

EVALUATING FOREIGN AID EFFECTIVENESS IN NEPAL

An Undergraduate Research Scholars Thesis

by

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ABSTRACT

Evaluating Foreign Aid Effectiveness in Nepal

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Few studies have evaluated the effectiveness of donor aid in addressing health-and education-related Millennium Developmental Goals (MDGs). This research examines foreign aid and its effectiveness in reducing poverty through a case study of four World Bank projects implemented in Nepal from 2000 to 2017. Of the 172 projects identified through the World Bank website, four health-and education-related projects met the inclusion criteria. The evaluation of reports and other documents on projects resulted in two – an HIV project and school sector reform program – identified as effective because they met or exceed their baseline objectives. The two effective projects used a Sector Wide Approach, thus resulting in better results and more long – term impacts. Based on this conclusion, it is recommended that projects implemented in poverty stricken areas use methods that emphasize stakeholder coordination and national leadership.

DEDICATION

I would like to dedicate this research to my supportive parents, Francisco Restrepo and Sandra Olea, who have put my brother's education and mine before anything else. When they moved to this country about 16 years ago they had hopes for their children to attain the best education possible, and I know to this day this dream has been fulfilled beyond their expectations. My parents have pushed me to my limits even when I underestimated my abilities, and without them I would never know my capabilities. When I chose to take on this research project while also balancing my academics and extracurricular activities, I knew it would not be easy, but their constant support and encouragement kept me going. I would even like to thank them for being hard on me when I needed it. I know that I would not be the young woman I am today had I had it easy. Mom and Dad, this research is for you because it is ultimately a compilation of all the opportunities you have given me. I hope I can prove to you that your investment in my education was worthwhile.

I would also like to give a thank you to my big brother, Francisco Restrepo Jr. whose wisdom and advice has taught me that the best thing I can do while I am young is get an education. He is living proof that you can do anything you set your mind to, as long as you work hard.

ACKNOWLEDGEMENTS

I would like to thank my research advisor Dr. Bernard Appiah, who took the time to walk me through the process of my first research project. Despite teaching various other classes and working on his own research, Dr. Appiah took some time out of his busy schedule to help me put together a successful project. I am grateful for his patience with me during this process, and the generosity of his time when taking weekends to look through my work. Despite it being my first research thesis, Dr. Appiah went through the project with me step-by-step making it as simplified as possible. Dr. Appiah, I am very thankful of you for believing in me and working with me, even when deadlines were tight. Your passion for public health has inspired me in the classroom, and even more now as I have gotten the opportunity to work with you one on one.

NOMENCLATURE

Abbreviations

RBA – Right Based Approach

MDG – Millennium Developmental Goal

OH – One Health

PDO – Project Development Objective

IO – Intermediate Objectives

SWAp – Sector Wide Approach

Definitions

Projective Developmental Objective Indicator – The Project Developmental Objectives (PDO) are the main objectives or goals of the project that are set in the beginning. PDO Indicators are factors that are measured to determine the success of the project.

Intermediate Objective Indicator – The Intermediate Objectives (IO) are not the main goals of the project, but rather interim results that also show a sense of progress toward reaching the PDO's.

CHAPTER I

INTRODUCTION

Why I Chose This Topic

Having been born in my native Colombia, I was exposed to poverty at a very young age. As a child, I always had an intuition to give to people on the streets. Growing up this eventually developed into a desire for helping others and thus brings me to why I am studying public health. However, as I become more educated I learned that helping people is not so black and white, especially on a large scale. I learned that in the long run simply giving away things like food is not going to change the real issues that these developing countries face. Such knowledge has led me to believe that the best help we can provide to a poverty ridden country is to give them the tools to fend for themselves when the foreign aid has packed its bags and is long gone. I chose this topic so through my research I could separate from what methods of aid are working and what methods are not, so that future projects can be implemented to the best of their ability.

Donor Aid and Millennium Developmental Goals

Adopted by the United Nations in September of 2000, the millennium developmental goals were a set of agreements created for the purpose of improving the living conditions of the world's poorest countries. This agreement is made up of eight goals. Though not perfectly achieved, the world has significantly progressed towards many of these goals in the last decade. Some of these achievements include how extreme poverty level rates in developing countries declined from 47% to 14% in 2015, how primary school enrollment increased to 91% in 2015, or how the global under-five mortality rate has declined by more than half (UN Millennium Project

Goals, Targets, and Indicators). These are only a few of the outstanding achievements the MDG's work towards. However, despite these great improvements it is still important to understand that poverty is still out there, and we must continue to work towards improving the worlds of those underserved populations. Further descriptions of these goals can be seen in Table – 1.

Understanding the MDG's is crucial to this research for defining effectiveness. It is also important to understand because many projects in the time frame were centered around the MDG's. In this research, projects that are effective must meet at least one or more of the MDG's.

Table – 1: Millennium Developmental Goals and Their Descriptions

Millennium Developmental Goal	Description
1. Eradicate Extreme Hunger and Poverty	Halve the proportion of people whose income is less than \$1 a day. Halve the proportion of people who suffer from hunger.
2. Achieve Universal Primary Education	Ensure that children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.
3. Promote Gender Equality	Eliminate gender disparity in all levels of education.
4. Reduce Child Mortality	Reduce by two-thirds the under-five mortality rate.
5. Improve Maternal Health	Reduce by three-quarters the maternal mortality ration.
6. Combat HIV/AIDS and Other Diseases	Halt and reverse the spread of HIV/AIDS. Halt and reverse the incidence of malaria and other major diseases.
7. Ensure Environmental Sustainability	Integrate principles of sustainable development into country policies and programs and reserve the loss of environmental resources. Halve the proportion of people without sustainable access to safe drinking water and basic sanitation. Achieve a significant improvement in the lives of at least 100 million slum dwellers.
8. Develop Global Partnerships	Address the special needs of least developed countries, landlocked countries, and small island developing states.

Note: This table was created with information from UN Millennium Project Website

Literature on Donor Aid Effectiveness

According to the World Bank, in 2012, 13% of the world population was living under the poverty line; meaning that individuals in such conditions were living on \$1.90 a day or less (World Bank 2016a). Although this number seems like a great improvement since the poverty rate from the early 1990's, it is important to consider that development in many countries receiving aid has remained stagnant. In particular, Nepal has been receiving foreign aid for more than 60 years and despite this "remains one of the least-developed countries with 16.4% of the population living below US \$ 1 per day" (Karkee & Comfort, 2016, p. 2). There may be a series of factors that affects Nepal's ability to maintain effective policies, among those being its governmental stability. The goal of foreign aid stands as the ability to provide resources to communities in order to improve development and alleviate poverty. However, it has been found that "in the absence of good governance and efficient institutions, there is a risk that effort of NGOs and foreign aid is being wasted and not incorporated into a country's priority developmental plan" (Karkee & Comfort, 2016, p. 3). In order to combat this obstacle, some groups created a rights-based approach that focused on empowering citizens. By allowing them to know their rights, individuals felt more encouraged to take the government's responsibility into their own hands and ultimately "help make their own government system work more efficiently and accountably" (Karkee & Comfort, 2016, p. 3).

Programs that focus more on education and empowerment seem to prove more successful in the long-term. Donating free resources to a region causes a country to become solely dependent on foreign aid, when in turn, other methods help spark economic and social growth. Health education, for example, is a fundamental method in improving health quality by increasing awareness on hygiene, sanitation, and healthful behaviors. A study was conducted that

observed the differences in health knowledge and behaviors between villages that used rights-based approach programs versus those that did not. In terms of being informed, “RBA groups held greater knowledge of infections of tuberculosis, HIV and sexually transmitted diseases.” And although “both RBA and non-RBA groups had good understanding of diarrheal diseases; pneumonia and malaria... non-RBA groups had lower responses in terms of care” (Rana et al., 2012). So not only did the RBA approach increase awareness for prevention, it also made sure individuals were informed on how an affected person could be treated and how to avoid spread of disease. Other successful programs may be those that are implemented in the healthcare facilities themselves. Another study examined the effectiveness of programs among 10 countries and found that “several countries improved midwifery training and used incentives for recruitment and retention of staff, while others used task shifting and community health workers or volunteers to address staff shortages and reach marginalized populations” (Ahmed et al., 2016). This again is another example of a program that focuses on education. Instead of bringing in health care professionals from a developed country to do this job, the country’s professionals themselves are trained more adequately. The country is then equipped with health workers at all times and is not depending solely on outside workers to come and provide services.

Gaps in Literature

This research in particular is necessary because there are limited studies that evaluate the effectiveness of donor aid in addressing health related MDG’s. Although there are a variety of projects conducted on foreign aid, not all of them consider the same factors that this research intends to. For example, Piva and Dodd (2009) determined how foreign aid was spent and distributed across countries. Although this study provides insightful information on the

channeling of foreign aid, it fails to examine the effectiveness of that aid being delivered. This study also examines foreign aid on an international level instead of individual countries, such as Nepal.

Another study measured the amount of aid going to certain countries or regions in efforts of making sure donor resource was going to those most needy populations (Greco, Powell-Jackson, Borghi, & Mills 2008). This project assessed MDG's and indicated that tracking aid is fundamental in assessing progress of those goals. However, this project does not directly examine the effectiveness of foreign aid because it only considers where the money is going. It also does not focus on a specific country, but considers aid on an international level.

Based on these examples of literature on foreign aid, it is evident that there is a lack of projects that attempt to measure the effectiveness of aid that are MDG related on a national level. Therefore, this research intends to fill those gaps.

Nepal: Geography, Politics, and Culture

Geography

Nepal is a landlocked South Asian country located between India and China. It has a population of roughly 29 million people with its area of 56,827mi². In comparison, this is about the population of Texas in an area that is less than a quarter of its size. It is rich in natural resources, including quartz, timber, copper, cobalt, and iron ore. It also is rich in water and hydropower. About 28.8% of the land is arable, allowing its economy to be heavily based on agriculture. Nepal lies on the Himalayas region and is home to the three of the highest mountain peaks in the world, including Mt. Everest. However, this location along a fault makes Nepal susceptible to earthquakes, and explains the disastrous event from 2015. Currently, Nepal faces a

variety of environmental issues including deforestation, contaminated water, and wildlife conservation.

Government

Nepal has a prominent history of political instability from civil wars to tyranny, as far back as the 18th century. Since the 1990's alone, Nepal has been through communist rule, monarchy, and parliamentary government. Currently, it stands as a Federal Parliamentary Republic with both a president and a prime minister. Nepal is separated into 14 districts or "zones." It has had several different constitutions with the most recent one being adopted in September of 2015.

Economy

Nepal is one of the poorest and least developed countries in the world, with more than a quarter of its citizen's life below the poverty level. For this reason, Nepal depends heavily on foreign aid; remittances make up about 29% of their GDP according to the World Factbook. Their economy is heavily based on agriculture and some limited industrial activity. Nepal has experienced several setbacks to its economic development, including the 2015 earthquake that destroyed much infrastructure. Political uncertainty and tough business also made it hard for foreign investors to get involved. Nepal does have a considerable potential to expand its hydropower, but has not been able to expand much due to those reasons. There is a 46% unemployment rate and although showing an increasing GDP growth rate, still ranks 184 to other countries.

People and Society

Nepal has an approximate population of 29 million people; amongst these there are 125 ethnic groups, 123 different languages, and several religions (the top practiced being Hinduism). There is a contraceptive prevalence rate of 49.7%, which depicts the number of married women that are using contraceptives. This number indicates availability of health services and women's empowerment. Nepal's total health expenditures are only 5.8% of their GDP, and they have an overall high risk for contracting major infectious disease.

Objectives of this Study

Through the evaluation of different projects performed in Nepal, I hope to determine what methods are most or least likely to allow a project to succeed. From the results, I hope to derive recommendations that might improve how future projects are implemented both in Nepal and in countries with poverty. With a more efficient use of foreign funds, money could go much farther and help alleviate conditions much faster in such areas.

CHAPTER II

METHODS

To address the question about foreign aid effectiveness that this research proposes, I used the world bank as a case study with a focus on health-and education-related projects.

Inclusion Criteria

In this research, I searched project reports that focused on Nepal from 2000 to 2017 on the World Bank website. Projects that were selected met the following inclusion criteria. The reports focused on donor aid that went to health-related projects particularly in Nepal. Because the research intends to evaluate foreign aid, the projects I used are funded solely or mainly by foreign funds. Projects selected were closed or closing by June of 2017. They were also implemented after the year 2000. I selected to use projects within the timeline of early 2000's because this is the timeline when the Millennium Developmental Goals were set and were focused on heavily.

Exclusion Criteria

Projects were not included in this research if they started or ended before the year 2000. Active projects that are not within six months of ending were not considered, although active projects still have reports it is difficult to see the results when the project is not yet completed. Therefore, these will not be considered in the research. Projects that did not focus on health or education issues were not considered for this research.

Search Strategy

I began my search for projects on February 25th, 2017 and finished March 9th 2017, therefore all search results reflect the information made available by the World Bank website during those dates. To find the project reports, I accessed the Nepal page on the World Bank website. A link on that page brought me to a list of 172 projects specific to Nepal. Among these 118 were closed, 40 were active, and 8 were dropped.

In the search bar, I used the key words health, nutrition, and disease to narrow down project results. Once I narrowed down to key words, I made sure projects I considered were within my timeline by making sure they were approved after the year 2000. After this I considered if the project was closed or currently active, if the project was active I made sure to look into its closing date and considered it if it was set to end within the next 6 months. Figure – 1 displays a flowchart determining how the searches were narrowed down.

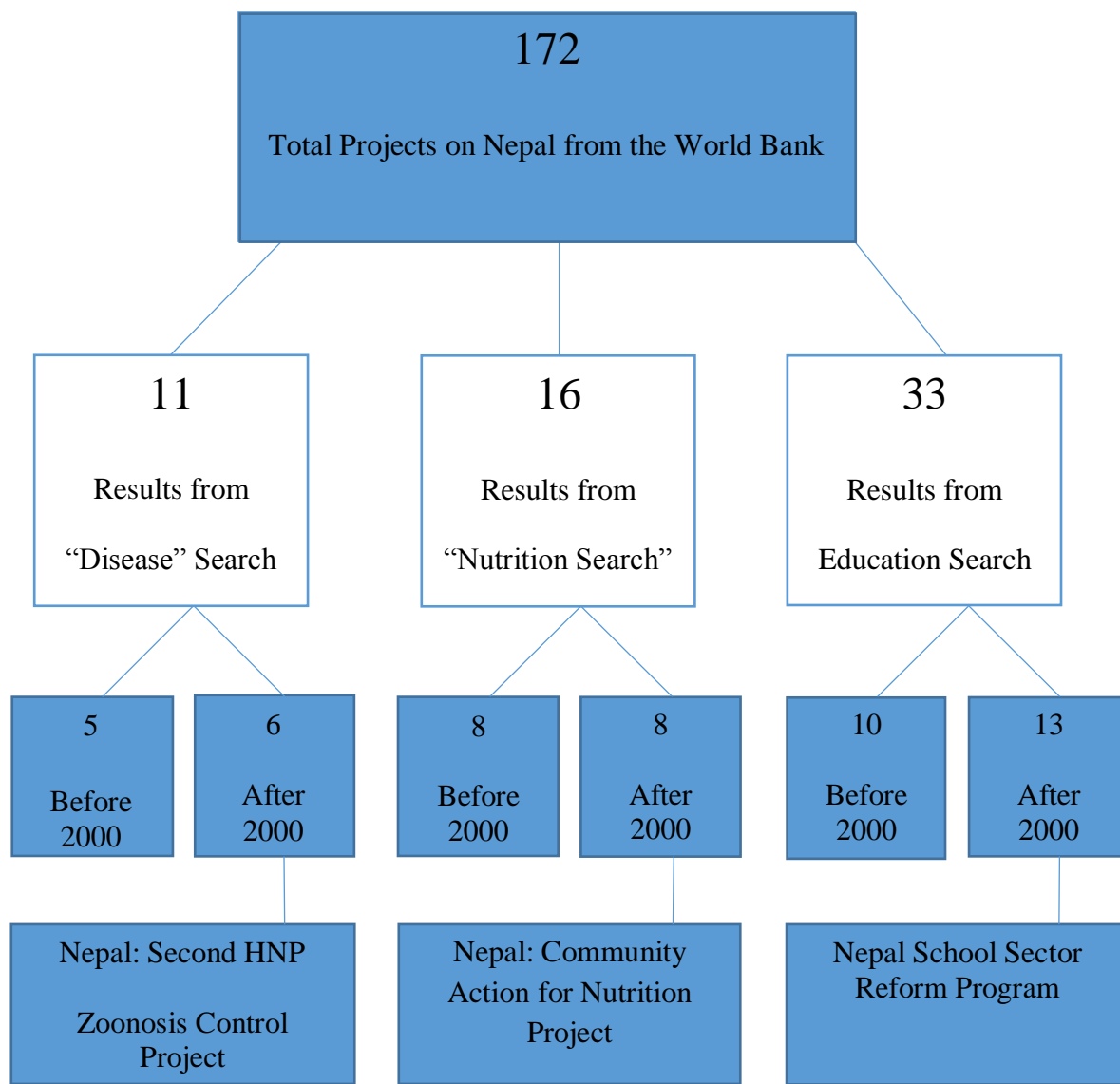


Figure – 1: Search Steps Flowchart

To commence my search, I chose the key word “disease.” As seen Figure – 1, the search narrowed down the projects to 11 results. Out of the 11 projects, 5 were approved or implemented before the year 2000. Of the 6 remaining, 3 were directly related to some type of disease control and disease control was the main goal and purpose of the project. Of the three disease projects, two met all inclusion criteria, one being the *Second HNP and HIV/AIDS Project* and the *Zoonosis Control Project*.

In the second search, I used the word “nutrition.” As seen in Figure – 1, this narrowed down the results to 16 projects. Out of the 16, 8 were implemented after the year 2000. Out of the 8 projects, 2 of them were primarily and overall focused on nutrition initiatives. Of these two projects, I decided to focus on the *Nepal Action for Nutrition Project* because between the two it was older and set to end sooner.

For my last and third search, I used the key word “education.” This search resulted in 33 projects related to education. As displayed by Figure – 1, of the 33, 13 were implemented after the year 2000. Furthermore, 9 out of the 13, were directly related to education in which it was the overall goal. Out of these I selected the *Nepal School Sector Reform Program* because it shows initiatives to improve education among all ages versus a program that just focuses on primary or secondary education.

Analytical Strategy

To determine effectiveness, the projects were analyzed using the following criteria. They were examined to see whether they met or surpassed their target goals. They were also looked at to see if they worked towards health and education related MDGs. Through the reports it was evident to see if the projects met their goals, if they stayed within their proposed budget, and the

overall performance rating. For further analysis, project reviews and literature reviews provided more information on the nature of the projects to determine what factors made them more successful than others. These documents also allowed me to understand intended goals and whether they work towards meeting health-or education-related MDG's.

The selected reports were compiled into a table to holistically examine the different projects and their success ratings. To answer the question proposed by this thesis, "if foreign aid is effective?", at least half of the projects examined must meet their targets. For further analysis, the projects were compared to determine if any factors made projects more likely to succeed or fail than others.

Understanding the Project Reports

All project reports from the World Bank are generally formatted the same. These extensive reports often use a variety of acronyms to describe different aspects of the project. These terms are standardized throughout the World Bank project reports, and therefore make the projects within this research easily comparable. Some fundamental definitions and descriptions are provided in this section to fully understand them as described further in the results.

The first terms that will be fundamental to be familiar with is the Project developmental objective and Project developmental objective indicators. Project development objectives are those main goals of the projects. The PDO indicators are what is used to measure the capacity of these goals. For example, in the *Nepal: Second Health Nutrition and Population (HNP) and HIV/AIDS Project* one of their PDO's is improving nutritional status of children and pregnant women. So, a PDO indicators could be the number of women who take IFA supplements during

their pregnancy. If the project is successful, the PDO indicator would demonstrate an increase in the women practicing this healthy behavior.

The second term to be familiar with is the Intermediate objectives and Intermediate objectives indicator. The Intermediate objectives are separate from the main goals of the project, but are additional results that also show a sense of progress. An Intermediate Objective indicator is what measures these objectives are measure by. In the *Nepal: Second HNP and HIV/AIDS Project*, an intermediate indicator could be the number of women who exclusively breastfed their babies. Such behavior changes are an indicator that the community is moving a step forward towards improving the nutrition of children.

CHAPTER III

RESULTS

In the World Bank website, there were a total of 172 project reports. Figure – 2 displays search results based off each keyword search I did. Among these, only four projects met all the inclusion criteria. The section shown as “other” represents all other projects that did not come up during any of the keyword searches.

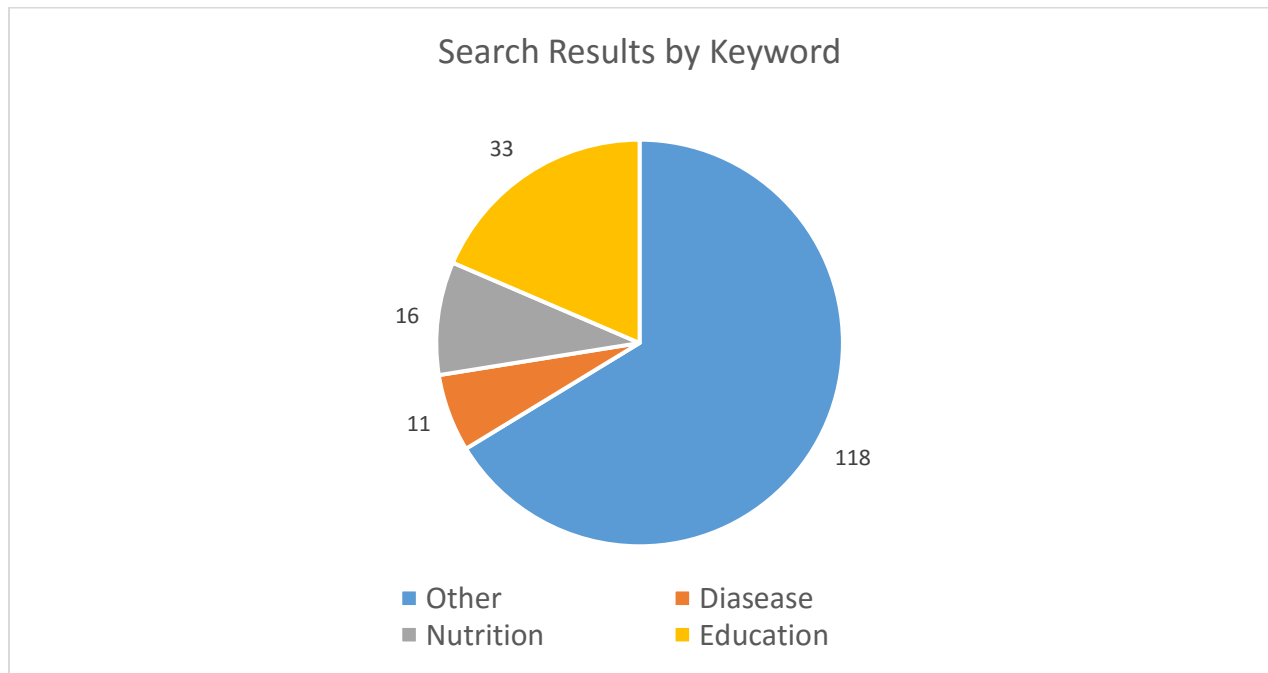


Figure – 2: Number of Health-and Education-related Projects Funded by the World Bank in Nepal

Nepal: Second Health Nutrition and Population (HNP) and HIV/AIDs Project

Although this project was found under the key word “disease,” it is focused much more than on HIV/AIDs disease control. The Second HNP and HIV/AIDS Project was a second phase to the NHSP I that was implemented during the dates of April 20,2010 until January 15, 2016. Much like the first project it was modeled after, its aim was to increase the effectiveness and availability of health care services to the poor. This includes children’s health, prenatal care for women, and interventions for HIV/AIDs infected individuals. The total project cost US\$1527.33 million, while initial commitment amount was US\$129.15 million, it was funded by a variety of international groups and coordinated through a Sector Wide Approach method. Although the project substantially went over its budget, the project met and surpassed almost all immediate goals, while also meeting or close to meeting a variety of intermediate goals. It is important to note that this project was set to close sooner, but the date was pushed back 6 months due to the Nepal earthquake. Figure - 3 presents the total number of indicators and their status by the end of the project. In Table – 2, some selected project development indicators can be viewed more closely (World Bank, 2016b).

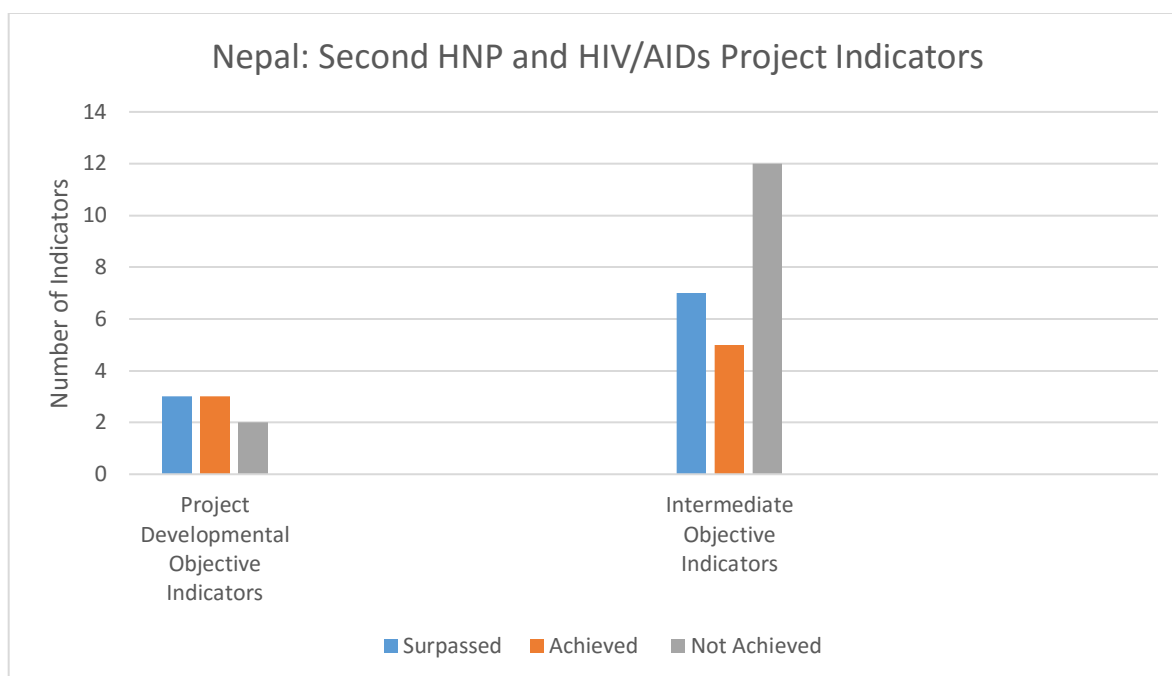


Figure – 3: Nepal: Second Health Nutrition and Population (HNP) and HIV/AIDs Project Indicators

Table – 2: Indicator Results for Nepal: Second Health Nutrition and Population (HNP) and HIV/AIDs Project

Indicator	Baseline	Current	Target	Effective
Skilled attendance at birth	28.80	55.60	35.00	YES
Fully immunized children	88.80	92.60	90.00	YES
Mothers taking IFA during last pregnancy	81.30	72.00	87.00	NO

Nepal: Community Action for Nutrition Project

The purpose of this project is to create awareness and promote healthy behaviors, especially among women of reproductive age and young children. The total project cost up to date is US\$40.00 million, while the commitment amount was US\$40.00 million. The project was approved on June 26, 2012 and is set to end in June 30, 2017 so there is a possibility the project may surpass its budget but overall should not exceed substantially. In Figure - 4, the current results of the indicators can be seen. This project has only met 3 out of the 9 indicator goals. In Table – 3, selected project development indicators and their percentages are available (Bhattarai, 2016). Though there were 9 indicators because this project also focused on several health behavioral campaigns, for this research I chose indicators that were most closely related to nutrition.

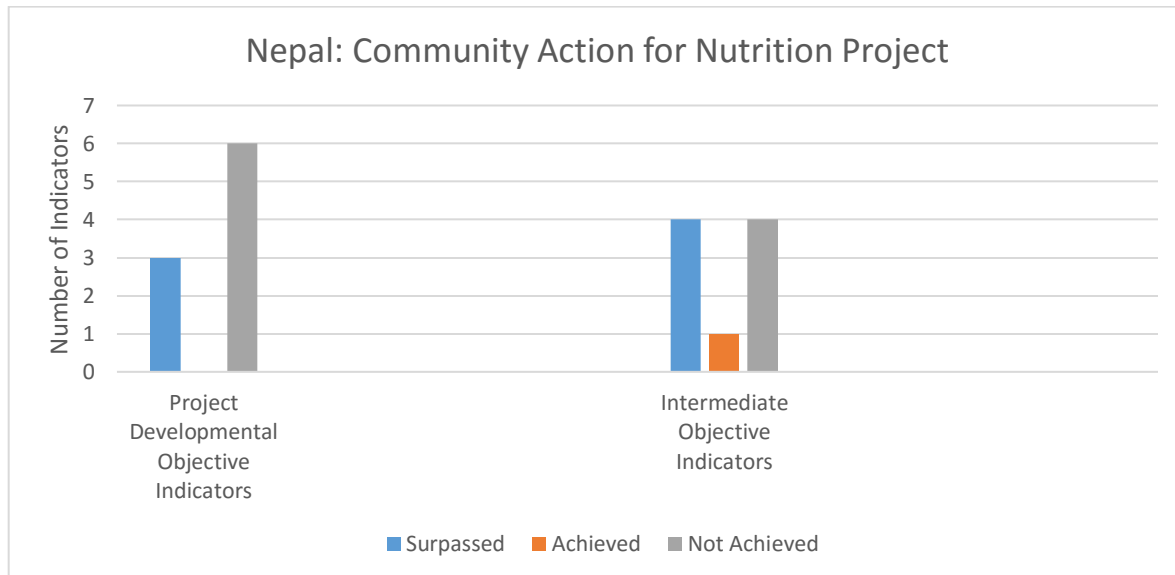


Figure – 4: Nepal: Community Action for Nutrition Project

Table – 3: Indicator Results for Nepal: Community Action for Nutrition Project

Indicator	Baseline	Current	Target	Effective
Percentage of children 6 – 24 months who consume a minimum acceptable diet.	9.30	13.76	25.00	NO
Percentage of children who are exclusively breastfed	69.00	70.12	80.00	NO
Percentage of pregnant woman taking iron and folic acid supplements for 180 days.	20.50	22.15	30.00	NO

Zoonosis Control Project

The objective of this project is to improve the country's capacity for the prevention and control of infectious disease, particularly those that are transmitted between animals and humans, through a "One Health approach". A one health approach ultimately means that the project recognizes that the health of humans is connected to the health of animals and the environment. The project was approved on June 18, 2012 and closed on March 31, 2014. The total project was approved for US\$10.00 million but only US\$8.46 million were used. It was funded solely by the Avian and Human Influenza Facility, which is led by the European Commission. This project did not meet several of its targets, in both its direct and intermediate indicators as seen in Table - 4. In Table – 5, some selected indicators are presented (World Bank, 2015).

Table – 4: Zoonosis Control Project

	Project Developmental Objective Indicators	Intermediate Objective Indicators
Total	4	7
Surpassed	0	0
Achieved	3	1
Not Achieved	1	6

Table – 5: Indicator Results for Zoonosis Control Project

Indicator	Baseline	Current	Target	Effective
Number of farmers in PAF groups trained in bio-security	0.00	1243.00	1000.00	YES
Percentage of surveillance sites that regularly report to EDCD	86.00	100.00	90.00	YES
Direct project beneficiaries (number)	0.00	8000.00	24000.00	NO

Nepal School Sector Reform Program

This project intends to increase the access and quality of primary education. The project was approved on September 22, 2009 and closed on July 15, 2016. However, two additional financings of the project have been approved after the completion and the project is expected to continue well through 2017. The project spent US\$2635.00 million while its original commitment amount was US\$130.00 million so it substantially spent more money than initially

planned, however this is because of an approved additional financing and the usage of several grants that were awarded throughout the process. The project was implemented by the ministry of education, and coordinated through the SWAp method. This project met or surpassed targets on all but one of its project development objective indicators, and either met or closely met a variety of intermediate indicators as seen in Figure - 5. In Table – 6, selected indicators are presented (Parajuli, Dilip. 2016).

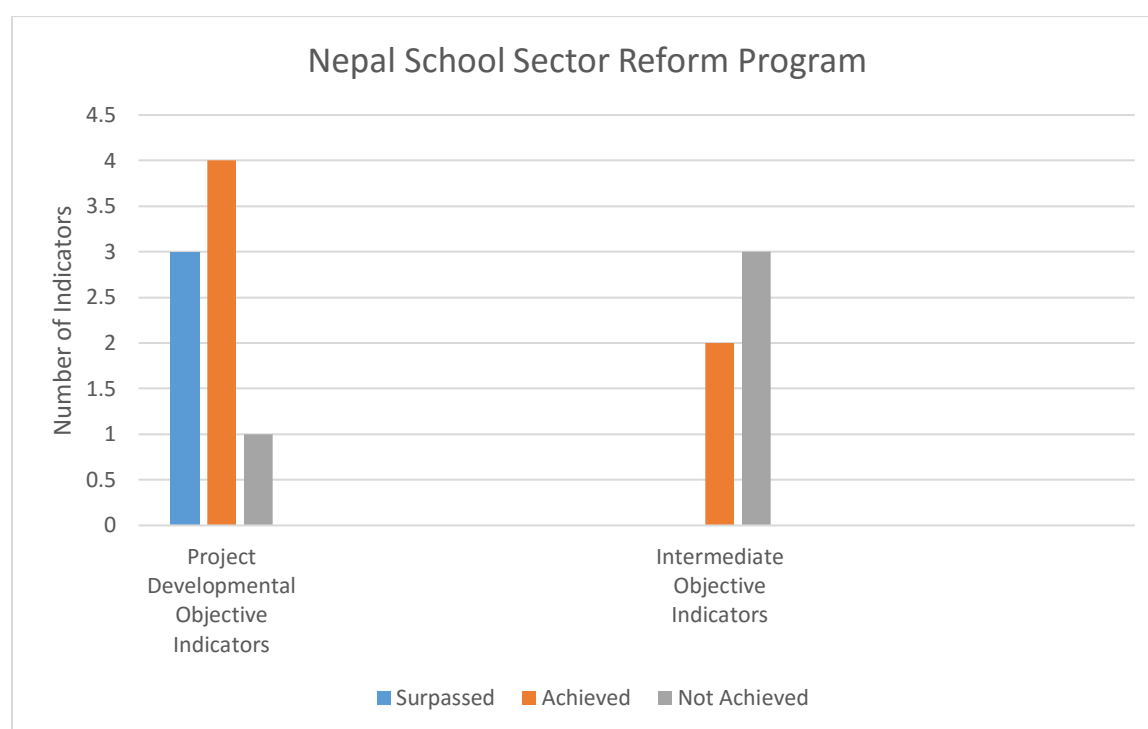


Figure – 5: Nepal School Sector Reform Program

Table – 6: Indicator Results for Nepal School Sector Reform Program

Indicator	Baseline	Current	Target	Effective
Completion rate for basic education (G8) (Percentage)	41.00	70.00	66.00	YES
Completion rate for primary education (G5) (Percentage)	58.00	81.00	79.00	YES
Percentage of teachers with required training at basic level	91.00	92.00	95.00	YES
Number of school levels under community management	8500.00	12421.00	16000.00	NO

Overall Effectiveness

In Table – 7, all the selected projects can be view holistically. They are compared on a basis of the three success criteria that this research considers. Projects were deemed successful if they work towards health-and education-related Millennium Developmental Goals, met at least half of their Project Developmental Objectives and Intermediate Objectives, and continued to a secondary phase. Secondary Phase essentially meaning that the project was continued to a “Part II” or received additional financing.

Table – 7: Comparing Projects Based on Success Criteria

Project	Meet Millennium Developmental Goals?	Meet Targets?	Secondary Phase?
HNP & HIV/AIDS	YES	YES	YES
Action for Nutrition	YES	NO	NO
Zoonosis Control	YES	NO	NO
School Sector Reform	YES	YES	YES

CHAPTER IV

DISCUSSION

After considering the results of this research, there were several evident differences between the projects that might have affected how well the four projects succeeded.

Success Trends

Of the four, two of the more successful projects were the *Nepal: Second HNP and HIV/AIDs Project* and the *Nepal School Sector Reform Program*. For the purpose of this research, I deemed these the most successful because they worked towards the Millennium Developmental Goals, they met their targets, and these projects were either a continuation from a primary project or received additional financing. Clearly, a project had to be successful if the same methods were reused again. Similarities among both these projects was their support from a variety of developmental partners and the use of a Sector Wide Approach method for finances. *Sector Wide Approach*

The Sector Wide Approach or SWAp first emerged in the 1990's. It is a method that brings together the government, donors, and all other stakeholders with the goal of moving towards government leadership over time. Instead of allowing donors to provide aids to specific funds or projects, donors agree to contribute into one fund. This fund is ultimately used to move forward the country's national plan and focuses on the priorities of the country, and not those of external agencies (Garner, Flores, & Tang, 2000).

It is believed that because it focuses more on the countries priorities, SWAp involves more national leadership in comparison to other methods. National leadership could be very

fundamental in projects such as these because the country can see its ability to help itself versus letting foreign agencies do all the work. In a way, the foreign agencies help set up and finance the project in the beginning but allow the government to take over by letting them speak up on their needs. The SWAp method can overall also help more efficiently manage the aid, facilitating coordination between different donors and the host country. Per the *Nepal: Second HNP and HIV/AIDS Project* Report, “In a context like Nepal, given its fragility, the process of developing strong institutions, in a small country with a large number of donors can be challenging. The Bank’s support of partnership harmonization and alignment through the SWAp was key to strengthening the national health plan, and for reducing aid fragmentation” (World Bank, 2016b). Clearly, the success of the project is highly owed to the usage of the SWAp method, which was also used in the previous NHSP I.

Project Challenges

Generally, aid projects must go through a long appraisal process before they are implemented. This process consists of thorough planning, including the prediction of challenges they might face and overall risk. However, it is hard to foretell the future and sometimes unprecedented challenges come up. Each of projects examined faced its individual challenges, and some handled them differently than others. The way such issues are handled can make the entire difference of whether a project succeeds or fails. This section will examine the different challenges of the projects and the methods in which they were addressed.

Zoonosis Control Project

As stated in the Results, the Zoonosis Control project met 3 out of their 4 PDO Indicators but did not surpass any of them. Although they did meet most of their goals, the project did not go above and beyond by surpassing targets, which was witnessed in other more successful projects. Because of this, it was deemed one of the lesser successful projects despite its Satisfactory Outcome rating given by the World Bank.

A problem that was particular to this project was the culling of animals. Though the project managed to control a variety of outbreaks, the consequence of this was the culling of several animals and eggs. The project needed a better plan for compensation for the farmers, to maintain their loyalty in the project. If a farmer's animals are culled without compensation, he might be less likely to report an illness in order to avoid economic losses (World Bank, 2015). For this reason, the project ended up spending almost half of its funds solely on the compensation of farmers. Perhaps the project should have explored options in treating the animals or putting them in isolation or quarantine before immediately culling them, for both the sake of the farmers and the efficiency of the project.

Nepal: Second HNP and HIV/AIDS Project

This project was one of the most successful of the ones examined, it was rated substantial on its PDO Rating, meaning it met and surpassed a variety of its PDO indicators. This project was also the secondary phase to the NHSP I; being modeled after an already successful project meant that this project was set up for success. Although despite such a great outcome, this project faced its share of challenges.

Primarily, in the report there is a mention of frequent turnover of staff (World Bank, 2016b). This refers to the number of employees who have left and are then replaced and included

fundamental positions such as secretaries and directors of different areas. Frequent changes in staff result in delays and interfere with the project itself. However, the problem is attended too early on and the report explains that they address this problem by creating an effective recruitment plan that would meet the need of health professionals (World Bank, 2016b). This plan would attempt at improving retention rates.

One of the biggest challenges this project faced was the Nepal Earthquake of April 2015, this natural disaster along with the political unrest going on in the country at time is certainly accountable for affecting the results of this project. In fact, the project closure date was pushed back 6 months. Had the project closed right when it was originally planned too, much of their progress wouldn't have been accounted for and lost. The strategy of keeping it open for the extra time may have proved helpful in making sure that all the efforts had not gone to waste. Clearly, the project as it is made substantial progress and it is interesting to imagine how much progress it must have made if it wasn't for this earthquake.

Overall, even though the *Nepal: Second HNP and HIV/AIDs Project* faced some tough challenges, it still came out to be one of the more successful projects. Proving that the methods that were used and its strategy in facing challenges were very efficient.

Limitations in Research

Since this research is a case study, there might be a lack of external validity. Only projects from the World Bank were studied, which may not reflect the array of projects that may come from other organizations. Nepal was also the focus of the research, and this study may not address challenges that are present in other countries. Although this project could be replicated

using a different set of projects, results may vary vastly as projects different projects are different and nature and specific methods could be more effective in some regions than others.

Another limitation to this research is the amount of information available for each project. Some projects had consistent project reports during the phase of the project while others only had a few documents available. Some projects having more information to consider than others could affect how the results are presented and interpreted.

CHAPTER V

CONCLUSION

It is clear from the results that the two most successful projects are those that shared one major thing in common, the Sector Wide Approach method. As stated in the literature review, projects, such as those using a Right Based Approach, tend to work better when they emphasize education and empowerment. Although such approaches are seen on a smaller scale and in more local components of a project, they share similar values with that of the SWAp approach. The role of foreign aid is not for the host country to create a dependence on the help it is receiving but rather to give a country the tools to be able to fend for itself. With such an emphasis on national leadership and giving a country the ability to prioritize their funds, countries are more in power of their own fate. Although the funds are still coming from an outside source, the transitioning from the stakeholders to the government gives the country a sense of how they can help themselves. Empowering governments and letting them take such projects into their own hands, also allows these countries to have the tools to handle difficult situations even in the absence of foreign aid.

Besides these very useful outcomes that come as a result of the SWAp method, based on the results they are also more likely to grant better results when used in a project. This could be owed to better management or better communication. By having all the stakeholders involved, there is more open communication and task are often distributed more efficiently so they are not repeated. Compared to challenges that were viewed in the other projects, those projects that use SWAp responded better to challenges that came up during the course the project. This is especially evident in the *Nepal: Second HNP and HIV/AIDS Project* who still did a successful

job, and came above the rest of the projects studied, despite being interrupted by the Nepal earthquake of 2015.

Recommendations

Based on this research, I would recommend that future projects implemented use methods that emphasize empowerment and leadership. This could be either on a small local scale, on a governmental level that influences national leadership, or perhaps even both. Such empowerment could lead to better results as citizens feel a sense of helping themselves rather than creating a dependency on the help that is delivered. Such methods could increase the long-term impacts of projects and overall make a more efficient use of foreign funds.

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