 1.2 - Increased capacity of the EQ affected new producers to generate income

Revival of the damaged enterprises/business by EQ and support to increase income are the main indicators under this outcome. This outcome is contributed by two outputs. Based on the analysis given by respondents, it was found that very few enterprises were damaged and all the damaged business have revitalized and running well. All types of producers are working in good environment.

Figure A3.1: Income Generation through Tailoring



The condition of the industries for existing producers is getting improved by utilizing the supports from project and other partners compared to new producers. In case of new producers, access to productive assets was improved due to delay in re-construction of their damaged houses.

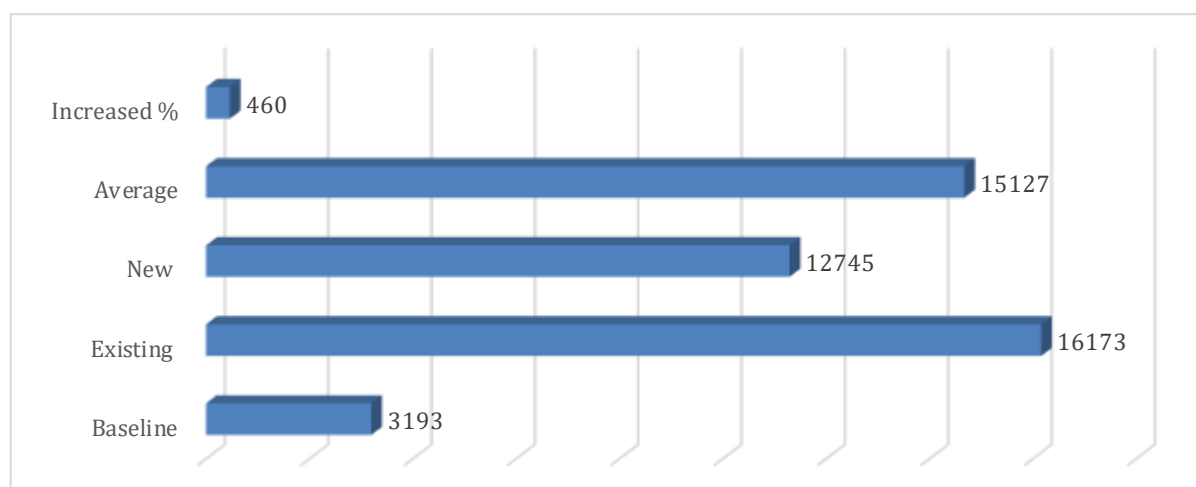
#### Income and Involvement in Decision Making Process

The project seeks to empower beneficiaries socially and economically i.e. support to increase income of the producers and empowering women producers to make decision of the income they have earned.

**Investment per producer:** Total activities cost of the project to be spent through FTGN was 448,000 AUD and this gives an investment per producer of NRs. 6,864/- (88 AUD @ 78).

**Average monthly income of producer:** This project has played the very positive catalytic role to increase the income of the producers. Average income of the producers from Fair Trade was estimated at NRs 15,127/-, which is more than five times as compared to base line value income NRs 3,193/- due to better quality products, training, marketing and access to financial services. Average monthly income of existing producers (Rs. 16,173/-) was higher than the new producers (NRs. 12,745/-). Refer figure A3.2.

Figure A3.2: Comparison of average monthly Income of producer with Baseline Value NRs



**Involvement of producers in decision for income and expenses:** All the decision for overall household level income and expenses are mixed form though dominated by men.. In overall, 39% and 22 % of overall HH income and expenses decisions are taken solely by men and women members of the concerned HH respectively whereas remaining 39% decision are taken jointly in consultation between men and women. Within female producers, 23% of such decisions are taken by existing women producers and 19% are taken by new female producers (Refer Table A3.1 for details).

**Table A3.1: Decision for HH income and expenditure**

Gender	Exiting producer		New Producer		Total	
	No.	%	No.	%	No.	%
Male	81	37.9	40	42.6	121	39.3
Female	49	22.9	18	19.1	67	21.8
Both	84	39.3	36	38.3	120	39.0
<b>Total</b>	<b>214</b>	<b>100.0</b>	<b>94</b>	<b>100.0</b>	<b>308</b>	<b>100.0</b>

**Decision for uses of women producers' increased income:** Participation of men and women in decision making process are changed. About 60% decisions to use increased income of women are solely done by women producers herself and 35% was done jointly by men and women. About 67% women respondents of existing women producers have decided to use their increased income whereas only 44% women respondents of female new producers decided to use their increased income (See Table A3.2 for details).

**Table A3.2: Decision for uses of women Income in household**

Gender	Exiting producers		New Producers		Total	
	No.	%	No.	%	No.	%
Male	6	2.8	9	9.6	15	4.9
Female	144	67.3	41	43.6	185	60.1
Both	64	29.9	44	46.8	108	35.1
<b>Total</b>	<b>214</b>	<b>100.0</b>	<b>94</b>	<b>100.0</b>	<b>308</b>	<b>100.0</b>

### Access to Productive Assets

Access to productive assets is directly related to the efficiency and quality of the products. Producers are using available equipment, tools and technology in their work station. This was good for in-house producers as compared to home based and new producers. It was found that 86% respondents were satisfied with availability of the tools, equipment and technology to augment their production. About 91% and 76% existing and new producers respectively were satisfied with the availability of productive assets.

### Capacity Development of Producers

Different types of training such as products design, packages of services, skill development and business management were organized to develop the capacity of the producers.

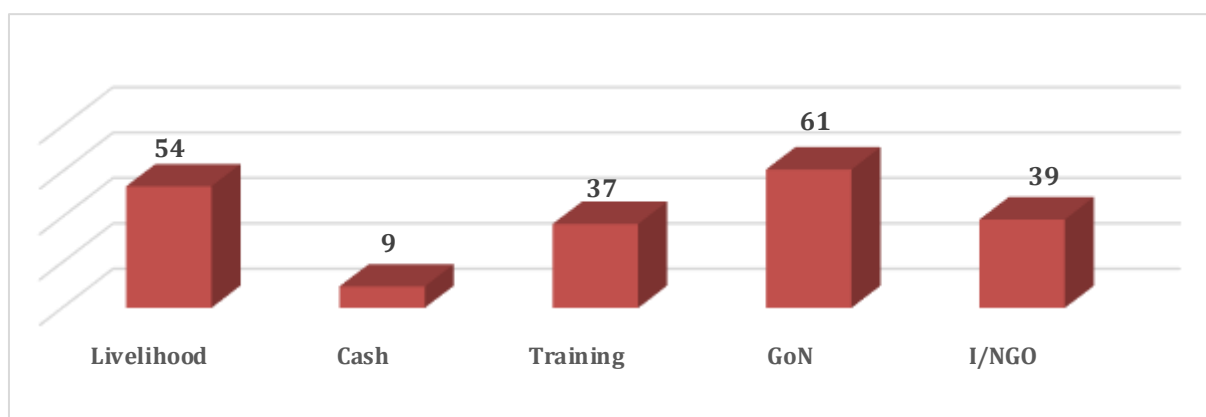
**Product development training:** About 73% (70% existing and 79% new) producers participated in product development training.

**Business management training:** Field survey revealed that 25% (18% existing and 42% new) producers got the business management training. Low proportion of producers participating in business management training was mainly attributable to the in-house and home based production nature of the enterprise and regular business management training provided by affiliated FTGN MOs. Such training was instrumental to increase confidence level of the producers to negotiate with different parties and imparting better business management skills such as price fixation, branding, product linkages, buy-back guarantee.

### Recovery and Restoration from Earthquake Damage

Damages from earthquake were in two fronts: (i) damages of house/building and (ii) damages of business. About 64% respondents experienced damages of building and enterprises by EQ (72% houses damage, 20% livestock damage, and 8% business damages). Out of business damages, 4% damages were related to tools and 4% related to work place. Respondents received recovery support from GoN and I/NGOs in the form of livelihood, cash and trainings. Survey findings revealed that 82% (254 – 141 existing and 113 new - out of 308) received different types of supports (See figure A3.3 for details).

Figure A3.3: % of Support for recovery by GoN & I/NGO



## Outcome 2: Improved market access of producers and FTGN MOs

Output 2.1: Enhanced business capacity of FTGN and producer groups

Output 2.2: Establish Fair Trade Business Development Service Center

Output 2.3: Establish FT outlet and develop linkage of Fair Trade Outlet to the product.

This outcome mainly focused at strengthening market, marketing structure and marketing mechanism among producers, MOs, FTGN and customers through three different outputs.

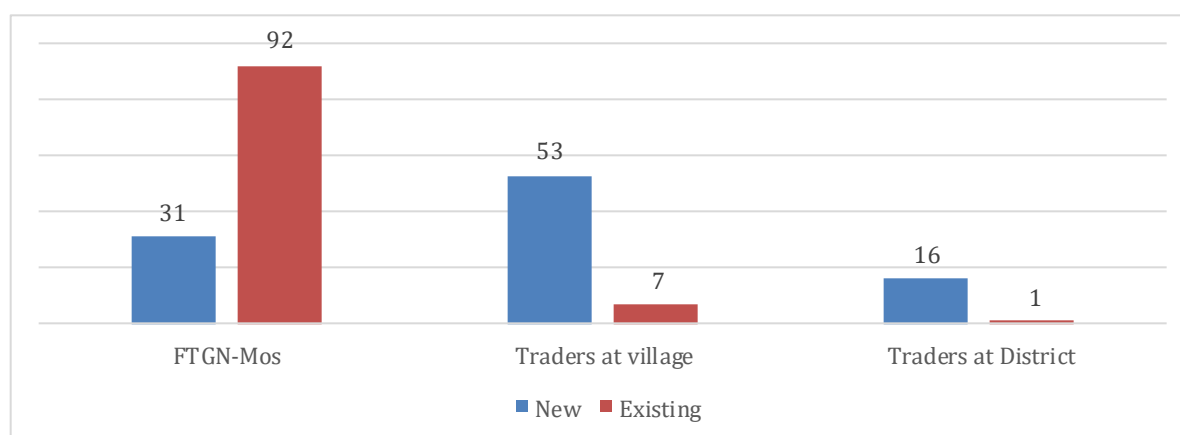
### Business Capacity Enhancement of Producers and MOs

Business capacity enhancement is the good approach to outreach the markets by producers' products. Marketing channel, agents involved for trading, price fixation of the products are very critical avenues for business management. It obviously depends on the level of participation by producers and its affiliated organizations.

**Marketing channel and actor involved for trading:** Majority (65%) respondents (87% existing and 23% new) mentioned that they are directly involved with FTGN-MOs for product marketing from producers to consumers. About 26% products of new producer are purchased by non-MOs trader at village and very less amount i.e. 6% products of existing producers were purchased by non-MO trader. The difference between existing and new producers is mainly attributable to rural production base of new producers compared to urban production base of existing producers. This is quite clear that FTGN-MOs are quite proactive for product channeling and trading.

There were three types of actors (FTGN MOs, village based traders and district based traders) were involved for product trading. In case of existing producers, 92% products were traded by FTGN-MOs, 7% by traders at village and 1% by traders at district, while in case of new producers, 53% products were purchased by local traders at village, followed by 31% products traded by FTGN MOs and 16% by traders at districts. (See figure A3.3).

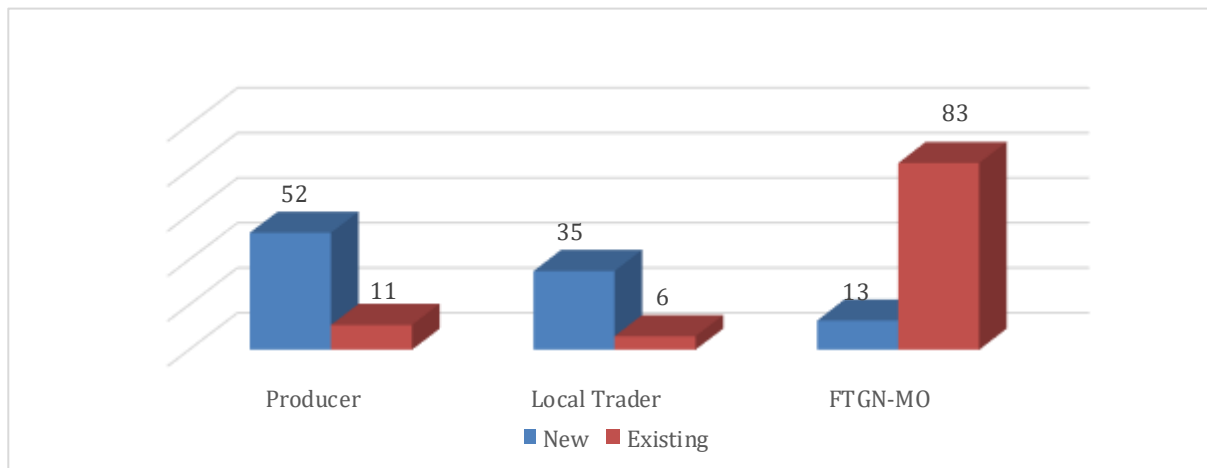
Figure A3.3: Percent of different actors for product trading



**Pricing of the products:** Sustainability of market exists when products' prices are flexible and fixed based on negotiation between customers and producers. Such a participatory approaches to price fixation is the fundamental norms of market functionalism. Sub-contracting and buy-back guarantee are another best options to sustain the market. Field survey revealed that price fixation for 83% products of existing producers are done by FTGN

MO, followed by 11% by producers and 6% by local traders against prices of 52% products done by producers, followed by 35% by local traders and 13 by FTGN MOs. This implies that FTGN MOs are yet to penetrate in the rural areas and server their rural prodcers who are essentially new producers (See Figure 3.4 for details).

Figure A3.4: Percent of different actors involved for product pricing



### Documentation/Database of Producers and Turn-over of FTGN MOs

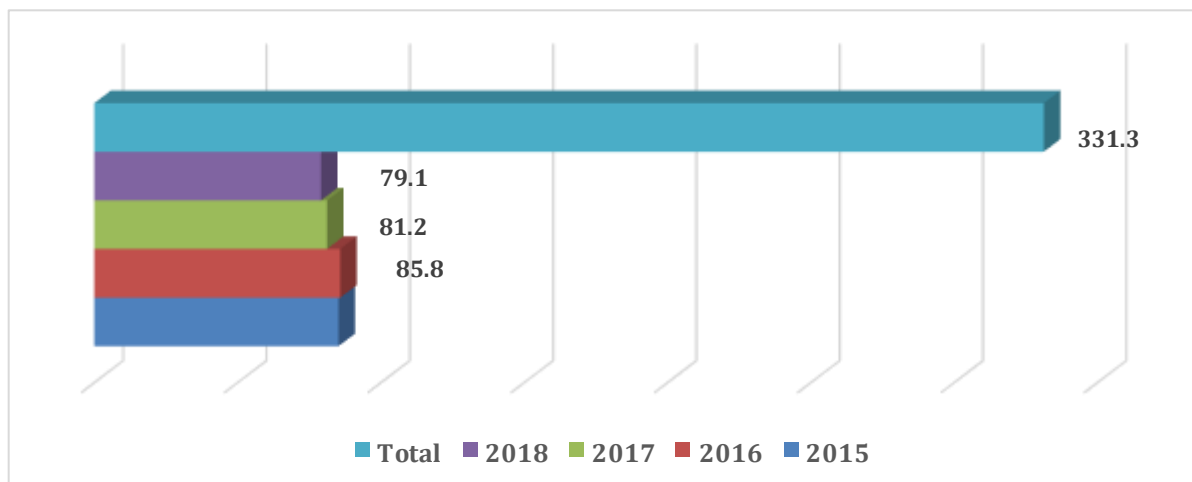
There was a dedicated meeting with BoD of FTGN and staffs. This has been quite effective to introduce and increase documentation of FTGN and MOs and this is partly attributable regular follow-up and technical support of Oxfam Nepal on need and significance of proper documentation. As a result, FTGN and MOs are planning to mainstream business related information. They did have no standard software to capture and update the business of MOs and producers periodically.

### Transaction of MOs

Interesting matter is that the income of the individual producers has increased their income more than five times compared to their baseline value. However, there is no one of one relationship between increase income of participating producers and FTGN MOs due to lack of proper M&E system to capture income of producers and MOs at FTGN-MOs from groups' level, and frequent turnover of project staffs. Apart these, as discussed with FTGN/MOs, it is happening because the demand of the handicrafts in international markets are decreasing day by day and domestic market is not well established due to price and quality issue.

**MOs Turnover:** This study uncovered that only 14 MOs have maintained annual turnover from between 2015 and 2018. Turnover data of 2019 was not received because of time lag for final audit. Available information revealed that only three MOs (ACP, OWF and Tibetan Handicraft and Paper Pvt. Ltd) has increased turnover and remaining seven MOs have turnover at decreasing trend. Detail turnover of 10 MOs are presented in Figure 3.5. Decreased turn-over is mainly attributable to price and quality factors associated to FT products and general decrease of demand for FT product in global market.

Figure A3.5: Average Annual Turnover of 14 MOs in NRs -Million



Average turnover of each MO at baseline year was 57 million where as it was decreased to 55 million and 56 million in 2017 and 2018 respectively (see Figure 3.5, 3.6 and Table A3.3 for details).

Figure A3.6: Average sales turnover of 10 MOs in NRs Million

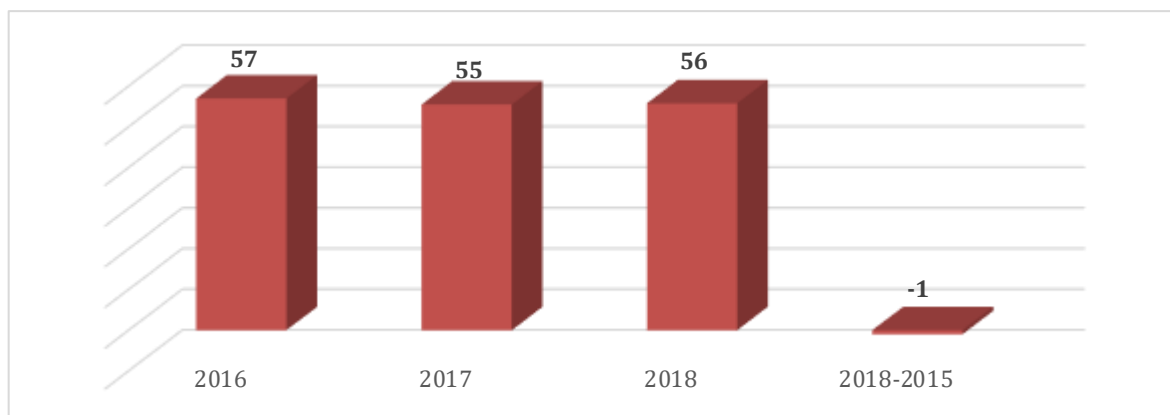


Table A3.3: Details of annual turn over 10 MOs in NRs

S.N.	Organization	2016 (2072/73)	2017(2073/74)	2018(2074/75)	Increase/decrease (2018-2015)
1	Association of craft producers	105,257,108	109,058,266	117,753,565	12,496,457
2	Kumbheshwar Technical School	56,321,785	51,066,535	39,712,959	-16,608,826
3	Mahaguthi Craft with Conscience	101,403,571	85,939,405	82,896,262	-18,507,309
4	Manushi	76,236,952	65,134,191	68,832,979	-7,403,973
5	Nepal Leprosy Trust	8,447,150	7,545,304	4,201,795	-4,245,355
6	New SADLE	51,215,459	33,274,337	53,717,772	2,502,313
7	Organic World and Fair Future Pvt. Ltd	7,184,253	10,000,000	7,500,000	315,747
8	Sana Hastakala	78,587,901	78,500,000	78,712,122	124,221

S.N.	Organization	2016 (2072/73)	2017(2073/74)	2018(2074/75)	Increase/decrease (2018-2015)
9	Tibetan Handicraft and Paper Pvt. Ltd	62,140,508	92,245,693	78,505,375	16,364,867
10	WEAN Multipurpose Co-operative	22,847,461	21,995,586	25,948,888	3,101,427
<b>Average sales turnover</b>		<b>56,964,215</b>	<b>55,475,932</b>	<b>55,778,172</b>	<b>-1,186,043</b>

### Business Development Service Center

Sustainable operation of the business/enterprise requires availability of required services and raw materials at reasonable rate and market. In view of this, this project envisioned establishment of BDSC and materialize it by forming required structure and mechanism. Process to set-up BDSC started in the initial months of the project. Most of the stakeholders including producers were not well equipped and informed about BDSC mandate and support modality because of late finalization of its products and services. Considering this, capacity of BDSC was enhanced on aspects of SIYB, marketing, business plan preparation, counseling and market promotion by recruiting BDS professionals. FTGN envisage operating BDSC on sustainable level by selling fee based services. The project assisted FTGN to document concept and business plan of BDSC as Udhamsala. They have finalized its process, modality and scope of service to producers through Udhamsala. This concept is very creative. FTGN has already recruited the professional human resource to look after the BDSC. The purpose of BDSC is to provide services on SIYB training, marketing, business plan preparation, counseling and market promotion. FTGN envisage operating BDSC on sustainable level by selling fee based services.

Figure A3.7: Outlook of Udhamsala Leaflet



FTGN has completed sharing events on BDSC with Trade and Export Promotion Center (TEPC), MoICS and some other national stakeholders. Impressed by its concept, TEPC committed some funds to run Udhamsala from FY 2019/20. TEPC provisioned NRs 8.2 million to run Udhamsala. Discussion is underway between FTGN and TEPC to run Udhamsala smoothly and smartly. TEPC requested FTGN to add additional services such as export house, and product design and trade facilitation center. Both parties agreed to target services form BDSC to all the producers and MOs and to gear towards promoting fair trade principles, practices and products.

### **Fair Trade Outlets**

Outlet is very strategic avenue to outreach the producers' products in the market. It also works as meeting point for B2G, B2B, B2P, P2P linkages which ultimately increases the volume of business. MOs are working itself as product outlet and contacting local to international market. Some of them are already established and doing good job. Additional outlets are not required for approaching in the market.

**Fair Trade Market Outlet:** There is a FT outlet in Kathmandu named SAARC Chamber CRAFT Village and all the ten products are purchased and promoted through this outlet. Annual turnover of the outlet in 2018 was NRs 3.8 Million which is 4% increment as compared to baseline value.

**Koseli Ghar:** Some local government of the project areas are preparing enterprise development plan to open district based outlet as Koseli Ghar to promote local products including FT products in coordination with CSIDBO. Initiative of the Chautara Municipality of Sindhupalchok district is the case to cite with.

**SAARC Organic Shop:** In cognizance of importance of sales outlet in Kathmandu Valley, FTGN realize the need promote organic products. Sanahastakala, an active FTGN MO is going to open SAARC agri-organic shop at Sanepa very soon and working to sale the Zinger and Coffee from Nuwakot district through this outlet.

### **Outcome 3 Practices of Fair trade principles and practices**

Output 3.1 Enhance advocacy skills of FTGN member organization and producer's group  
Output 3.2 Fair trade principles and practices are promoted in private and public sector actors.

This outcome focuses at incorporating FT policy, principles and practices among public and private sectors by enhancing their advocacy skill of producers and MOs.

#### **Advocacy and Lobbying**

This is very important component of the project to influence at policy for internalization and institutionalization of FT principles and practices by others including public sector. This is more process oriented and demand regular follow up of the issues. Building alliance and networking is another very important advocacy approach. Further, representation of FTGN on public structure is very important for effective advocacy and lobbying.

**Advocacy Strategy:** FTGN has prepared a document of Advocacy strategy (2016 to 2018) for promoting FT policy, principles and practices. This document has clearly defined the activities to be carried out from local to national level. Only few activities were implemented accordingly because of the early stage of the initiative. The activities initiated include advocacy training to MOs and producers, meeting with National Planning commission, UNDP, and MoICS to educate them about FT policy, principles and practices.

**Government program and policy awareness:** There was no formal partnership of FTGN MOs and GoN program though the issue has been discussed since long and lately with Federal Government. Representative of MOs have very little information about FT policies, programs and provisions for promoting business and enterprises. As a result, other

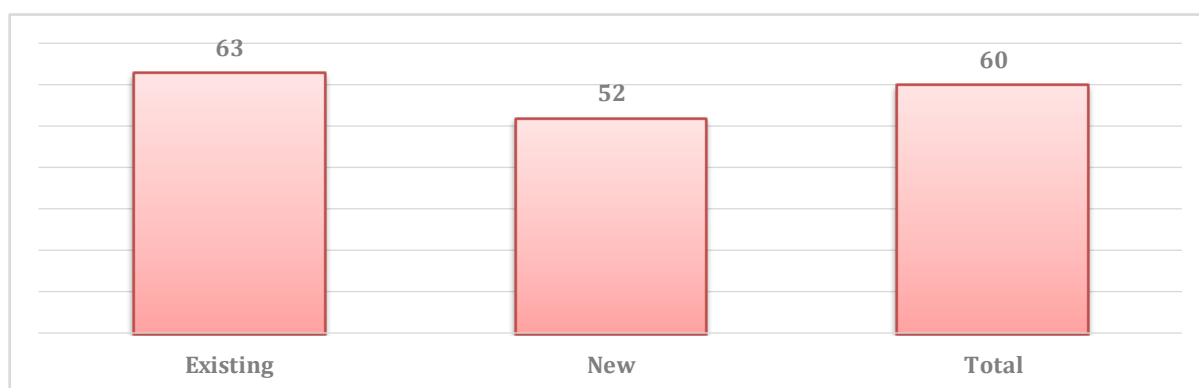


stakeholders, who are promoting enterprises in the areas, are also doing their own business independently and seemed lack of coordination and collaboration for synergy and avoiding resources duplication.

### Promotion of FT Principles and Practices

Some of the events and campaign were organized to promote FT principles and practices. It has been taken as a continuous process and incorporated as cross cutting agenda for each meeting of producers, producers group, MOs and FTGN. Some of the activities such as orientation of 10 principles of FT, and distribution of flex and hording board at producer's level are already started.

Figure A3.8: Percentage of Knowledge on FT Principles and Practices



The effectiveness of above mentioned promotional activities is gradually visible. About 60% producers (63% existing and 52% new) surveyed were aware on FT principles and practices. None of the producers surveyed were aware and informed on government policies on promoting FT principles and practices.

### Cross Cutting Outcome: Unpaid work and Climate Change

Unpaid work at home and climate change issues at business since last three years are two cross cutting issues of this project.

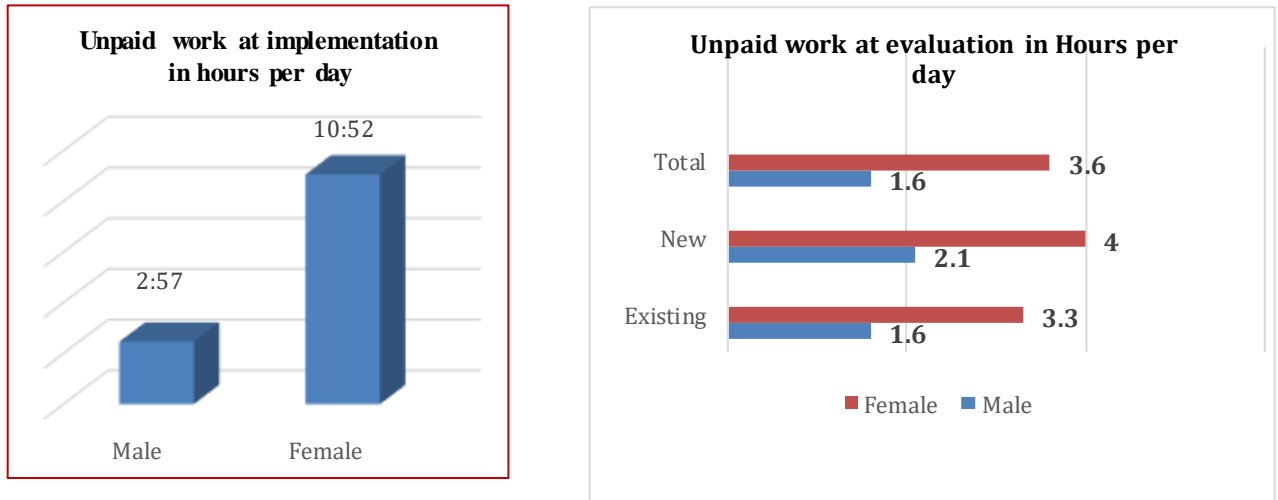
#### Unpaid work

Unpaid work refers to production of goods or services consumed within or outside a household, but not for sale in the market (OECD 2011). In Nepalese context, common form on unpaid work is domestic work such as cooking, cleaning, washing and farming. Generally, the burden of these unpaid works falls under women. Men are reluctant to support women on these activities despite that they are ideal. Project has taken data and analyzed unpaid work during implementation phase. Field survey revealed that 3 and 11 hours were allocated for unpaid works per day by men and women members of HH respectively. Considering this disparity on unpaid care works, project had some interventions to increase awareness on it. Care work analysis among producers and their spouse and GESI orientation has proved to be effective to reduce incidence of unpaid works in the project areas.

When inquired respondents about unpaid care work, survey findings revealed that 70% unpaid works are still done by women members. The male members have contributed 1.6 hours per day whereas female members had allocated 3.6 hours per day for these tasks.

Further, new producers have more responsibilities for these unpaid works compared to existing producers. This is mainly due to the fact that existing producers had more exposure to gender sensitization.

**Figure A3.9: Unpaid care work hours status during implementation and evaluation**



### Climate Change

FTGN, MOs, producers and project team were highly sensitive to different climate change issues. Their effort to sensitize producers on climate change issue and provide climate change smart technologies, equipments and tools during implementation phase was quite commendable. Equipment and tools such as Electric Kiln for ceramic producers, sustainable waste management to waste and sustainable harvesting of natural resources such as lokta was climate smart. Information collected during field study revealed that 11% producers surveyed expressed that they faced/experienced climate change issues since last three years. Majority of the facing issues/problem was physical injuries as a result of EQ and its post implication. Only 2% producers mentioned that their business was affected by EQ. Some producers mentioned about draught and land slide during farming season.

### Annex 4: Details of the Project Budget as of June 2019

	Activity Details	Amount in AUD			
		Planned Budget	Expenses	% progress	Remaining Balance
<b>A</b>	<b>Partners Activity Cost</b>	<b>447,951</b>	<b>440,945</b>	<b>98%</b>	<b>7,006</b>
Outcome 1	Output 1.1. Increased capacity of the EQ affected existing producers (At least 2,000 EQ affected families/producers) to revive their business	184,295	183,102	99%	1,193
	Output 1.2: Increased capacity of the EQ affected new producers (At least 2,500 EQ affected families/producers) to generate income.	125,136	124,222	99%	914
Outcome 2	Output 2.1: Enhanced business capacity of FTGN and producer groups	44,846	44,466	99%	380
	Output 2.2: Establish Fair Trade Business Development Service Center (BDSC)	45,193	43,964	97%	1,229
	Output 2.3: Establish FT Market outlet and develop linkage of Fair Trade Market Outlet to the product.	15,427	15,361	100%	66
Outcome 3	Output 3.1: Enhance the advocacy skills/capacity of FTGN and Producer's Group / Cooperatives	6,081	5,878	97%	203
	Output 3.2: Fair trade principles and practices is promoted in private and public sector actors (Implemented advocacy strategy)	26,973	23,951	89%	3,022
<b>B</b>	<b>Partners Management Cost</b>	<b>199,126</b>	<b>198,363</b>	<b>100%</b>	<b>763</b>
B.1	Partner staffs cost (Personal Cost)	162,428	162,013	100%	416
B.2	Operational Support Cost – Partner	31,790	31,443	99%	347
B.3	Office Equipment's	4,907	4,907	100%	-
<b>C</b>	<b>MEAL (Monitoring, Evaluation, Accountability and Evaluation)</b>	<b>83,334</b>	<b>62,494</b>	<b>75%</b>	<b>20,840</b>
C.1	Partners MEAL cost	39,645	37,917	96%	1,728
C.2	OXFAM MEAL and Programme cost	43,689	24,578	56%	19,111
<b>D</b>	<b>Oxfam Management Cost</b>	<b>169,272</b>	<b>160,383</b>	<b>95%</b>	<b>8,889</b>
	<b>Total Oxfam cost</b>	<b>212,962</b>	<b>184,961</b>	<b>87%</b>	<b>28,001</b>
	<b>Total Partner cost</b>	<b>686,722</b>	<b>677,225</b>	<b>99%</b>	<b>9,497</b>
	<b>Total Budget for Implementation Phase</b>	<b>899,684</b>	<b>862,185</b>	<b>96%</b>	<b>37,498</b>
	Total funds utilized during Inception phase	122,064	122,064	100%	-
	<b>Total Cost</b>	<b>1,021,747</b>	<b>984,249</b>	<b>96%</b>	<b>37,498</b>
	Overhead (5%)	51,087	49,212	96%	1,875
	<b>Grand total</b>	<b>1,072,835</b>	<b>1,033,462</b>	<b>96%</b>	<b>39,373</b>

## **Annex 5: Evaluation Team**

Name	Designation
Mr. Bhupendra Rana Magar	Team Leader / Market System and Microenterprise Expert
Mr. Laxman Neupane	Livelihood and DRR Specialist
Innova It Solution Pvt. Ltd	System Designer/Analyst
Ramesh Adhikari	Enumerator
Sita Sharma	Enumerator
Muna Sharma	Enumerator
Yamuna Pun	Enumerator
Shekhar Shrestha	Enumerator