Japan International Cooperation Agency

JICA IN NEPAL

Inclusive and Dynamic Development
JICA, A bridge linking Japan & developing countries

JICA’s Overall Assistance Strategy in Nepal

Basic Strategy: Achieving equitable and sustainable growth

JICA has been an active development partner of Nepal since 1970. It helps Nepali people realize their development issues and address them in a participatory manner through the following overall assistance strategy in Nepal.

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JICA’s Priorities in Nepal

Nepal is a Least Developed Country with one of the lowest income levels in South Asia. Being one of the major donors of Nepal, JICA is trying to meet the expectations of Nepali people by working for Nepal’s stable development.

Infrastructure and institutional development for sustainable economic development

Infrastructure is the main engine for growth and development. By setting up infrastructures such as transport, power and water supply, a country can move ahead in the path for development and poverty alleviation. In Nepal’s case, weak transportation network, power shortages and polluted urban environment have a considerable impact on people’s lives and economic development.

Therefore, this area prioritizes development and improvement of social and economic infrastructure like roads, bridges, energy, irrigation, urban environment, including water supply and wastewater, to boost economic opportunities in Nepal.
In Kathmandu Valley, chronic traffic jam is a perennial problem. Even though air route is one of the important transports in Nepal, air transport infrastructure is not sufficient to ensure safer air travel. Without the reliable roads and dependable airport and transport infrastructure the economic progress will be hindered. The objective of JICA’s assistance is to develop transport network and accelerate economic development.

The programs under this area are:

1 DEVELOPING TRANSPORT INFRASTRUCTURE

Nepal has one of the shortest per person road density in South Asia. Although a lot of rural roads have been constructed, most of them are of sub-standard and not operable all year round. Construction of all-year round ply-able rural roads is one of the challenging issues. Existing roads are also vulnerable against disaster as Nepal is a mountainous country. Only one reliable land route links Kathmandu with the Terai. Out of the total of 75 districts, 3 districts still lack a motorable road. In Kathmandu Valley, chronic traffic jam is a perennial problem. Even though air route is one of the important transports in Nepal, air transport infrastructure is not sufficient to ensure safer air travel. Without the reliable roads and dependable airport and transport infrastructure the economic progress will be hindered. The objective of JICA’s assistance is to develop transport network and accelerate economic development.

The programs under this area are:

1 DEVELOPING TRANSPORT INFRASTRUCTURE

Major projects:

- Project for the Improvement of Transportation Capacity (GA)
- Project for Modernization of Tribhuvan International Airport (GA)
- Project for Improvement of Intersection in Kathmandu (GA)
- Project for the Construction of Sindhuli Road (GA)
- Project for the Countermeasure Construction for Landslides on Sindhuli Road (GA)
- Project for the Operation and Maintenance of Sindhuli Road (TC)
- Project for the Improvement of Community Access (GA)
- Project for the Improvement of Kathmandu–Bhaktapur Road (GA)
- The Study on Kathmandu Valley Urban Road Development (TC)

The four-lane Kathmandu-Bhaktapur road (9.1 km) and the Sindhuli Road (160 km) have been helped in easing traffic congestion in the Valley and linking the Capital city with the Eastern Region, respectively.
Japan’s grant aid contributed to the construction of 15 water treatment plants in the country. In terms of treatment capacity, they make up about 52% of the capacity within the Kathmandu Valley.
4 PRIVATE SECTOR DEVELOPMENT

Private sector development has been included as a new entry in JICA’s new country assistance strategy, as it poses another important challenge to driving economic growth. Specifically, it aims to improve the business environment for the growth of local enterprises in secondary and tertiary industries, as well as the promotion of direct inward investment, through (small and medium-sized) enterprises development, deregulation, improvements in industrial relations, streamlining of customs procedures, and human resources development for industries. Currently, a preparatory study is ongoing to develop future programs.

PRIORITY AREA 2

Consolidation of Peace & Steady Transition to Democracy

Nepal’s development has been moving at a snail’s pace due to the internal conflict. As a prerequisite for sustainable economic growth, it is crucial to build a mechanism to reinforce state governance functions in the transition period. This sector prioritizes efforts to accomplish “establishment of mechanism for a democratic state and society” by promoting a democratic process that constitutes the foundation of a new state and society building, including support for the establishment of a new constitution, of a federal system, of elections and of basic laws. Such mechanism building for a democratic state and society also requires “public administration improvement” both at the central and local levels.

Major projects:

- Nepal’s State Building: Development and Growth Strategy (TC)
- Strengthening Community Mediation Capacity for Peaceful and Harmonious Society (TC)
- Support to Election Commission, Nepal (TC)
- Project for Promoting Peace Building and Democratization through the Capacity Development of Media Sector in Nepal (TC)
2. PUBLIC ADMINISTRATION CAPACITY BUILDING

JICA is assisting in Nepal’s state building process by strengthening governance at the central and the local level. It works for capacity building at the central level as well as local governments, primarily on project planning, implementation, and monitoring & evaluation.

The main strategy is to develop awareness of the central government on ownership and to reinforce planning and implementation capacity, policies and systems for effective development programs as well as improving government institutions.

Similarly, JICA’s assistance focuses on maximum utilization of local resources and expertise to make local people more accountable and responsible for their own development.

Major projects:
- Strengthening Community Mediation Capacity for Peaceful and Harmonious Society (TC)
- Strengthening the Monitoring and Evaluation System in Nepal (TC)
- Gender Mainstreaming and Social Inclusion Project (TC)
- Participatory Watershed Management and Local Governance Project (TC)
- Support Civil Code and related Laws (TC)

RURAL POVERTY REDUCTION

Poverty remains a chronic problem in rural Nepal, impeding the transformation of agriculture. The rural-urban disparity triggered by poverty is widening. Socially vulnerable people who are facing regional, ethnic, caste and gender inequalities live in vast swaths of rural areas and the economic gap, stemming from inequality, has been taking shape. This may lead to social instability and hence may affect sustainable economic growth. To achieve growth, direct assistance to improve rural living standards is a must. Farming in Nepal depends on the monsoon rains and a large number of poor people live in semi-arid region.

Similarly, since access to basic services like education and health makes a significant difference in economic opportunities and wage levels, it is therefore important to work on education and health services improvement.

The programs under this area are:

- Strengthening Community Mediation Capacity for Peaceful and Harmonious Society (TC)
- Strengthening the Monitoring and Evaluation System in Nepal (TC)
- Gender Mainstreaming and Social Inclusion Project (TC)
- Participatory Watershed Management and Local Governance Project (TC)
- Support Civil Code and related Laws (TC)
1. AGRICULTURE AND RURAL DEVELOPMENT

Nepal’s agriculture sector, backbone of economy (65% of GDP), is at subsistence level but is gradually shifting towards market-led agriculture. Challenges such as low productivity, inadequate service delivery mechanism, less infrastructural facilities envelop this sector. In order to alleviate poverty (25.6%), agriculture and rural development are vital for socio-economic development. The increasing flow of migration has decreased farm labors, further worsening the situation with cyclical effects on agricultural productivity and growing disparity between rural and urban areas.

JICA considers agriculture the engine for poverty reduction and economic growth. Thus JICA aims to promote high value agricultural commodities that help augment people’s income. Farmers’ better life standard means high chances of importing high value agriculture commodities. Making Nepali farmers self-reliant in food production through some initiatives such as ‘One Village, One Product’ is another main activity of JICA. Necessary infrastructures can boost production, processing and marketing so that farmers and consumers can reap benefits.

Major projects:
- Project for the Master Plan Study on High Value Agriculture Extension and Promotion in Sindhuli Road Corridor (TC)
- Grant Assistance for the Underprivileged Farmers (GA)
- The Horticulture Development Project (TC)
- Janakpur Zone Agriculture Development Project (TC)

2. EDUCATION FOR ALL

JICA’s cooperation in the education sector focuses on enabling Nepal to achieve the goals of Education for All (EFA). Different programs/projects are being implemented to improve access to education, quality education and school management.

The current and future programs are designed in line with the overall framework of EFA aiming to contribute towards achieving the goals of School Sector Reform Plan (SSRP) and MDG. SSRP introduces new reforms characterized by strategic interventions such as the restructuring of school education, improvement in quality of education, and institutionalization of performance accountability.

Aiming to achieve the MDGs, including enrollment ratio and school dropout rate, JICA is assisting in improving primary education. In future cooperation, JICA aims to allocate maximum resources to: strengthening management capacity of school through technical cooperation projects and improving access and learning environment through school construction.

Major projects:
- Support for Improvement of Primary School Management (GA)
- Promoting Quality Education through Community based School Management (TC)
- The Project for Basic Education Improvement in Support of the School Sector Reform in Nepal (TC)

3. COMMUNITY HEALTH

Japan has been providing a long-term assistance to the health sector by constructing hospitals and adopting measures against tuberculosis. Since the Government of Nepal and donors are actively working in the health sector, JICA assists in improving school health, addressing improvement of malnutrition with in partnership with the Nepal government. The aim of JICA’s support in the health sector is to improve access to basic health services of school children, disease prevention, and to improve parents and community though school children.

JICA’s assistance to this program is mainly grass-root cooperation through the dispatch of Japanese volunteers and by implementing several projects in cooperation with Japanese NGOs and local NGOs.

Major projects:
- School Health and Nutrition Project (TC)

Other health sector projects:
- Establishment of Tribhuvan University Teaching College (GA)
- Establishment of Tribhuvan University Teaching Hospital (GA)
- Construction of the National Tuberculosis Centre (GA)
- Project for the Expansion of Tribhuvan University, Institute of Medicine and the Teaching Hospital (GA)
- Project for Expansion of Kanti Children’s Hospital (GA)