



Annual Report

NEPAL: 2023-2024

Big change starts small

Practical
ACTION



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READY, SET, GROW!

Message from Pooja Sharma,
Nepal's Country Director

As we prepare for the next phase of our strategy, Practical Action is gaining momentum, recognising the need to address both local and global challenges in the pursuit of long-term goals in countries across Asia, Africa and Latin America. **The last five years in Nepal have tested us with turbulent natural and political climates. Nevertheless, we have persevered, scaling up our work and broadening our impact.** Our commitment to innovative, localised solutions remains steadfast as we continue to address critical global issues like climate change, food security, and energy access.

Nepal, like many countries worldwide, is increasingly vulnerable to the impacts of climate change. 2023 was one of the hottest years on record in over a decade, with persistent heatwaves in central and western regions. Despite below-average rainfall in winter, floods and landslides ravaged mountainous areas during monsoon. These extreme weather patterns reinforced the urgent need for our work. Our team has been on the front lines, implementing **solutions that not only respond to immediate challenges but also build long-term resilience, working in preparedness, response capacity and adaptation.**

We are proud of the milestones we achieved this year. Our expansion from flood early warning systems to

multi-hazard early warning systems, linked to early actions, benefitted communities in the monsoon this year. Additionally, we scaled up the Index-based Flood Insurance (IBFI) across additional river systems such as Khutiya, Babai and Pathariya. Our work in digitalisation has also empowered women farmers, giving them access to digital platforms and financial services that were previously out of reach. We are also particularly proud of our efforts to promote modern energy services and energy efficiency, which have gained significant traction in households and enterprises in rural areas.

At Practical Action, we take a systems-thinking approach across our three key programme areas—**Farming that Works, Resilience that Protects and Energy that Transforms.** Last year too, we worked with diverse stakeholders at different levels to tackle complex problems in a holistic manner. To strengthen disaster preparedness and risk communication, we collaborated with federal government agencies, disaster management committees at different tiers and communities. Meanwhile, we are working with suppliers, distributors, marketing agents, and technicians to simultaneously build demand and enhance the supply chain of electric and improved biomass cookstoves, energy efficient appliances in our working areas.

Notably, we partnered with the local internet service providers (ISPs) in rural areas of Rolpa and Rukum to help reduce the one-time installation cost of the internet as an effort to establish a robust digital financial ecosystem aiding farmers to assess effective digital and financial services for updated agricultural information. These partnerships—especially with private sector actors are crucial to ensuring the sustainability of our efforts long after our projects conclude.

Sustainability is central to everything we do. In agriculture, we are promoting market-oriented agriculture production, which not only helps smallholder farmers get the resources needed to practice regenerative agriculture but also helps them access local markets. In just two years, our work has resulted in a £1.4 million increase in income for 4,770 households. We are also working to develop a sustainable market for electric cooking in Nepal, expanding our electric cooking project in additional provinces along with addition of various actors at supply chain and support services levels.

This year, we made **significant strides in cross-learning**, particularly through our gender-transformative approaches. Under our Energy programme, we had prepared a training manual on agency-based empowerment based on an assessment. Following its success, this empowerment model has been adapted into the Farming Programme, which now addresses deeply ingrained gender and social norms. These efforts are critical to achieving lasting, equitable development.

We have also invested in **improving our internal systems.** We organised “Pause and Reflect” sessions for various programmes to critically review our works, identify gaps and areas of improvement, and make necessary adaptations and changes to benefit the communities we work with. We have invested to strengthen our monitoring, evaluation and learning practices, financial system, information system and human resources management. We have prioritised learning and development of our team members through relevant trainings and workshops. We are excited to continue our women traineeship programme for the second year.

Our achievements this year would have been impossible without the supportive environment fostered by our donors, partners and the government. One of our key contributions has been policy engagement, with regenerative agriculture now incorporated into national and municipal plans. **Seven rural municipalities have endorsed agroecology-based regenerative farming, soil health initiatives, and crop insurance programmes**—ensuring the long-term sustainability of our project innovations. Additionally, we supported the development of Nepal's Soil Health Action Plan, aligning it with the country's 2030 commitments to improve soil health.

Our partnerships with the National Disaster Risk Reduction and Management Authority (NDRRMA), the Department of Hydrology and Meteorology (DHM), District Management Committees (DMCs), and Emergency Operations Centres (EOCs) have continued to strengthen our work on early warning systems and disaster risk reduction. Similarly, we also engaged with the Ministry of Water and Energy Resources and Irrigation (MoWERI), Ministry of Forestry and Environment (MoFE), Ministry of Agriculture and Livestock Development (MoALD), Alternative Energy Promotion Centre (AEPIC), Electricity Regulatory Commission (ERC), Nepal Electricity Authority (NEA), etc.

In addition, we collaborated with key stakeholders, including civil society organisations and alliances, in critical discussions around electricity tariff structure and climate negotiations. Collaborations are vital for us and our partnerships are the foundations upon which all our work is built.

Looking forward, we remain wholeheartedly committed to working with the communities of Nepal. We are excited to nurture our existing partnerships and to engage in new collaborations, particularly as we scale up our innovations to reach more people. **The challenges we face are significant, but with our dedicated team and strong network of partners, we are confident that we can continue to make a meaningful, lasting difference—both in Nepal and as part of a global effort to create a fairer, more resilient world.**

BIG CHANGE starts small



Our vision is a world that works better for everyone.

Practical Action is an international development organisation putting ingenious ideas to work so people in poverty can change their world.

We help people find solutions to some of the world's toughest problems. Challenges made worse by catastrophic climate change and persistent gender inequality. We work with communities to develop ingenious, lasting, and locally owned solutions for agriculture, water and waste management, climate resilience and clean energy. And we share what works with others, so answers that start small can grow big.

We're a global change-making group. The group consists of a UK registered charity with projects in Africa, Asia and Latin America, an independent

development publishing company and a technical consulting service. We combine our expertise to multiply our impact and help shape a world that works better for everyone. We believe in the power of small things to change the big picture. And that together we can take practical action to build futures free from poverty.

In Nepal, Practical Action is focused on putting ingenious ideas to work to contribute to poverty reduction and sustainable wellbeing for all through our works in Energy that transforms, Resilience that protects and Farming that works.

Our REACH and IMPACT in Nepal



We raised
2.94 million pounds

We spent
2.90 million

We delivered
28 PROJECTS

covering
106 rural municipalities
and **57 municipalities in**

58 DISTRICTS
across
7 PROVINCES

reaching out to
242,254 people
directly
♀ 130,378 ♂ 111,876

263,194 people
indirectly
♀ 144,541 ♂ 118,653

We created/promoted/ensured
continuation of jobs/businesses of
3,848 ♀ 3,467 ♂ 381
people

Paving the way FORWARD



We may start small, but our ingenious solutions have consistently demonstrated significant impact. Over the next year and beyond, we are eager to expand these initiatives centred around our three programme areas: Resilience that Protects, Energy that Transforms and Farming that Works. With our work deeply rooted in ground realities, we are committed to paving the way for a sustainable future of Nepal.

Under “**Resilience That protects**”, we envision scaling our impact across more communities and local governments, deepening our resilience strategies, and fostering sustainable practices. We have initiated to develop localisation strategies for early warning system in three provinces: Lumbini, Karnali and Sudurpashchim. We are also developing adaptation metrics.

Strengthening of the Index Based Flood Insurance (IBFI) will be one of the key priorities in the coming years. We are excited to initiate the upscaling of such

insurance products in the communities **and implement a data-driven Climate Resilience Measurement for Communities (CRMC) tool to evaluate the scale of resilience of communities.**

As we plan to move towards multi-hazard early warning system, we will prioritise assessments in 72 new communities across Lumbini, Sudurpashchim and Bagmati provinces to understand and address climate risks such as floods, landslides, and heat hazards. We will continue to localise early warning systems aligning with Early Warning System for All (EWS4All) initiative, linking EWS with early action (EA) and enhancing the disaster preparedness and response capacity of local communities and local governments.

Our future strategies will be informed by research and piloting of climate adaptation technologies suited to local needs and compiling national inventories of climate-related loss and damage. We will continue designing

tailored interventions to strengthen community resilience and livelihood. Engaging policymakers and stakeholders will be crucial for us to support operationalising climate and adaptation finance linked with mitigation, as well as adaptation actions.

Under “**Energy that Transforms**”, we will continue focusing on clean cooking solutions, energy efficiency, and energy for agriculture. In the electric cooking sector, our priorities include: increasing access to electric cooking appliances for disadvantaged families, enhancing cookstoves usage rates, promoting digital applications for marketing promotion and monitoring, empowering women and ensuring effective after-sales services. In the coming year, we aim to benefit over 100,000 people through electric cooking solutions and an additional 100,000 people by providing access to higher-tier biomass cookstoves.

As we work with communities to influence their behaviour and preferences in cooking appliance choices, we will simultaneously advocate for improvements in electricity distribution infrastructure, energy efficiency, and the reliability of electricity supply to support widespread adoption. In the coming fiscal year, we plan to work with Nepal Electricity Authority to enhance the capacity of existing power lines through innovative solutions.

In the energy for agriculture sector, our focus will be on the efficient use of energy for various farming operations, such as water lifting, storage, processing, transportation, and drying. Based on our learnings on productive use of energy, we are aiming to promote the use of renewable energy and modern technologies in the dairy value chain. Following energy efficiency audit and market assessment which identified various inefficiencies in the existing practices in the dairy market system, we are preparing to apply the Participatory Market System Development (PMSD) approach based on participation, inclusion, facilitation, and system thinking principles, in the dairy value chain to solve the market system gaps.

Looking ahead, we aim to innovate and further explore opportunities in energy for climate adaptation and e-mobility. We will also advocate for ensuring responsible practices in carbon financing and accessing carbon financing funds to implement energy projects contributing to mitigation and adaptation actions that will address climate change.

Finally, under “**Farming that Works**,” we will develop and promote metrics to measure the effectiveness of regenerative agriculture. We will also create a framework of “locally led climate-resilient agriculture” based on the eight principles of locally led adaptation, drawing from our research in collaboration with the Institute for Global Environmental Strategies (IGES). Additionally, we will document and promote traditional and local knowledge for climate adaptation in agriculture.

Digital finance will be another key area of focus. Working with 5,500 communities (80% women) in Lumbini Province, we will continue to provide training in financial literacy, digital literacy, and digital financial literacy to increase community uptake of digital financial products and services. In parallel, we will collaborate with financial institutions to co-create women-centric financial products and work with local government to develop a digital strategy. At the federal level, we will partner with Nepal Rastra Bank to update its digital financial framework.

Our experience has demonstrated that integrated, gender-transformative approaches, such as the Women’s Empowerment in Agriculture Index (WEAI), agency-based empowerment, household dialogues, disability inclusive development combined with gender analysis, and a Gender Action Plan, can create an enabling environment for women to meaningfully engage in agriculture and entrepreneurial activities, with meaningful support from men and family members. Thus, we will continue to promote good practices on gender equality, disability and social inclusion.

In a nutshell, we will continue working to influence policies and practices at the federal, provincial, and local levels to transition to a regenerative food system, with women’s empowerment and digitalisation as our key pathways to achieving this goal.

As an organisation, our focus remains on continuous adaptation to emerging climate challenges, expanding partnerships, and ensuring lasting positive impacts for vulnerable and marginalised, mostly women. In the process, we have developed unique learnings and approaches which we continue to document and replicate. In the future too, we hope to harness these learnings to generate a bigger impact which goes beyond our interventions and brings positive changes in people’s lives.

Our support SYSTEM



Our commitment to identifying ingenious ideas which change lives of people in poverty or those living on frontlines of climate change has been possible only due to the powerful community of support we have developed and the dynamic team of people who work with us. It includes our generous donors, locally rooted partner organisations, compassionate private sector partners, consortium partners and alternative thinkers who want a world that works better for everyone. Most of all, our work would not have been possible without the support of the Government of Nepal.

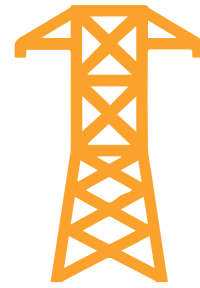
DONORS & PARTNERS

- Association for Social Transformation and Humanitarian Assistance (ASTHA) Nepal
- Bheri Environmental Excellence Group (BEE-Group)
- Centre for Social Development and Research (CSDR)
- Community Development & Environment Conservation Forum (CDECF)
- Department of Foreign Affairs and Trade (DFAT)
- Development Alternatives Incorporated (DAI) Global LLC
- Development Concern Society (DECOS)
- Development Project Service Centre (DEPROSC)
- Dhaulagiri Community Resource Development Centre (DCRDC)
- Foreign, Commonwealth and Development Office (FCDO)
- GIZ Energising Development (EnDev)
- Him Electronics Pvt. Ltd.
- Innovate UK
- InsuResilience Solutions Fund
- International Centre for Integrated Mountain Development (ICIMOD)
- Jersey Overseas Aid
- Livelihood Carbon Fund
- Loughborough University (MECS)
- Mannion Daniels
- Multi-Dimensional Resource Center, Nepal (MRC Nepal)
- Namsaling Community Development Centre (NCDC)
- National Association of Community Electricity Users- Nepal (NACEUN)
- Netherlands Enterprise Agency (RVO)
- NIRAS Group (UK) Limited ("NIRAS")
- Palladium (Kyeema Foundation Ltd.)
- Preservation of Environment and Social Welfare Association of Nepal (PESWAN)
- Rural Women Development Center
- Stonestep/DAI
- Swiss Agency for Development and Cooperation (SDC)
- Swiss Re Foundation
- The World Bank Nepal
- Ujyalo Multipurpose Co-operative Limited
- United Nations Development Programme (UNDP)
- United States Agency for International Development (USAID)/ Bureau for Humanitarian Assistance (BHA)
- University College London (UCL)
- Value Network Ventures Advisory Services
- Vasudha Foundation USA Inc
- Zurich Foundation
- 1001fontaines



ENERGY

that transforms



80,785

people directly benefitted from our works including 40,657 women and 40,128 men

36,497

people indirectly benefitted from our works including 22,627 women and 13,870 men

£0.78 M

spent on our energy that transforms programme



Rural households in Nepal are commonly exposed to high levels of indoor air pollution (IAP). The inefficient traditional cookstoves use solid biomass fuel and emit high levels of toxic gases and particulate matters, affecting the environment and human health. As per the reports of the Intergovernmental Panel on Climate Change (IPCC), unsustainable energy consumption stands as one of the largest sources of anthropogenic greenhouse gas emissions.

In such context, Practical Action promotes efficient, affordable and sustainable energy. We are helping alleviate indoor air pollution through promotion of clean cooking solutions. We also

work to advance the productive use of clean energy, which plays a vital role in reducing carbon emissions and enhancing productivity. By promoting energy efficiency and modern technologies in the agriculture sector, we support rural livelihoods, boost income levels and drive economic development.

We have a long history of engagement in clean cooking solutions. In the last fiscal year too, we promoted advanced biomass cookstoves (Tier 3) and electric cooking appliances. For this, we are using result-based financing and a market-based approach.



Woman in repair and maintenance training of cookstoves



Last year we benefitted over

**100,000 PEOPLE WITH
CLEAN COOKING
SOLUTIONS**

Currently, our advanced biomass cookstoves project entitled “Transforming the market of improved cookstove in Lumbini and Sudurpaschim Provinces of Nepal” is in implementation. To date, we have reached 58,500 households with more than 1,300 orientation and demonstration events, and in the last fiscal year alone, we enabled more than 15,000 households to access improved biomass cookstoves–Tier 3 under the project.

Through this project, we are taking a multipronged strategy to improve dissemination and transform the market for clean cooking solutions (CCS) in rural Nepal. Our approach includes strengthening the supply chain of clean cookstoves; and increasing demand from households including improving affordability and access to finance. The project places particular emphasis on promoting consistent cookstoves use and timely after-sales services. We have successfully strengthened the capacity of last-mile distributors, marketing agents, local technicians, and manufacturers, creating a robust and efficient cookstove market value chain.

Similarly, the “Sustainable Market Development of Electric Cooking in Nepal” project is being

implemented to establish a sustainable market system for electric cooking solutions, increasing their adoption by households and Small and Medium Enterprises (SMEs). This initiative is particularly well-timed as Nepal transitions from electricity deficit country to electricity exporting country.

The project focuses on driving behaviour change of the target communities, creating demand, empowering women, and building capacity of market system actors. Key activities include load analysis, safety audits, result-based financing, and promotion of a circular economy. Since the project’s inception, over 6,500 households have adopted electric cooktops. To promote their sustainable use, we are also providing repair and maintenance trainings for electric cooktops to local technicians and last-mile distributors.

We have also been actively engaging in carbon financing discussions both internally and externally. We have also developed a resource book on voluntary carbon market to provide clear information on the evolving landscape of voluntary carbon markets, including emerging trends, best practices, and key players in Nepal. Additionally, we have exchanged learnings on transitioning to electric cooking in Nepal and accessing carbon finance with sectoral stakeholders in national and international settings.

Through our consulting arm, we assessed the feasibility of electric cooking within small and medium enterprises going beyond the residential sector. The study focused on three types of enterprises: 17 hotels, 23 restaurants, and 21 institutions. The study indicated electric cooking as promising, citing cost efficiency, reduced LPG dependence, environmental benefits, cleanliness, and time savings. Based on our preliminary findings, we are developing and testing potential research methods to assess their feasibility for a commercial scale electric cooking pilot.

Improved cookstoves for safe and secure future

“It’s rewarding to know that my work is making a difference both personally and in the world around me,” says Bhagirath Ghimire, one of the dedicated improved cookstove distributor promoting advanced biomass cookstoves in Gulmi and Palpa districts. His cookstove business has not only boosted his income but is also amplifying awareness about urgent need to address air pollution and its harmful effects.

Born in a remote village in Gulmi, Bhagirath Ghimire began his career as the Secretary of a Village Development Committee after completing his intermediate level education. However, due to the insecurity caused by the conflict in the country, he had to leave his job.

Then, for 18 years of his life, Bhagirath worked in projects related to improved cookstoves, micro-hydro power, solar energy, and improved water mills. But Bhagirath always wanted to start his own business. He found his break when Practical Action offered him the role of a last-mile distributor for supplying metallic cookstoves in the earthquake-affected areas of Sindhupalchowk and Dolakha districts.

In May 2018, he formally registered his company, Lub Kush Kitchen Suppliers. Through this company, he started supplying improved biomass cookstoves (Tier 2) in the Gandaki and Dhawalagiri zones as part of a project implemented by Practical Action.

When the Practical Action’s Transforming the market of improved cookstoves project was launched, Bhagirath seized the opportunity to expand his business and onboarded as a cookstove distributor for the Gulmi and Argakhachi districts. The project provided training and business development support to local distributors like Bhagirath to establish a resilient market value chain. Like his previous track record, Bhagirath quickly became the top distributor, selling 3,500 stoves in one year, making a good profit, and fulfilling his passion for social work.

When asked the key to boosting sales and retaining customers, he says, “It is important to keep customers satisfied even after sale.” Bhagirath takes an active role in raising awareness and educating potential customers about the benefits and safety of cookstoves and also ensures that distributors’ contact information is readily available in case buyers need any assistance. He is committed to listening to customers’ concerns and providing prompt repair and maintenance services.

Despite receiving other attractive job offers, Bhagirath chooses to focus on his business. His company now provides regular employment to four people and part-time jobs to additional two. “This business has allowed me to finance my children’s education and purchase a house in Butwal. I encourage others to become entrepreneurs like me,” he shares.



FARMING

that works



More than half the population of Nepal, primarily marginalised communities, especially women smallholder farmers, depend on agriculture for livelihood. As climate change continues to accelerate, farmers are facing unexpected climate disasters which has led to low productivity and low yield of crops. In such a context, we place smallholder farmers at the centre of our interventions. Our vision stands to empower rural communities, particularly women dependent on small-scale agriculture, amid climate change by transitioning to a regenerative food system.

To achieve a regenerative food system, our 3-year project titled “Building climate adaptive farming opportunities and improved livelihoods for women and marginalised groups in Nepal” or SAMUNNATI Agriculture is underway. The specific objective of the project is to improve economic and social resilience using market-oriented agriculture production and off-farm employment of 6,000 women, men from marginalised groups and people living with disability in Dang, Rolpa, and Rukum East Districts in Nepal. This project is focused on promoting agroecology, regenerative, and climate-



15,650

people directly benefitted
from our works including
9,581 women and 6,069 men

91,394

people indirectly benefitted
from our works including
53,013 women and 38,381 men

£0.93 M

spent on our farming
that works programme

smart agriculture. Through 224 climate field schools (engaging 224 lead farmers) and learning centres, such practices are demonstrated and one or more of them have been adopted by around 5,500 farmers in Lumbini and Karnali province enabling them to produce safe food.

Similarly, we expanded irrigation infrastructure, adding 50 schemes to reach a total of 79, across eight rural municipalities. These schemes, including solar and micro irrigation technologies, addressed water scarcity and enabled commercial vegetable production, benefiting 4,204 farmers, including 3,440 women. We also distributed 592 labour-saving devices including mini-tillers, corn shellers, etc. across 149 climate field schools which helped save considerable time for women farmers.

Last year, we prioritised onboarding smallholder farmers in digital platforms for their easy access to curated knowledge and information. We collaborated with GeoKrishi to link farmers with climate and weather information, and advisory services including ICT-based market information, digital literacy, etc. through mobile application. Through this mutual effort, farmers were equipped with a suite of planning tools, farm management solutions, market price/linkages, content on climate smart tools and technologies, crop advises through SMS and/or voice broadcasting on input requirements and availability, offline and online curated notifications on location/crop specific recommendations, digital record farming, etc.

Digital applications were also used extensively through “Empowering women farmers with Digital finance, Nepal” or SAMMUNATI Digital Finance Project with an aim to increase access for 5,500 smallholder farmers (80% women) to a range of affordable and appropriate digital financial products to support their agriculture value chain and enterprise development activities. This Project is currently implemented in the same rural municipalities as SAMUNNATI Agriculture

project. Our customised training module on digital and financial literacy with integrated household dialogues and women empowerment tools, has reached 3368 communities and achieved Digital Financial Services uptake in 1,346 communities.



Digital financial literacy training reached

**2,019 FARMERS
WITH +90 % WOMEN
IN 2023**

Our interventions have also brought local, experienced and influential players together to make digital financial services inclusive and accessible to poor and marginalised women farmers. During our Financial Education and Digital Literacy training, women were motivated to use the internet for digital agriculture applications and digital financial services. But in these rural areas, unreliable internet connectivity created a significant barrier. Thus, we are working to enhance rural internet connectivity through a cost-shared agreement with an internet service provider, aimed at improving access to affordable Digital Financial Services and fostering a sustainable ecosystem.

Our partnerships with private financial institutions like Global IME bank, Prabhu Pay, and IME Pay, facilitated local account openings and promoted digital wallet services. Women



Gravity Goods Ropeway in Bhume, Rolpa connecting people to markets, resources and opportunities.

Digital Champions, developed by the project who conduct trainings for rural farmers, were onboarded as digital ambassadors by IME Pay. We have initiated interventions with co-operatives to digitalise their operations, expanding services for over 10,000 members, significantly enhancing financial inclusion in remote areas with limited banking access.

In June 2023, we conducted a “Landscape Study On Financial and Digital Financial Services” which identified barriers faced by women and marginalised groups in accessing and utilising

financial and digital financial services for agriculture and enterprises. As per the recommendation of the study, we have been working to design and develop women-centric innovative financial and digital financial products and services.

Our interventions prioritise Gender, Disability, and Social Inclusion (GEDSI). We conducted 195 awareness events challenging social norms, engaging 4,392 farmers, of whom 3,599 were women. Field surveys revealed significant progress in reducing gender-based violence



Rural household in Rolpa connected with the internet

and enhancing women's leadership, with 39.4% reporting empowerment, as measured by Women Empowerment in Agriculture (WEIA) tool. In terms of policy influence, we supported GEDSI policy development and gender audits in Thawang and Tribeni municipalities in Rolpa. Furthermore, this fiscal year, we also organised GEDSI training for project staff.

Our project approaches have been shared and upheld by different government bodies. We are supporting Local Government Units (LGUs) to include digitalisation as a major agenda for rural municipalities. We have also coordinated with regional and central Nepal Rastra Bank offices, sharing insights and progress from our experiences. We engaged with the Lumbini Province Planning Commission and emphasised financial inclusion as crucial for internal resource mobilisation in their five-year (FY 2081/82–2085/86) planning. Similarly, our practices in regenerative agriculture have been endorsed by seven local governments we work with in Lumbini and Karnali.

Through our consulting arm, we spearheaded the Sahaj Challenge Fund (SCF) in partnership with Swisscontact, as part of the Nepal Agricultural Market Development Programme (NAMDP). The SCF was designed to encourage local service providers to develop innovative solutions for resilient, efficient, and inclusive agricultural market system and provide them with support to implement practical, market-driven approaches. Selected companies have been awarded funding whose innovative solutions are expected to boost productivity, enhance product quality, and reduce operational costs, all while promoting environmental sustainability.

Women farmers stepping into financial and digital world

“I am planning to buy a smartphone for myself so that I can access information and market our vegetable products in social media, even when my husband is away,” says Sarita Chaudhary, a 33 year-old farmer in Dang, transforming her life through digital and financial tools.

This change in Sarita's life did not come overnight. Earlier, Sarita often fell into precarious financial situations with no planning beforehand. Her family struggled to pay for household expenses including her mother-in-law's kidney surgery. However, things changed since Financial Education and Digital literacy classes under SAMUNNATI Project started running in her house. When she joined the training, she deeply connected with lessons on overcoming the “vicious cycle of vulnerability” and progressing towards prosperity. These sessions helped her recognise her family's financial position and make practical changes. Influenced by the income and expenditure session of the training, she started cutting down unnecessary expenses and focusing on income generation activities.

The training led her to see potential in utilising their irrigated land for off-season crops for income generation.



She thought leveraging her husband's public relations skills would be beneficial for her and tried to convince him to join her efforts. But her husband did not agree.

One day, the training facilitator invited participants' family members to come together and discuss their household scenarios during the agency-based empowerment session. In that meeting, she and her husband shared about their subsistence farming which was insufficient for them to meet their increasing expenses. After the training session, they shared the matter with their joint family. Finally, Sarita along with her other family members were able to convince Sarita's husband to support her to start commercial farming. Now, she along with her husband and other family members are involved in farming. Her husband also helps Sarita market their agriculture produce.

Sarita and her husband are using digital agriculture applications like “Krishi Guru” and “Geo Krishi”, introduced to them during the training. By using these apps, they assess information on commercial farming, pest, disease control, etc. Similarly, they are using digital platforms for marketing their agriculture produce.

The couple shared that they now save around NPR. 18,000 per month from selling their agriculture produce and are now able to meet the household expenses including paying for children's education and mother-in-law's regular medicines.

Sarita has set a long-term financial goal of ten years to buy a piece of land and build her own house. Meanwhile, she has started to save NPR 7,000 per month at one of Practical Action's partner cooperatives, Gurbaba Multipurpose Cooperative. To meet her long-term goal, she also plans to increase the scale of her commercial farming.

Sarita shines as an example of how rural women farmers can use financial and digital knowledge and skills to make farming work for them, provided not restricted by stereotypical gender norms.

RESILIENCE

that protects



145,819

people directly benefitted from
our works including 80,140
women and 65,679 men

135,303

people indirectly benefitted from
our works including 68,901 women
and 66,402 men

£0.61 M

spent on our resilience that
protects programme.

Nepal has strong policies and plans for Disaster Risk Reduction & Management (DRRM), and Climate Resilience. While there are advancements in policy, legal instruments, and institutional arrangements, the impacts of climate-induced and other hazard-related disasters are also becoming more severe, particularly for marginalised people and their livelihoods. 2023 was one of the hottest years on global record and Nepal also observed record-breaking maximum temperatures, the highest in the last 13 years. Heat waves were persistent over central and western parts of the country while floods and landslides were triggered in mountainous regions despite below-average rainfall. A suite of interrelated and coordinated interventions is needed to reduce losses caused by hazards, considering a seamless approach to ex-ante, early warning, and ex-post timelines. At Practical Action, we believe multi-hazard early warning systems and risk-informed early action are key components in saving lives and protecting livelihoods.

Therefore, in 2023, our interventions focused on working with the most vulnerable communities to address the risk of climate-induced hazards. Nepal Flood Resilience Programme, in the Lower Karnali River Basin, supported five local governments and 25 climate-vulnerable communities in strengthening their resilience against floods. We worked with the local governments to draft necessary plans such as Local Disaster and Climate Resilience Plans, policies and supported them with equipment and capacity-building training. Similarly, we supported communities with light search and rescue equipment for flood response and orientation on safe evacuation, emergency response, and livelihood diversification. The programme also supported the provincial

governments of Sudurpaschim and Lumbini provinces in strengthening emergency operation centres and localising early warning systems and their governance. Additionally, the programme facilitated the drafting of a Multi-Hazard Early Warning System Strategic Action Plan for the provincial government in Karnali.

The programme also successfully scaled up the innovative risk transfer solution, Index-Based Flood Insurance (IBFI) in Khutiya River while a baseline survey for upscaling of IBFI in Babai and Pathariya Rivers is in progress. IBFI, a parametric insurance, has showcased impactful results upon piloting in the Lower Karnali River Basin, where indemnity insurance was not of much interest to farmers. Administration through local cooperatives, a paperless enrolment process, transparent notification systems, and index-based payouts were major success factors for the IBFI.

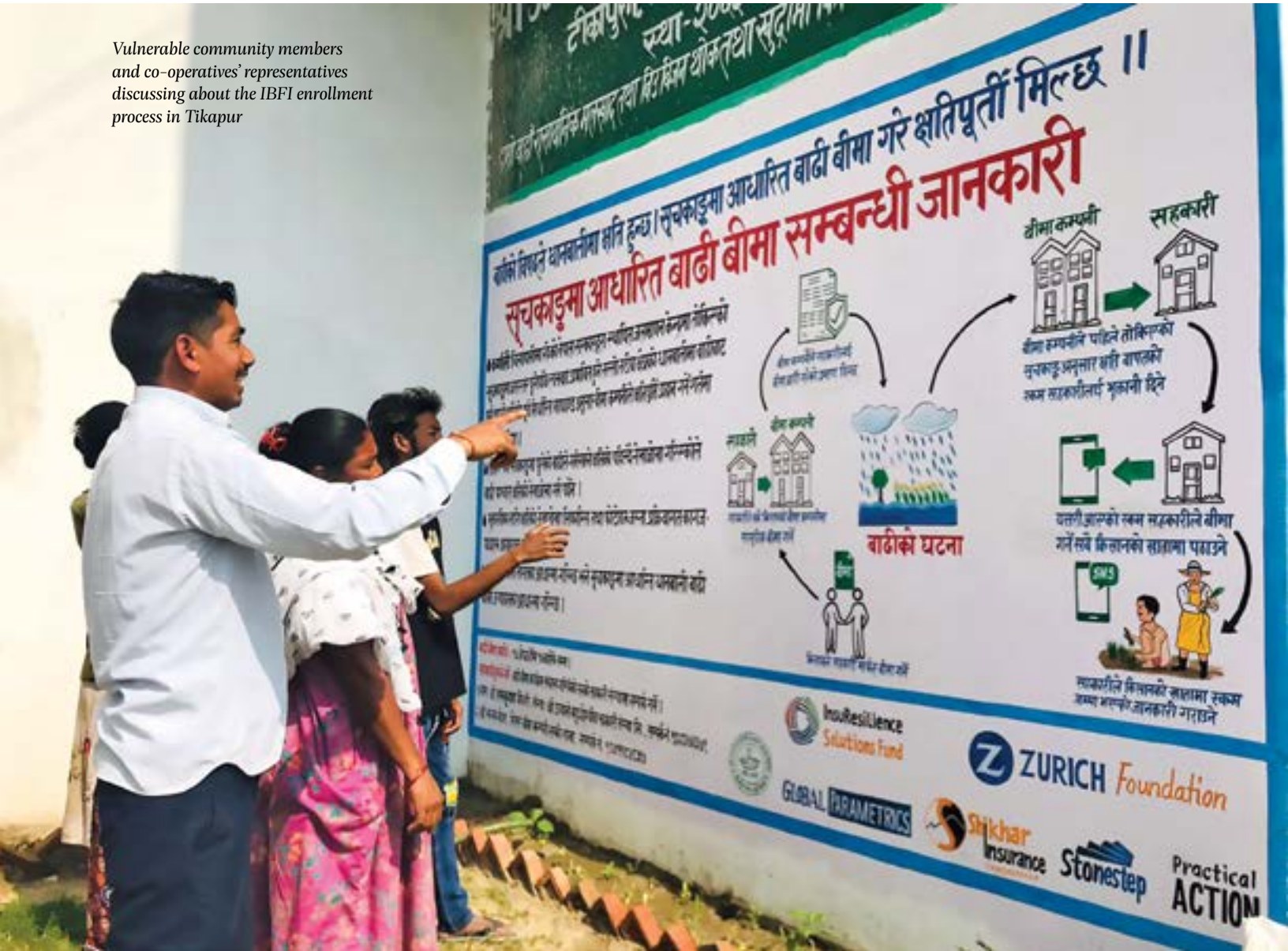
Practical Action in partnership with the Department of Hydrology and Meteorology (DHM) has been working further in strengthening of flood Early Warning System (EWS). The “Community-Centric Flood Early Warning System (FEWS)” project is being implemented in the Sindhupalchowk district. The project is establishing and strengthening the flood EWS in the Melamchi and Indrawati river basins, connecting them with EWS stations at various locations. These stations transmit real-time data to the DHM, integrating hazard information into its regular forecasting system. As part of the project, six Automatic Weather Stations (AWS) have been set up in the Melamchi and Helambu municipalities of Sindhupalchowk.

In addition, the project has strengthened the capacity of 14 Community Disaster Management Committees (CDMCs) in Helambu–Melamchi by providing training on disaster response and equipping them with essential disaster management tools. The initiative also focused on developing Disaster Risk Reduction (DRR) policies and plans for Helambu Rural Municipality and Melamchi Municipality. This effort involved collaboration with the District Disaster Management Committee (DDMC) and

the Provincial Disaster Management Committee (PDMC).

Considering the pressing issue of multiple climatic hazards risk, we have initiated to move from single hazard-based resilience approach to multiple hazard-based resilience approach. Therefore, we are working to roll out a climate resilience programme to address the issues of multiple hazards risk reduction such as landslide, heatwaves, flood etc.

Vulnerable community members and co-operatives' representatives discussing about the IBFI enrollment process in Tikapur



IBFI scheme was purchased last year by
+4,000 FARMERS

One such example is “Developing a Community Centric Early Warning Protocol for Landslide Early Warning System (EWS)” project in 15 communities vulnerable to landslides in Panchpokhari Thangpal and Helambu Rural Municipalities of Sindhupalchowk district. We initiated our work, supporting local governments in generating detailed information on loss and damage caused by landslides, landslide hotspot communities, and identification of systemic gaps.

Additionally, we supported in the installation of five new Automatic Weather Stations. The real-time data generated from these weather stations have been integrated into the regular forecasting system of DHM and these stations will be instrumental in determination of rainfall threshold required for generating landslide early warning system.

The project also assisted in developing Standard Operating Procedures (SOPs), forming community disaster management committees and task forces, and organising capacity-building training and

simulations at the community level. The project has empowered the local government to establish and strengthen local emergency operation centres (LEOC) and a district emergency operation centre (DEOC) by supporting necessary equipment such as search and rescue materials.

Through our consulting arm, we were engaged in the project “Activation of Risk Informed Flood Governance through Early Warning Systems” as a technical partner, which successfully conducted data-driven flood hazard modelling and vulnerability assessments across five municipalities, resulting in the preparation of comprehensive flood risk maps and a flood simulation framework. Currently, we are serving as technical partner for an USAID funded project (Jaljangal) in conducting a Comprehensive Vulnerability Risk Assessment (CVRA) across 38 municipalities in Nepal and for the Start Network on a research project titled “Anticipatory Action, Disaster Risk Finance, and Loss & Damage”. We are also developing an AI-integrated heatwave alert dashboard system aimed at promoting local ownership and enhancing community resilience.

The Climate Adaptation Measurement project, we are currently implementing, contributes to adaptation policymaking, especially by generating insights, advocacy, and building capacity of the researcher. We are analysing the key policy documents and interviews to examine the political processes of adaptation monitoring and evaluation. We have organised roundtable discussions with representatives from ministries, and civil society members, and are hosting a side event at COP28, and a national climate conference as a part of our advocacy efforts. Additionally, we have so far engaged with 42 early-career researchers through sessions at national and international conferences, addressing tough questions on adaptation measurement, accountability, and action.

Early Warnings save lives

“Thanks to the alerts from the DHM, we had sufficient time to take early action and relocate to higher ground,” says Gyanu Giri, 30, sitting in her house by the bank of the Melamchi river in Helambu Rural Municipality, Gairibesi.

Gyanu Giri and her family are survivors of the infamous 2021 Melamchi floods. On the day when Melamchi river surged with massive sediment and debris, Gyanu, her husband and their two sons were fishing in the river. They managed to escape just in time to save their lives. But the flood destroyed their agricultural land and also severely affected river’s ecosystem leading to decline of local fish population. They continue to do farming in their remaining small portion of land and have shifted their focus to goat rearing.

Since the 2021 flood, the Melamchi river has changed its original course. It now flows dangerously close to Gyanu’s home during the monsoon season. During heavy rainfall, Gyanu is terrified of the devastating floods. Along with her family, seven other families in her settlement of Gairibesi struggle to sleep at night when there is heavy rainfall.

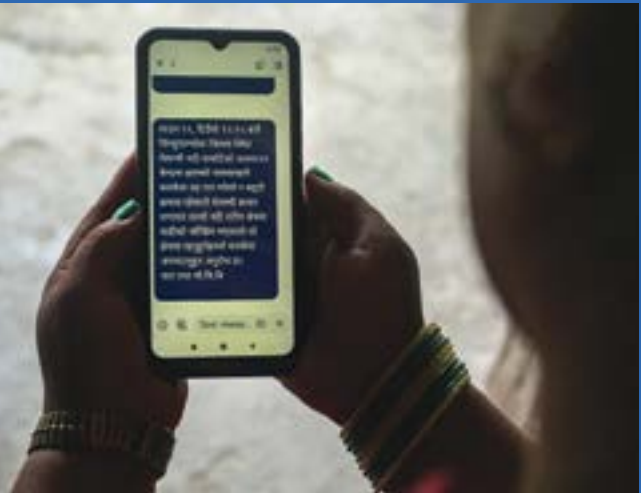
In 2022, when the Community-Centric Flood Early Warning System project was initiated in Melamchi, the first work done was to form Community Disaster Management Committees (CDMCs). Within CDMCs, there are three task forces and Gyanu joined as a member of the search and rescue task force team.



Being a member of the at-risk communities, Gyanu is active in the social media group formed for risk communication. In this group, forecasts and notices from the DHM are shared which Gyanu disseminates to her community and downstream areas encouraging precautions, warnings and early action.

After attending capacity-building training and orientation, Gyanu became aware of the household level preparedness plan. Accordingly, she prepared a “go-bag” that contains important documents such as her citizenship, land ownership certificate, marriage certificate, birth certificate, and money, to be used during disaster. She has been using this bag for the past two years. Gyanu is also cascading this knowledge to other community members who are not part of the CDMC. She encourages them to prepare their own go-bags, emphasising the ease to carry them when evacuating to a safe location.

This year like previous year, when she received an alert from the DHM, her family, along with seven other households, evacuated to a neighbour’s house on a



higher ground for safety. Once the river returned to normal, they went back home. Her family moved with important documents, belongings and goats.

Gyanu expresses her gratitude for strengthening the early warning system which has helped them take actions to save lives and livelihoods. However, there have been times when they did not receive messages on time due to issues with the mobile network and internet connectivity. In such cases, the powerful flashlight, siren along with other essential materials provided by the project have been beneficial in monitoring the water level in the river and enhancing preparedness.

In Gyanu’s family there are no relocation plans. As they sit by the river, along with other CDMC members, Gyanu sings a few lines from the community early warning song they have prepared:

“Spread the alerts far and wide,
Stay safe yourself, help others survive.”



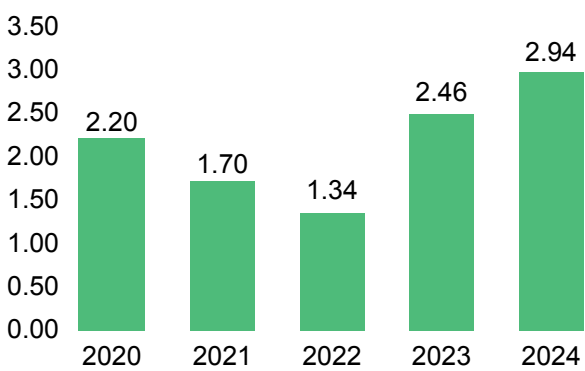
Nepal’s Financial Statement

For the period from April 2023 to March 2024

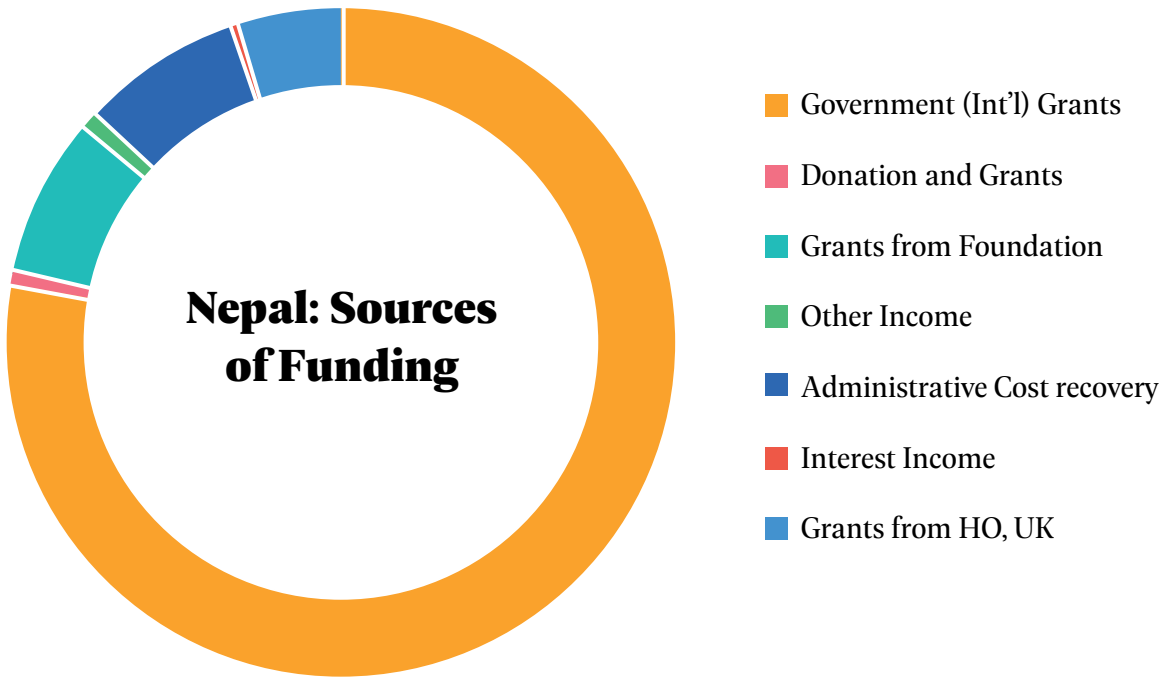
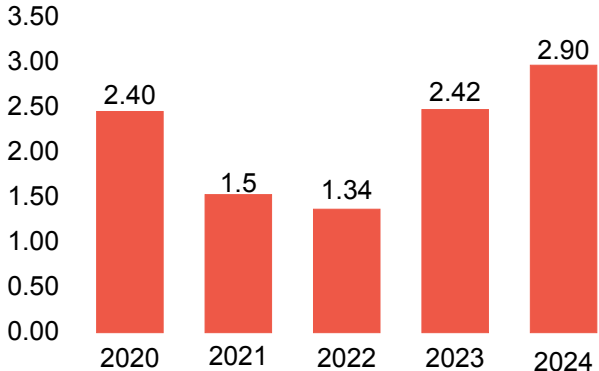
Sources Of Income	Restricted £	Unrestricted £	Total 2024 £
Government (Int’l) Grants	2,338,192	–	2,338,192
Donations and Grants	14,609	3,053	17,662
Grants from Foundation	141,271	67,197	208,468
Other Income	17,549	33,295	50,844
Administrative Cost Recovery	–	237,192	237,192
Interest Income	–	10,191	10,191
Grants from HO, UK	–	82,530	82,530
Total	2,511,621	433,458	2,945,079
Expenditure			
Resilience that Protects	614,275	–	614,275
Energy that Transforms	736,291	47,752	784,043
Farming that Works	933,205	–	933,205
Knowledge, Communications and Manage- ment	227,850	342,537	570,387
Total	2,511,621	390,289	2,901,910
Fund Balance	–	43,169	43,169

Notes:
 1. A consolidated financial statement is signed at organizational level in the UK, the figures provided are part of group report which is related only to Nepal Office.

Total Annual
Income in Million



Total Annual
Expenditure in Million



As part of our programme interventions, we are working with women and marginalised groups, focusing in building their agencies.



A woman participant using 24 hour clock tool for work load analysis in agency based empowerment training



Woman digital champion providing support to operate digital wallet.

Winning Photo of Practical Action Internal Photography Competition, 2024
Photo by: Shiv Lal Sharma

BIG CHANGE starts small

Visit us online at to find out more about
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practicalaction.org

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