

# EmPLED , Nepal

## Employment Creation and Peace Building based on Local Economic Development



The Employment Creation and Peace Building based on Local Economic Development (EmPLED) project commenced in May 2007 runs to April 2010. Funded by the International Netherlands Cooperation under (NICP), ILO is implementing EmPLED with the Ministry of Local Development (MoLD) and local stakeholders in the target Districts of Dhanusha and Ramechhap in conjunction with District LED Forums consisting of representatives of key public, private and civil society decision-making institutions and organizations. The fund available for three years project is US \$ 3 million.

The districts LED Forums are implementing responsive LED action programmes for achieving the project's overall goal of sustaining employment-intensive and inclusive economic growth. The rationale for the project's title is that building territorial competitiveness to stimulate business and economic growth will create the jobs needed to contribute to a lasting peace in post-conflict Nepal especially for Women, marginalized and youth.

The main LED action programmes are focused on: (1) capacity building for the Forum members and the MoLD to sustain and expand LED process momentum in the target Districts and other areas of Nepal; (2) job creation through value chain upgrading in tourism and food products; and (3) encouraging entrepreneurship and a culture of enterprise through LED radio programming.



The strategic relevance of the EmPLED project is firstly and in the absence of elected local development officials, the LED Forums facilitates a unique Nepali public-private-civil society partnership model for social dialogue and consensus decision-making. Appropriately communicated, LED can inter alia assist action programmes accommodate portfolios of simultaneous responses for building unique competitive advantages while creating jobs (such as development business services and markets for food products value chain upgrading): in the target Districts, LED is helping stakeholders to better appreciate how combining various economic development investments under umbrellas for targeting improved economic performance can be more effective than approaching these investments as hitherto on an independent sector basis (such as irrigation, roads and so forth) and through ad hoc socially-focused small projects.

With the exception of most local government line agency and department activities, most decentralized local development assistance in Nepal is delivered by local NGOs at the community and household level. A group-based social mobilization model is used as the delivery framework within which better-off beneficiaries tend to monopolize project decision-making and receipt of benefits, thus limiting outreach to and engagement of poorer population groups. This model has fostered high levels of national development free aid dependency and expectancy. LED can play a dynamic role in the two Districts assisting stakeholders to develop new and enhanced LED strategies for creating quick jobs while at least sustaining a modicum of economic growth during these difficult times.

The project was moved to a P1 (priority one) status by the Government of Nepal in the latter part of 2008 largely because of interest in the above relevance issues.

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# ACTION PROGRAMME FOCUS:

## 1. CAPACITY BUILDING OF THE FORUM MEMBERS AND THE MoLD TO SUSTAIN AND EXPAND LED PROCESS MOMENTUM IN THE TARGET DISTRICTS AND OTHER AREAS OF NEPAL



### (i) SKILLS FOR EFFECTIVE LED MANGEMENT & EXPANSION

The project activated the voluntary LED Forum a public-private-civil society partnerships model with the stakeholders. The Forum members acquired the initial skills for packaging holistic programmes for scale impact. The Forums are also now gaining the momentum needed to complete the transition from initial objective

- o EmPLED Result Measurement
- o LED Forums monthly meetings

### (ii) INFORMATION & TOOLS FOR NEW-ENHANCED LED STRATEGIES & LED EXPANSION:

#### INCLUSIVE VDCs PROFILE PREPARATION AND PLANNING FOR LED PROMOTION

"The intervention is responsive to VDC a three years action-plan complementing and enhancing District LED strategies, and as relevant, including LED interventions relevant to the 4 economic clusters in each District. In addition to seed capital and technical assistance available from ILO EmPLED micro-infrastructure and value chain upgrading, and related skills development and social protection schemes, resource mobilization include linkages 2009 decentralized District planning process, publication and promotion on forthcoming District websites and information on the LED process.

- Current LED promoter training and back-stopping
- VDC LED promoter LED Training
- LED practices, tools and awareness.

of LED as a locally-owned dynamic process to be sustained after the project has ended. The action programme includes:

- **LED Training**
- **LED Management and systemizing**
  - LED Gender, Social Inclusion Strategy
  - Janakpur Municipality Urban Development Plan Preparation
  - Dhanusha District Transport Master Plan

## 2. JOB CREATION THROUGH VALUE CHAIN UPGRADING IN TOURISM AND FOOD PRODUCTS

### A. TOURISM VALUE CHAIN UPGRADING

(a) **Ramechhap:** "The tourism value chain upgrading programme in Ramechhap is to stimulate inclusive business growth leading to the creation of new productive employment and incomes for the targeted local trekking populations includes:

Homestays and community lodges facilities upgrading, trail and campsite upgrading, Homestay skills management training, development of cultural performances, trekking guides and porters, operational capacity building for destination and village level tourism institutions, and feeder micro and small enterprises.

Two trekking products (1) Indigenous People Trail in west and (2) Numbur Cheese Circuit in north Ramechhap is shape a new images in our District of scenic beauty linked to harmony,

inclusion, culture and food products, and replacing dark past images of isolation and bitter conflict. The products will officially launch in September 2009 for expected tourism business commencement from the autumn 2009 season and Nepal Tourism year 2011.

(b) **Dhanusha:** Tourism value chain upgrading action programme in Dhanusha targeting cultural and religious tourism products are unique, attractive and market-led, quick-win as well as long-term impact potential, engagement of dalit/IPs and the sector offers an entry-point for the development of other sub-sectors such as natural product, slow food and traditional Mithila handicrafts.

ILO EmPLED co-ordinate with Janakpur Municipality to undertake initial site and market research in the Solid Waste Management of Janakpur Municipality to determine initial cultural and religious tourism development.

LAMA NACH



"Fish Value Chain Upgrading" Janakpur fish is an identity and brand name in Nepal for fish market. The programme recognizes the very crucial role of Public Private Partnership (PPPs) in driving the District LED process to achieve its goals, and responds to current limited capacities of these key LED Forum partners to fulfill this role.

## B. FOOD PRODUCTS VALUE CHAIN UPGRADING

"Food products value chains upgrading is a consensus priority action programme for the Dhanusha and Ramechhap Districts Local Economic Development (LED) Forum. The entry-point holistic demonstration action programme supported by seed capital investment resources from ILO EmPLED, the LED Forum opted for a portfolio responsive to opportunities, challenges and immediate priorities (see below) that will generate a combination of quick-win tangible impact while laying foundations for upscaling and replication to accelerate growth. While promoting increased and new investments in local food processing and services for food quality and certification are important components of a comprehensive action plan for food products value chain upgrading. The LED Forum is strengthening those locational factors that will initially increase the production of more quality food products: specific priority strategies and intervention are:

### PRIORITY PRO-POOR LED STRATEGIES:

#### (a) Productive Asset & Job Creation Through Employment-Intensive Infrastructure Projects

The LED Forums has prioritized initial activities for strengthening locational factors for building competitive advantages in crop production while creating job opportunities now and later. The interventions are designed to create immediate jobs by optimizing the use of labour-based technologies and community contracting, while providing productive assets to poor households to produce more food for sale and consumption with improved access to inputs, services and markets. For productive infrastructure, the LED Forums reached consensus on in the construction of following works:

- Construction of irrigation field canals in the first 2 of 64 minors and repair & upgrading of rural agriculture roads-Kamala Irrigation Scheme.
- Demonstration of Pond Renovation & Upgrading, Janakpur-Fish Value Chain.
- Upgrading Road in South Ramechhap for Improved Access to Farm Inputs, Services & Markets: (a) Chyakethanti-Bhalukhop Road; (b) Manthali-Bhaluwajor; and (c) Jiri-Dharapani Road

- Demonstration Fish Pond: Majhi Fish Pond Kunauli
- Demonstration Irrigation Infrastructure: Construction and upgrading of Khimti and Goswara Irrigation Schemes
- Tourism Trail Infrastructure development and maintenance
- Demonstration of Ghaledanda Potato Store

#### (b) Linking the environment, green jobs and the world of work

- Incentive Stick Value Chain Upgrading in Dhanusha: -targeting a control group 200# improvised incentive stick artisans member of cooperative in Bhuchakkarpur VDCs of Dhanusha District.

Market have been falling for the estimated 1000# locally available incentive stick artisans such that only the 200# cooperative members currently have daily survival-level employment earning on average NRs 100/- per day. Product design and development focuses on making the product more 'green' (i.e. increased used of natural raw materials as opposed to chemicals such as

'Dhupi' powder produced in Ramechhap and others to stimulate growth in feeder value chains). Support for improved packaging will focus on Mithila cultural themes with inherent market expansion potential linked to religious and cultural tourism value chain upgrading in Dhanusha District.



#### NTFP Value Chain Upgrading in Ramechhap:-

- Dhupi Powder making linking with Incense Stick in Dhanusha District
- Decorative Lokta Paper Production

Watershed Conservation, Productive Assets & Green Jobs:-restoration, improved management and sustainable use of natural assets like: Charnath Watershed Management, Embankment and riverbed agro-forestry. The implementing partner is the DSCO assisted by watershed management user groups formed in the works areas.

#### Green Job Creation through Upgrading of Community and Leasehold Forests for Development of Market- Led Opportunities:-

• Demonstration of forest upgrading works combined with technical and business skills training for the development of viable MSE opportunities in the propagation of renewable forest and food products, nurseries providing inputs for same and nucleus goat breeding units can create and appropriate combination of immediate jobs and long-term income flows. The implementing partner for the projects is the Community Improvement Centre e project area with forestry management and enterprise-specific experience.

#### **(c) Enabling and Facilitating Responsive Business Services for Value Chain Upgrading**

Commencing the process of enabling and facilitating private services and markets for crop and animal products value chain upgrading was another immediate priority of the LED Forum members. The Forum was agreed that selecting locally-based lead farmers and community animal health workers offered the best prospects for sustaining delivery of crop extension and vet services: the Forums also prioritized investing in skills testing/certification for the service providers.

It was also agreed by the Forum members that strengthening the service provider representation and service delivery capacity was an important priority towards stimulating greater participation of farmers in increased production of quality food products, with specific immediate emphasis on group building and networking, informative radio programmes, and connecting actors in value chains (including input suppliers, traders, transporters and financial service providers).

- Current LED Programme Market Linkages and

and Forward Janakpur Development Zone Competitive Advantage Building Planning Study

#### Fruit, vegetable and cereal value chain service markets:

- Private farm extension service enabling
- Farm extension group building service delivery facilitation
- Beneficiaries agri-business entrepreneurship

#### Animal Product Value Chain Upgrading:

- Private VET service enabling
- VET service market training
- VET service skill testing and certification

### 3. ENCOURAGING ENTREPRENEURSHIP AND A CULTURE OF ENTERPRISE

Along with other private enterprise development initiatives, the business environment affects the performance of private enterprises in both the formal and informal economies. Business environment reform promotes the development of markets that encourage competition and enhance the effectiveness and sustainability of other development interventions. The LED process brings the global employment agenda to the local level by providing a consensus integrating framework for the pillars of decent and productive work (strengthening tripartism and social dialogue, labour standards and rights at work, social protection and employment). LED capacity building support interventions including education and awareness raising of various decent works and LED matters through LED radio programmes.

#### **(a) Business Radio LED Program:**

- LED Radio Programme "Sonchiraiya-Golden Bird" in Dhanusha- implementing partner is Janakpur FM.
- LED Radio Programme "Rojiroti" in Ramechhap-to be implemented by Sailung FM Charikot

#### **(b) Private Sector Business Development:**

- Establishment of Janakpur Business information center and publication of Directory by Janakpur Chamber of Commerce and Industry.
- Thangka Art Value Chain Upgrading
- Yak cheese value chain upgrading

