



**United Nations Peace Fund for Nepal (UNPFN)
Project Status Update
As of 30 September 2010**

Participating UN Organization:	ILO and FAO	UN Fund cluster and Nepal PBF Priority area:	Quick Impact project
Project number:	PBF/NPL/D-1 (UNPFN/C-1)	Funding round Strategic Outcome:	
Project Title:	Jobs for Peace: 12,500 Youth Employed and Empowered through an Integrated Approach		
Total approved project budget:	ILO: \$1,851,785 FAO: \$804,215		
Funds committed:	ILO: \$1,501,778 FAO: \$804,215	% of approved:	ILO: 81.1% FAO: 100%
Funds disbursed:	ILO: \$613,685 FAO: \$535,230	% of approved:	ILO: 33.1% FAO: 66.6%
Forecast final date:	ILO: 31 March 2011 FAO: 31 March 2011	Delay (months):	
Anticipated total project duration:	2 Years		

REPORT ACRONYMS USED:

BDS	Business Development Services
CAP	Conflict Affected Peoples
CEE	Community Economic Empowerment
FAO	(UN) Food and Agriculture Organization
FFS	Farmer Field School
FLE	Financial Literacy Education (training)
FS	Financial Services
FSP	Financial Services Provider
ILO	International Labour Organization
JFFLS	Junior Farmer Field Life School
MoPR	Ministry of Peace and Reconstruction
SIYB	Start and Improve Your Business
VAHW	Village Animal Health Worker
VT	Vocational Training

Objectives	Progress: achievements / results	% of planned
Overall Objective: To contribute to national peace building and poverty reduction through engaging youth in productive employment activities and empowerment	Indicators: - Perceived decrease in youth-led illegal/destructive incidences in selected communities by the end of year two. - % increase of youth participation in productive and constructive activities	n/a (forms part of final project results reporting)

<p>Immediate Objectives:</p> <p>I. Targeted young women and men engaged in productive employment and economic opportunities with increased gender and disadvantaged group equality in work opportunities</p> <p>II. Youth empowered to address youth priorities while contributing to dialogue and mutual understanding for peace building</p>	<p>Indicator #1: Productive employment opportunities created for 12,500# young men and women (including targeting 33% women and 40% disadvantaged group beneficiaries) <i>ACHIEVEMENTS: Interventions in-progress; special target groups involvement percentages being met</i></p> <p>Indicator #2: - # Additional spin-off jobs created by beneficiary youth businesses and cooperative enterprises for youth and others <i>ACHIEVEMENTS: To be duly measured</i></p> <p>- Outreach of youth-led empowerment projects (including targeting 33% women and 40% disadvantaged group beneficiaries) and impact in addressing youth priorities while contributing to dialogue and mutual understanding for peace building <i>ACHIEVEMENTS: Interventions in-progress</i></p>	<p>ILO 45%; FAO 65%</p> <p>n/a (forms part of final project results reporting)</p> <p>5%</p>
<p>Output 1 (ILO): Quick-impact jobs created for youth through the provision and maintenance of community infrastructure</p>	<p>Indicator #1.1: At least 20,000 paid workdays created for 200# young women and men (at least 40% from socially excluded groups) in the provision and maintenance of productive community infrastructure <i>ACHIEVEMENTS & IN-PROGRESS: Target # workdays and beneficiaries will be substantially exceeded with special target groups involvement percentages being met</i></p> <p>Indicator #1.2: Actual quantifiable productive community infrastructure provided/maintained</p>	<p>21,000 paid workdays created and 60% of physical works sub-projects completed; the information for indicator #1.2 will be provided in the final project report</p>
<p>Output 2 (FAO & ILO): Capacity of target youth to start/expand farm enterprise activities and to secure gainful agricultural and off-farm employment opportunities strengthened through enabling and facilitating services for farm technical skills training and upgrading, and vocational skills training and job placement services (target = 3000# youth)</p>	<p>FAO Contributions to Immediate Objective I:</p> <p>Indicator #2.1(a): Expected new/improved productive agri-enterprise and farm labour incomes of up to 2,400# young women and men trainees (with gender target of 33% and disadvantaged group target of 40% met) <i>ACHIEVEMENTS: It is expected that about one-third of the FFS/JFFLS trainees will be benefiting from new/improved agri-enterprise and/or agricultural labour opportunities by the end of the project</i></p> <p>Indicator #2.2: # FFS/J FFLS facilitators/coordinators trained and facilitated to deliver farming skills training to # beneficiaries <i>ACHIEVEMENTS: (a) 30# FFS and 50# JFFLS facilitators trained and facilitated to deliver farming skills training to 1920# beneficiaries; (b)19# youth trained as VAHWs for remunerative services delivery to local livestock owners; and, (c) special target groups involvement percentages being met and exceeded</i> <i>IN-PROGRESS: Training for 1420# youth in various agricultural skills for own-farm self-employment with special target groups involvement percentages being met</i></p> <p>Indicator #2.3: # functional FFS and JFFLS established and # youth trained and type training <i>ACHIEVEMENTS: 48 # functional FFS and 24# functional JFFLS established; 1200# FFS youth and 720# JFFLS youth trained in various agri-production activities</i></p> <p>ILO Contributions to Immediate Objective I:</p> <p>Indicator 2.1(b): Expected new/improved productive wage labour incomes of 600# young women and men trainees (with gender target of 33% and disadvantaged group target of 40% met) <i>ACHIEVEMENTS: It is expected that about 80% of trainees will have secured productive employment opportunities by the end of the project</i></p> <p>Indicator 2.4: 6# VT service providers facilitated to deliver various vocational training services to at least 600# young men and women for employment <i>IN-PROGRESS: interventions as per indicator #2.4</i></p> <p>Indicator 2.5: #/Type of specialist service providers facilitated to deliver complimentary soft skills services to youth vocational training beneficiaries <i>STATUS: Project resources currently inadequate to cover</i></p>	<p>n/a (forms part of final project results reporting)</p> <p>90% complete</p> <p>80% complete</p> <p>100% complete</p> <p>40% complete</p> <p>n/a</p>

	<p><i>complimentary soft skills training delivery due to adverse US\$ exchange rate: indicator will be removed in next project logical framework revision</i></p> <p>Indicator 2.6: Actual skills development coordination and training delivery capacities strengthened in the target district <i>STATUS: As for Indicator #2.5 above</i></p>	n/a
<p>Output 3 (FAO & ILO): Target youth productive farm and off-farm enterprises skills and knowledge enhanced through entrepreneurship training (target = 4000# youth)</p>	<p>FAO Contributions to Immediate Objective I: Indicator #3.1(a): Expected productive enterprise incomes of up to 225# young men and women from productive farm and off-farm enterprises (target 50% young women beneficiaries and 40% from disadvantaged groups) <i>ACHIEVEMENTS & IN-PROGRESS: (a) 225# members of one dairy enterprise cooperative trained in clean milk production and product diversification for hands-on application in business; (b) cooperative provided with in-kind seed capital for business expansion (chilling and testing equipment); and, (c) special target groups involvement percentages being met</i></p> <p>ILO Contributions to Immediate Objective I: Indicator #3.1(b): (i) Expected productive enterprise incomes of up to 3775# young men and women from productive enterprises (target 50% young women beneficiaries and 40% from disadvantaged groups) (ii) #/Type enterprises started/expanded by beneficiaries <i>IN-PROGRESS:</i> <i>Business skills training and counselling services interventions in-progress.</i></p> <p>Indicator #3.2: # local BDS trainers trained and # service providers employing the trainers delivering SIYB services to # youth beneficiaries <i>ACHIEVEMENTS & IN-PROGRESS:</i> (i) ToT completed for 36# SIYB trainers; and, (ii) 15# service provider/38# trainers delivering SIYB enterprise training services to 3756# youth beneficiaries with special target groups involvement percentages being met</p>	<p>90% complete</p> <p>Results are tabulated and reported later during the project</p> <p>100% complete 60% complete</p>
<p>Output 4 (ILO): Access to finance for potential young entrepreneurs facilitated through improved availability of information on financial products, enhanced capacity of FSPs to reach the target group with appropriate financial products, and through financial literacy education (new target = 1400# youth)</p>	<p>Indicator #4.1 for Contributions to Immediate Objective I: Up to 1400# young women and men starting/expanding businesses as a result of financial literacy education training and access to financial services (target 50% young women beneficiaries and 40% from disadvantaged groups)</p> <p>Indicators #4.2: (i) # Enterprises expecting a financial gain started/expanded by young women and men as a result of access to financial services arising from training delivered and linkages created by FSPs (i.e. enterprises separate from those of the other relevant project outputs): target 50% young women beneficiaries and 40% from disadvantaged groups (ii) # Enterprises expecting a financial gain started/expanded by young women and men as a percentage of # target youth trained in financial literacy education</p> <p>Indicators #4.3: (i) # FSPs trained in financial literacy education, and financial risk analysis and planning for onward training of target youth (ii) # FSPs delivering FS to target youth and 1400# target youth trained in financial literacy education (target 50% young women beneficiaries and 40% from disadvantaged groups) <i>IN-PROGRESS:</i> <i>Preparatory activities completed with special target groups involvement percentages being met</i></p>	<p>Results are tabulated and reported later during the project</p> <p>Results are tabulated and reported later during the project</p> <p>10% complete</p>
<p>Output 5 (FAO & ILO): Cooperatives and communities strengthened to become</p>	<p>FAO Contributions to Immediate Objective I: Indicator #5.1(a): Actual/expected increased enterprise incomes of at least 2250# youth</p>	

<p>competitive/more competitive and entrepreneurial to create more jobs and incomes, and to involve more youth members (target = 4500# youth and at least 30# cooperatives)</p>	<p>beneficiaries from 30# cooperatives (target 33% young women beneficiaries and 40% from disadvantaged groups) <i>IN-PROGRESS:</i> 2038# youth members of 30# agri-enterprise cooperatives in training for business and technical skills to increase incomes with special target groups involvement percentages being met Indicator #5.2 (a): (i) #/Type of cooperative enterprises (ii) #/Type of cooperatives linked with the private sector</p> <p>ILO Contributions to Immediate Objective I: Indicator #5.1(b): Actual/expected increased enterprise incomes of at least 2000# youth beneficiaries from 15# cooperatives (target 33% young women beneficiaries and 40% from disadvantaged groups) <i>IN-PROGRESS:</i> 1400# youth members of 30# agri- and non-farm enterprise cooperatives in training for business and technical skills to increase incomes with special target groups involvement percentages being met Indicators #5.2(b): (i) #/Type of cooperative enterprises (ii) #/Type of cooperatives linked with the private sector</p> <p>Indicators #5.3: (i) 250 # community group youth members of # community groups experiencing/expecting increased business incomes (target 33% young women beneficiaries and 40% from disadvantaged groups) (ii) # community groups with action plans ACHIEVEMENTS: (i) 199# youth members of 17# community groups cooperatives in training for business and technical skills to increase incomes with special target groups involvement percentages being met (ii) 17# community groups with community action plans <i>IN-PROGRESS:</i> Preparatory activities for technical backstopping of target youth enterprises and group action plans Indicators #5.2(c): (i) #/Type of youth enterprises</p>	<p>80% complete</p> <p>Information and results are tabulated and reported later during the project</p> <p>10% complete</p> <p>Results are tabulated and reported later during the project</p> <p>Results are tabulated and reported later during the project</p> <p>100% complete</p> <p>100% complete</p> <p>10% complete</p> <p>Results are tabulated and reported later during the project</p>
<p>Output 6 (FAO & ILO): Productive employment and economic opportunities created for youth through youth-led employment schemes (target = 1000# youth)</p>	<p>FAO Contributions to Immediate Objective I: Indicator #6.1(a): Actual/expected increased enterprise incomes of at least 500# youth beneficiaries (target 33% young women beneficiaries and 40% from disadvantaged groups) <i>IN-PROGRESS:</i> 500# youth members of farmer groups and cooperatives in training for business and technical skills for self-group employment to increase incomes with special target groups involvement percentages being met Indicator #6.2 (a): #/Type of youth self-employment/group enterprises</p> <p>ILO Contributions to Immediate Objective I: Indicator #6.1(b): Actual/expected increased enterprise incomes of at least 500# youth beneficiaries (target 33% young women beneficiaries and 40% from disadvantaged groups) <i>IN-PROGRESS:</i> 600# youth members of groups and cooperatives in training for business and technical skills for self-group employment to increase incomes with special target groups involvement percentages being</p>	<p>30% complete</p> <p>Results are tabulated and reported later during the project</p> <p>20% complete</p>

	<i>met</i> Indicator #6.2 (a): #/Type of youth self-employment/group enterprises	Results are tabulated and reported later during the project
Output 7 (ILO): Youth-led empowerment opportunities provided addressing youth priorities while contributing to dialogue and mutual understanding (target = 25# interventions)	Indicators #7.1: (i) At least 25# youth empowerment interventions; and, (ii) Type interventions and #/type beneficiaries <i>IN-PROGRESS:</i> 14# interventions in-progress and others under review; adverse US\$ exchange rate movements may limit scope for further interventions - #/Type of empowerment interventions (at least 25#) - Total # youth beneficiaries and % women and disadvantaged youth	Results are tabulated and reported later during the project 10% complete 10%

Qualitative achievements against objectives and results and any challenges

SUMMARY HIGHLIGHTS (January-September 2010):

The project is on track to achieve its overall target outcome of 12,500# jobs for target youth in Parsa and Rautahat Districts in Nepal, and all project resources are committed/earmarked as of 30 September 2010. To briefly revisit the project strategy, the main emphasis is of the project is quick-impact job creation for the target groups using various proven, quick-impact job creation approaches (i.e., Components #1-6 of the project outputs), as well as some space for creative youth empowerment projects driven by local youth and their organizations (i.e. Component #7 of the project outputs). A functional National Steering Committee has been established by the MoPR. A project team self-assessment/evaluation is in-progress to develop initial lessons learnt: this is the important pursuant to recent MoPR senior personnel field monitoring and their interest in building on lessons learnt to identify an appropriate model and process for replicating the project nationally for CAP, especially CAP youth. FAO and ILO will need to extend their completion dates to 31 March 2011 and 31 May 2011 respectively to complete all activities and measure/report the final results (for which a professional project results database has been established). Some project logical framework and budget revisions resulting from this extension and other changes in the composition of activities for the target outputs are in-progress for due official submission to the UNPFN for approval. A progress overview of the project outputs components including challenges, etc., follows).

OUTPUT #1 (ILO), EMPLOYMENT-INTENSIVE INFRASTRUCTURE PROJECTS:

Output #1 targets the creation of quick-impact employment for needy youth in community-based, employment-intensive infrastructure projects while contributing quality productive assets for local post-conflict socio-economic recovery as well as injecting wages and procurement cash into reviving fragile local economies with a multiplier employment impact. The project is on course to significantly exceed the output target of 20,000# paid workdays for 200# youth. Implemented by community asset user groups managed by youth, actual productive community infrastructure targeted includes such as agricultural road repair and upgrading, collection/market center construction, river training/erosion prevention, irrigation canals and other. The demand for labour on the sub-projects from local community youth has been overwhelming. The project has faced some periodic challenges implementing this output. For example, labour is not always available as workers will take-up more lucrative, ad hoc casual employment such as agricultural labour (planting, harvest, etc). This disrupted implementation prior to the monsoon rains which also halts most construction works while limiting access to beneficiaries for training activities, and such implementation delays have contributed to the need for a project extension to complete activities. The link between short employment creation on Output Component #1 and long term jobs for the members of target asset user groups has been strengthened by adding responsive activities under Output Component #5 that inter alia include steering the members into self-employment activities.

OUTPUT #2 (FAO and ILO), SKILLS DEVELOPMENT for EMPLOYMENT:

Following the training of 80# FFS/JFFLS facilitators, FAO has completed almost all agricultural skills trainings under this component with an outreach to 1,920# target youth for hands-on self and group-employment in agribusiness as well as local, seasonal agricultural labour opportunities. Similarly 1420 youths have been trained on various short term agriculture and livestock related skills to enhance income through agriculture production based on comparative advantage analysis. A 19# youths have completed VAHW training and other 19# youths are under training as VAHWs responsive to the demand for paravet services in rural areas where even the poorest livestock owner households are willing to pay for animal health services. The ILO is focusing on vocational skills and 6#

training service providers are delivering a wide variety of vocational training types to 600# target youth for employment and self-employment: some of the training contracts are nearing completion. The contracts are performance-based requiring the service providers to go the extra post-training mile to ensure that trainees actually secure gainful employment. Apart from the logistical difficult of servicing clients in a large area with poor infrastructure, the only other major challenge under this component of identifying those skills gaps in the local labour market was resolved early in 2010 through service provider labour market research.

OUTPUT #3 (FAO and ILO), YOUTH ENTREPRENEURSHIP:

The FAO is working with 225# members of a dairy enterprise cooperative to increase their incomes by improving milk collection, storage and wholesaling. The dairy cooperative has been linked with a private dairy to supply the collected milk. In this way, milk producer farmers are getting benefit from assured supply of produced milk in the nearby locality of the community milk collection center and farmers are getting optimum price from the sell of the milk.

The ILO has trained/engaged 15# service providers with 36# trainers for delivering enterprise start-up and expansion training to 3,756# youth for a variety of popular local enterprise activities responsive to pre-assessed market opportunities including financial risk assessments. Most of the training portion of the contracts is nearing completion with service providers poised to commence post-training business counselling services with target youth. These ILO contracts are also performance-based with service providers responsible for ensuring that trainees actually start/expand businesses. Common to all project implementation, the major constraint with this project output component has been the logistical difficulties of servicing the vast project area.

OUTPUT #4 (ILO), FINANCIAL SERVICES:

This component was developed during the course of 2010 as a target outcome contributor to the overall project target of 12,500# jobs, partly because of its potential to do so as a self-employment strategy, but also because of the need to add more youth beneficiaries via another project component because of constraints encountered in reaching the original target numbers under Output Component #5 (cooperatives) below. The job creation strategy under Output Component #4 involves training of pre-selected FSPs to deliver savings and credit services to 1,000# existing/new target youth entrepreneurs through contracting pre-selected FSPs under performance-based contracts to deliver FS sensitization training (including financial literacy education) followed by delivery of services. FLE training includes educating youth on managing the financial risks associated with various types of enterprises including risks relevant to extracting too much funds by way of drawings for personal and family consumption needs. For existing youth entrepreneurs the aim is to use the component to both stabilize and/or expand existing enterprises. Training of partner FSPs is in-progress to be followed by contract implementation.

OUTPUT #5 (FAO and ILO), COOPERATIVES and COMMUNITY ECONOMIC EMPOWERMENT:

This has been the most challenging component of the project for both FAO and ILO as regards designing responsive action programmes for cooperative youth employment. Data available from the DDC offices on cooperatives was inaccurate as many of the potential listed cooperatives are inactive while the youth membership of cooperatives in both of the project target districts is almost negligible. Considerable time was therefore absorbed (and lost) especially by the ILO in identifying a core portfolio of cooperatives additional to the FAO portfolio that was also willing to extend membership to target youth, and then in designing responsive employment creation action programmes and identifying/contracting local implementing partners: this has also contributed to the need for a no-cost project time extension to complete activities. As a consequence of these constraints, the component will be short approximately 1,000# target youth to contribute to the overall project target outcome of 12,500# youth: however, ILO has been able to substitute this shortfall with a similar number of additional beneficiaries under Output Component #4 (see above).

FAO has been also providing various capacity building trainings, exposure visits, cooperative awareness, and business development trainings to cooperatives members in-progress for 2,038# target youth from 30# agri-enterprise cooperatives. The intervention has build confidence and competency to properly manage the cooperatives organizations to provide services to rural youths. The selected cooperatives are enrolling excluded youths to the cooperatives in their respective communities and providing services to them also. Some cooperatives have started cooperative business to increase income of their members such as vegetable collection center establishment, seeds/fertilizer sales, Duna/Tapari making (a kind plate made up of forest Sal leaves) etc. The selected cooperatives have been developing business plans to enhance the income of their members. FAO has been facilitating and supporting the business plans to make it happen. In this way, the cooperatives which were almostly in dormant condition have became active to create economic opportunities for their members.

while ILO is the process of issuing contracts to implementing partners to deliver various trainings 1,400# target youth from 30# agri-enterprise cooperatives. ILO's Community Economic Empowerment (CEE) component is complete and has focused on training 199# members of the 17# community asset user group members from Output Component #1 in preparing self-employment plans to add employment value to the workdays created under Component #1. Additionally, and to add further value to Component #1 with a multiplier employment impact, the groups have received technical assistance to design new/follow-on employment-intensive infrastructure projects for inclusion in local annual development planning processes and budgets and/or for application submission to other available funding sources.

OUTPUT #6 (FAO and ILO), YOUTH-LED PROJECTS for YOUTH EMPLOYMENT:

This project component was activated via an open call for proposals from local youth and their organizations/sponsoring organizations. FAO has contracts in-progress with local implementing partners for training of 500# youth in agri-enterprise development. The ILO has contracts in-progress with local implementing partners for business and technical skills training for 600# self-group employment target youth to increase incomes for various agri- and non-agri-enterprise activities.

OUTPUT #7 (ILO), YOUTH-LED PROJECTS for YOUTH EMPOWERMENT:

This project component was also activated via an open call for proposals from local youth and their organizations/sponsoring organizations. The amount of funds available for the component has to be reduced as the actual cost of some other ILO components is higher than originally anticipated and priority has had to be given to the job-creation components to achieve the project target outcome of 12,500# youth. A total of 30# youth empowerment interventions of various types are under implementation.

Progress against key indicators in the UNPFN Monitoring and Evaluation framework

The project is the core project of Priority Cluster #3 of the UNPFN Monitoring and Evaluation framework and contributes to the target outcome of reduced youth unemployment amongst conflict-affected youth and improved social integration between conflict-affected youth in targeted vulnerable areas. The project is on track to achieve its target of 12,500# youth including special target youth in the two Nepali conflict-affected target districts (Parsa and Rautahat) and its contribution to increases in the rate of youth employment in these areas. The qualitative strategic outcome indicator (perceived decrease in youth-led illegal/destructive incidences in selected communities by the end of year two) will be measured later during the project.