Public Policy for Social and Solidarity Economy
A Case Study from Nepal

Submitted By:
Ripu M. Kunwar, Ram P. Acharya, Geeta Khadka, Bishnu H. Poudyal,
Sita Shahi, Suman Dhakal, Sunil Pariyar and Bhola Bhattarai

Practical Solution Consultancy Nepal Pvt. Ltd (PSPL)
Min Bhawan, Kathmandu, Ph: 00977 1 4620373, Email: info@psplnepal.org
www.psplnepal.org

in association with

Federation for Community Forestry Users Nepal (FECOFUN), Kathmandu
Dalit Alliance for Natural Resources (DANAR), Kathmandu
National Forum for Advocacy, Nepal (NAFAN), Kathmandu

Submitted to:
Center for International Studies and Cooperation (CECI)

&

UNITERRA, Kathmandu, Nepal

February 2013
TABLE OF CONTENTS
ACRONYMS & ABBREVIATIONS ........................................................................... 4
ACKNOWLEDGEMENTS ......................................................................................... 6
EXECUTIVE SUMMARY ......................................................................................... 7
CHAPTER 1. INTRODUCTION ................................................................................ 10
  1.1 BACKGROUND ............................................................................................... 10
  1.2 GOAL OF SOCIAL SOLIDARITY ECONOMY ............................................... 11
  1.3 JUSTIFICATION OF STUDY .......................................................................... 11
  1.4 OBJECTIVE OF STUDY ................................................................................. 11
  1.5 METHODOLOGY ............................................................................................ 12
    1.5.1 Approaches .............................................................................................. 12
    1.5.1.1 Inclusive, Participatory, Consultative and Multi-Perspective (Poly-vocal) 12
    1.5.1.2 Building on current experience—experiential learning as a building block 12
    1.5.1.3 Stakeholder engagement and communication ...................................... 12
    1.5.2 Study methods ........................................................................................ 12
    1.5.2.1 Literature review .................................................................................. 12
    1.5.2.2 Sample case and selection criteria ......................................................... 13
    1.5.2.3 Study area and sites ............................................................................. 14
    1.5.2.4 Consultations ....................................................................................... 15
    1.5.2.5 Field visits .......................................................................................... 16
    1.5.2.6 Information and data analysis ............................................................... 16
    1.5.2.7 Case study analysis ............................................................................. 16
    1.5.3 Limitation of the study ............................................................................ 17
CHAPTER 2. STATE OF THE FIELD ..................................................................... 18
  2.1 NEPAL: THE COUNTRY .................................................................................. 18
  2.2 CONTEXT ....................................................................................................... 19
  2.3 DEVOLUTION OF SOCIAL SOLIDARITY ECONOMY .................................. 19
  2.4 SOCIAL SOLIDARITY ECONOMY IN NEPAL ............................................. 21
  2.5 SOCIAL SOLIDARITY ECONOMY ORGANIZATIONS ................................. 21
    2.5.1 Cooperatives .......................................................................................... 22
    2.5.2 Community-based organizations (CBOs) ............................................... 23
    2.5.3 Mutual benefit societies ......................................................................... 23
    2.5.4 Social enterprises ................................................................................... 24
    2.5.5 NGOs and federations ............................................................................. 24
CHAPTER 3. CASE STUDY ORGANIZATION (CSO) ............................................ 25
  3.1 BAMBOO WORKERS UNION, BADIKHEL, LALITPUR .................................. 25
  3.2 CHEPANG/PRAJA MULTIPURPOSE COOPERATIVE LIMITED, CHITWAN ... 29
  3.3 EVEREST GATEWAY HERBS PRIVATE LIMITED, DOLAKHA .................... 32
  3.4 HOME-BASED WOMEN WORKERS COOPERATIVE, KATHMANDU .......... 36
  3.5 SONAHA GROUPS, BARDIA ......................................................................... 41
  3.6 YOUTH AND SMALL ENTREPRENEURS SELF-EMPLOYMENT FUND, KATHMANDU 44
CHAPTER 4. KEY FINDINGS, CONCLUSION AND WAY FORWARD .................... 48
  4.1 KEY FINDINGS .............................................................................................. 48
    4.1.1 SSE organizations .................................................................................... 48
    4.1.2 SSE and Job creation .............................................................................. 49
    4.1.3 Gender, equity, inclusiveness and environment concerns in SSE ............ 49
    4.1.4 Sustainability of SSE ............................................................................. 49
    4.1.5 Scope of applicability ............................................................................. 50
  4.2 CONCLUSION ................................................................................................. 50
  4.3 WAY FORWARD ............................................................................................ 52
CHAPTER 5. REFERENCES ..................................................................................... 53
List of Tables
Table 1: Main characteristics of social economy organizations ....................................................10
Table 2: Free listed sample cases and their selection criteria ......................................................13
Table 3: Final cases and their analyst .........................................................................................14
Table 4: Facts about Nepal ........................................................................................................18
Table 5: Enabling environment for SSE development in Nepal ..................................................20
Table 6: List of collaborating institutions of BWU .................................................................26
Table 7: List of Cooperatives promoted by HBWCSN .................................................................38
Table 8: International conventions related to HBWs .................................................................39

List of Figures
Figure 1: Study area and sites ..................................................................................................14
Figure 2: Consultations for study .........................................................................................15
Figure 3: Field area, Badikhel Lalitpur and women participants for discussion ....................15
Figure 4: Concept and contents in best practice approach analysis ........................................16
Figure 5: Map of Nepal ........................................................................................................18
Figure 6: Paper production process, Everest gateway herbs .....................................................33
Figure 7: Home based women workers working in group .........................................................40
Figure 8: Sonaha groups heading for fishing and a woman panning gold at her home after collecting ore from Karnali River bank .................................................................43

List of Annexes
Annex 1. List of participants of National workshop (09 Nov 2012) ............................................56
Annex 2. List of participants of local consultations .................................................................56
Annex 3. Survey questionnaire and checklist used for consultation (k\Zgfjnl) .............................57
Annex 4: Questionnaire for SWOT Analysis ............................................................................62
Annex 5. Key informants of study ..........................................................................................63
## Acronyms & Abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACOFUN</td>
<td>Association of Collaborative Forest Users of Nepal</td>
</tr>
<tr>
<td>AD</td>
<td>Anno Domini</td>
</tr>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>AGM</td>
<td>Annual General Meeting</td>
</tr>
<tr>
<td>ANSAB</td>
<td>Asia Network for Sustainable Agricultural and Biodiversity</td>
</tr>
<tr>
<td>ANTUC</td>
<td>All Nepal Trade Union Congress</td>
</tr>
<tr>
<td>asl</td>
<td>Above Sea Level</td>
</tr>
<tr>
<td>BS</td>
<td>Bikram Sambat (Nepali calendar)</td>
</tr>
<tr>
<td>BWU</td>
<td>Bamboo Workers Union</td>
</tr>
<tr>
<td>CBO</td>
<td>Community Based Organizations</td>
</tr>
<tr>
<td>CCI</td>
<td>Chambers of Commerce and Industry</td>
</tr>
<tr>
<td>CDO</td>
<td>Chief District Officer</td>
</tr>
<tr>
<td>CF</td>
<td>Community Forestry</td>
</tr>
<tr>
<td>CFUG</td>
<td>Community Forest user Groups</td>
</tr>
<tr>
<td>CMCL</td>
<td>Chepang Multipurpose Cooperative Ltd</td>
</tr>
<tr>
<td>CNP</td>
<td>Chitwan National Park</td>
</tr>
<tr>
<td>CSO</td>
<td>Case Study Organization</td>
</tr>
<tr>
<td>CSOs</td>
<td>Civil Society Organizations</td>
</tr>
<tr>
<td>CTEVT</td>
<td>Council for Technical Education and Vocational Training</td>
</tr>
<tr>
<td>DaDC</td>
<td>Dairy Development Corporation</td>
</tr>
<tr>
<td>DANAR</td>
<td>Dalit Alliance for Natural Resource Conservation</td>
</tr>
<tr>
<td>DDC</td>
<td>District Development Committee</td>
</tr>
<tr>
<td>DeOC</td>
<td>Department of Cooperatives</td>
</tr>
<tr>
<td>DFO</td>
<td>District Forest Office</td>
</tr>
<tr>
<td>DOA</td>
<td>Department of Agriculture</td>
</tr>
<tr>
<td>DoSCI</td>
<td>Department of Small and Cottage Industries</td>
</tr>
<tr>
<td>EF</td>
<td>Employment Fund</td>
</tr>
<tr>
<td>EGHPL</td>
<td>Everest Gateway Herbs Private Limited</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agriculture Organization</td>
</tr>
<tr>
<td>FECOFUN</td>
<td>Federation for Community Forestry Users Groups of Nepal</td>
</tr>
<tr>
<td>FNCCI</td>
<td>Federation of Nepalese Chambers of Commerce and Industry</td>
</tr>
<tr>
<td>FNCSI</td>
<td>Federation of Nepalese Chambers of Small and Cottage Industries</td>
</tr>
<tr>
<td>FUG</td>
<td>Forest User Groups</td>
</tr>
<tr>
<td>GA</td>
<td>General Assembly</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Products</td>
</tr>
<tr>
<td>GESI</td>
<td>Gender, Equity and Social Inclusion</td>
</tr>
<tr>
<td>GIZ</td>
<td>Deutsche Gesellschaft für Internationale Zusammenarbeit</td>
</tr>
<tr>
<td>GoN</td>
<td>Government of Nepal</td>
</tr>
<tr>
<td>HBTL</td>
<td>Himalayan Bio Trade Ltd</td>
</tr>
<tr>
<td>HBW</td>
<td>Home Based Women Workers</td>
</tr>
<tr>
<td>HBWCSN</td>
<td>Home Based Worker Concern Society Nepal</td>
</tr>
<tr>
<td>HDI</td>
<td>Human Development Index</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labor Office</td>
</tr>
<tr>
<td>INGO</td>
<td>International Non Governmental Organization</td>
</tr>
<tr>
<td>MDG</td>
<td>Millennium Development Goals</td>
</tr>
<tr>
<td>MoF</td>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>MoL</td>
<td>Ministry of Labor</td>
</tr>
<tr>
<td>Acronym</td>
<td>Full Form</td>
</tr>
<tr>
<td>----------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>NAFAN</td>
<td>National Forum for Advocacy Nepal</td>
</tr>
<tr>
<td>NEFIN</td>
<td>Nepal Federation of Indigenous Nationalities</td>
</tr>
<tr>
<td>NEFSCUN</td>
<td>Nepal Federation of Saving and Credit Cooperative Unions</td>
</tr>
<tr>
<td>NFN</td>
<td>NGO Federation Nepal</td>
</tr>
<tr>
<td>NGO</td>
<td>Non Governmental Organization</td>
</tr>
<tr>
<td>NIC</td>
<td>National Insurance Company</td>
</tr>
<tr>
<td>NLA</td>
<td>Nepal Labor Academy</td>
</tr>
<tr>
<td>NPO</td>
<td>Non Profit Organization</td>
</tr>
<tr>
<td>NRs</td>
<td>Nepali Rupees</td>
</tr>
<tr>
<td>NSCFP</td>
<td>Nepal Swiss Community Forest Project</td>
</tr>
<tr>
<td>NTFPs</td>
<td>Non Timber Forest Products</td>
</tr>
<tr>
<td>PAF</td>
<td>Poverty Alleviation Fund</td>
</tr>
<tr>
<td>PAN</td>
<td>Permanent Account Number</td>
</tr>
<tr>
<td>PSPL</td>
<td>Practical Solution Consultancy Nepal</td>
</tr>
<tr>
<td>ROSCA</td>
<td>Rotating Savings and Credit Associations</td>
</tr>
<tr>
<td>RRI</td>
<td>Rights and Resource Initiative</td>
</tr>
<tr>
<td>SDC</td>
<td>Swiss Agency for Development and Cooperation</td>
</tr>
<tr>
<td>SSE</td>
<td>Social and Solidarity Economy</td>
</tr>
<tr>
<td>TYIP</td>
<td>Three Year Interim Plan</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nation Development Program</td>
</tr>
<tr>
<td>VAT</td>
<td>Value Added Tax</td>
</tr>
<tr>
<td>VDC</td>
<td>Village Development Committee</td>
</tr>
<tr>
<td>WB</td>
<td>The World Bank</td>
</tr>
<tr>
<td>WTLCP</td>
<td>Western Terai Landscape Complex Project</td>
</tr>
<tr>
<td>YNF</td>
<td>Youth NGO Federation</td>
</tr>
<tr>
<td>YSESEF</td>
<td>Youth and Small Entrepreneurs Self-Employment Fund</td>
</tr>
</tbody>
</table>
Acknowledgements

Practical Solution Consultancy Nepal Pvt. Ltd (PSPL), Federation of Community Forest User Groups Nepal (FECOFUN), National Advocacy Forum Nepal (NAFAN) and Dalit Alliance for Natural Resource Conservation (DANAR) are thankful to CECI and UniTERRA, Kathmandu and RELIESS, Canada for providing us opportunity to carry out the present study and prepare this document. We would like to extend thanks to all local community people, enumerators and experts who helped the study by allocating their invaluable and precious time and sharing their ideas and experiences.

We are indebted to the participants of national workshop and informal meetings, community level discussants, individual respondents. PSPL, as a team leader, is also especially grateful to all collaborators FECOFUN, DANAR, NAFAN and contributors CECI, UNITERRA, RELIESS for their various supports for this study.

The present form of this report would not come into this shape without the comments, suggestions, inputs, and critics of the stated stakeholders. We also offer our sincere regards to all who directly and indirectly supported us in any respect during the completion of this study.

Practical Solution Consultancy Nepal Pvt. Ltd (PSPL)
Federation of Community Forest User Groups Nepal (FECOFUN)
National Advocacy Forum Nepal (NAFAN)
Dalit Alliance for Natural Resource Conservation (DANAR)

Kathmandu, Nepal

February, 2013
Executive Summary

Social and Solidarity Economy (SSE) has been embraced in Nepal as a source of decent jobs/enterprise for social economy (larger than household economy) as well as for national economy. The social solidarity economy has recently emerged in Nepal; however, its application dates back to the ancient past entrenched with indigenous institutions/cultures. It has been rooted particularly in rural and suburb areas as a resilient response against prevalent poverty, subsistence economy and casual hegemonies. Informal ways of exchanging goods and services (barter system), extending unconditional help to helpless, free-of-interest borrowings among kith and kin, collective responsibility of performing rituals such as marriage, funerals and some unavoidable cultural and religious functions are still prevalent in various parts and among various ethnic and tribal groups of Nepal. Most of these practices have now institutionalized into SSE organizations as cooperatives, fair trade groups, user groups, federations and social enterprises, however almost of them are in infancy stages and sought to be capacitated. Strengthening partnerships between social and solidarity economy actors, civil society movements and government has largely been recognized and urged globally as a smooth pace for social and solidarity economy to reach its potential. In this context, an attempt to catalogue the social solidarity economy attributes of Nepal is important before aims at capacitating and strengthening them.

An extensive literature review along with participatory and consultative approaches was adopted for study. Social and economic organizations that are active in diverse sectors were emphasized to survey in the present study and such diversity helped enrich the quality of the report. More than twenty sample cases were catalogued by study team following consultations and literature review and presented in national workshop for sample case finalization. With applying the criteria and to make the study national and comprehensive, ten cases were sorted out from various sub-sectors such as youth, home-based women workers, bamboo workers, vegetable markets and seed cooperatives, leasehold forestry, NTFPs, national government funded poverty alleviation program, goat give back project and institutions run by ethnic groups such as Chepang, Sonaha and Pahari.

The ten cases were studied and pretested at field for their applicability, multiplications, replications, social and solidarity concerns, pro-poorness and accessibility and among them, the best six cases were identified by peer ranking following verification, validation and consensus building and representation of different SSEOs. The sample cases represented mutual society, cooperative, social enterprise and community-based organization. The selected cases were studied and their field level situation and broader range of applicability was assessed. Consultations were made at multiple scales, ranged from central level to site level. Central level consultations were made as workshop and informal meetings with policy makers, government staffs, donors, peer institutions and experts. At site level, local institutions and other organizations related to particular cases were mapped and scoped their potentiality of networking. Assets, capitals, networks, governance, access, resource leverage, etc. of each case study organization were assessed through focused group discussions. At least two focus group discussions (FGDs) were held in each CSO accompanied with key informant survey. Participatory field visits and study were made to consolidate the data and information following questionnaire and checklist survey. Field visits were carried out in September-November 2012. Local
assistants were deployed to get prior consent to access the site, locate the sites, consult the discussants and key informants, organize the local discussions and translate the vernacular dialects. The case study analysis followed a 7Cs (Challenge, Context, Content, Cover, Crosscutting, Critic and Conclusion) module. Each case was analyzed to deal on account of historical background /structure of the organization, collaboration/scope of collaborative process, conceptual link with social solidarity economy to the country, and policies related to case. The analysis was further elaborated with impact of and/or gaps in existing public policies, responsibilities at all levels of government (local, regional and national), identification of necessary interventions to be developed and finance and access (procurement condition and responsible investment), etc.

Cooperatives, mutual benefit societies, associations, social enterprises, federations are the most common types of social solidarity economy organizations (SSEOs) but they are not the only ones. Again their number is unprecedentedly increased. There are about 300,000 SSE organizations in Nepal allowing strengthen capacity of communities to adapt and adopt economic affairs privileges social solidarity economy. They represent from small and cottage industries (about 188,000), co-operatives (about 25,000), community-based organizations (35,000), NGOs and federations (50,000), etc. They mobilize market, volunteer and public resources to thorough principles of participation, empowerment, right based, equitable benefit sharing and collective actions to attain social solidarity economy. About 20 million people are engaged in these SSEOs however there is skeptical in data because the multiple membership of an individual is common and their level of benefits is greatly varied. Some are enjoying on the benefits accrued from the SSEOs after being a member and some are receiving decent jobs created by SSEOs.

Bamboo workers union of Pahari communities has been an example of local initiatives for building synergy that may contribute to socio-economic empowerment of the communities, traditional knowledge management and resource conservation through collective actions. The establishment of cooperatives from a marginalized and minority group in their native niche for their socio-economic growth and financial transactions is itself encouraging. An initiative from a minority and indigenous group for resource conservation, sustainable supply for resources and collective approach for consistent access to natural resources is likely to be acknowledged. Household economy and community cooperatives are strategically developed to institutionalize better access of marginalized, minority or subordinate groups in opportunities, capitals and benefits. Again their initiatives for establishing rights, socio-economic development and sustainability of resources are worth because they complement the government processes. Behavioral change and positive attitude towards collective saving, lending for productive projects and sustainable harvesting of NTFPs are inklings of affirmative transformations. All the segments of a society i.e. poor, well-off, women, forest users, collectors, processors, marketers, government and non government staffs, etc. are consolidated as public-private partnership approach to own and mobilize their resources, deliver services to society, generate additional income and support livelihood particularly of poor and women through collective approaches of business solutions, sustainable resource management and value addition.

Home-based women work is particularly growing in the part of economic modernization because its growth exponentially is linked to the globalization of industry and the never-ending search for local sources of labor and more efficient
means of production. Solidarity economy in particular for autonomy and better access to capital provides the ways in which women can assert their economic independence (through micro-credit and income generation groups), exercise their creativity (through collective working with traditional crafts) and expand their horizons (through barter groups). YSEEF is one of the priority programs of the Government of Nepal and it is based on, three-pillared economy; public, private and cooperatives. It is deliberate in supporting the movement of social and solidarity economy of local communities by providing basic awareness and facilitating easy access to youths so as to develop decent jobs, self-reliant livelihood and socio-economic development.

Bamboo workers union, Chepang/Praja cooperative and Everest Gateway are working for marketing of products as social enterprises. Collective production and marketing with equitable benefit sharing is a basic strategy of their operation. Home-based women workers cooperative is working for their rights, safety and solidarity. The struggle for existence and rights is a major strategy for Sonaha, however the solidarity, socio-economic development, ownership building and better access to capitals are common and basic operation guidelines.

Preeminence of people with acknowledging full participatory and democratic mode, working over their capital as an autonomous institution when redistributing them, and sharing benefits to all members in equitable mechanisms are credentials of Nepalese SSE organizations. They all are dynamic and evolving group of actors that all promote and run economic organizations that are people-centered. Social enterprises are emerging phenomenon and are promoted by many networks and organizations for seeking business solutions to social problems. The institutionalization of SSE organizations is a must and they are to be liberalized. Allowing SSE organizations to strengthen capacity of communities to adapt and adopt economic affairs privileges social solidarity economy. Furthermore, CSOs need better access to capital, training, markets, and tools of research and development and multi-strategic initiatives to attain the full-fledged benefits are required. Even the community-friendly sustainable economy approached government policies are substantial.
CHAPTER 1. INTRODUCTION

1.1 Background
At global level, solidarity economy was formally initiated in 1984 when the economic and social disputes and difficulties were apparent. Then, many non-profit businesses including microfinance, environment movement, etc. came into existence. It was increasingly used since 1995 (Neamtan 2002). After the second World Social Forum (2002), the social and solidarity economy was further prioritized, and now it is firmly inscribed in an international movement for an alternative globalization. The term solidarity economy is interchangeable with social economy, popular economy and labor economy. But the word solidarity describes the processes involved in the best possible way and outweighs the strength of groups through unity. It is a larger and more comprehensive vision and approach in comparison to social economy. Social and solidarity economy (SSE) refers to organizations and enterprises that are based on principles of solidarity and participation and that produce goods and social services while pursuing economic, political and economic aims (Fonteneau et al. 2010a) (Table 1).

Table 1: Main characteristics of social economy organizations

<table>
<thead>
<tr>
<th>Types</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooperatives</td>
<td>voluntary and open membership</td>
</tr>
<tr>
<td></td>
<td>equal voting rights – resolutions carried by majority members</td>
</tr>
<tr>
<td></td>
<td>contribute to the capital which is variable</td>
</tr>
<tr>
<td></td>
<td>autonomy and independence</td>
</tr>
<tr>
<td></td>
<td>sectors of agriculture, manufacturing, banking, retailing and services particularly important</td>
</tr>
<tr>
<td>Mutual societies</td>
<td>voluntary and open membership</td>
</tr>
<tr>
<td></td>
<td>equal voting rights – resolutions carried by majority members</td>
</tr>
<tr>
<td></td>
<td>members’ fees based on insurance calculations (where relevant) – no capital contribution</td>
</tr>
<tr>
<td></td>
<td>autonomy and independence</td>
</tr>
<tr>
<td></td>
<td>medical, life and non-life insurance; guarantee schemes; home mortgages</td>
</tr>
<tr>
<td>Associations/voluntary organizations</td>
<td>voluntary and open membership</td>
</tr>
<tr>
<td></td>
<td>equal voting rights – resolutions carried by majority members</td>
</tr>
<tr>
<td></td>
<td>members’ fees – no capital contribution</td>
</tr>
<tr>
<td></td>
<td>autonomy and independence</td>
</tr>
<tr>
<td></td>
<td>service providers, voluntary work, sports and advocacy/representative</td>
</tr>
<tr>
<td></td>
<td>important providers in health care, care for elderly and children and social services</td>
</tr>
<tr>
<td>Foundations</td>
<td>run by appointed trustees</td>
</tr>
<tr>
<td></td>
<td>financial resources supplied through donations and gifts</td>
</tr>
<tr>
<td></td>
<td>financing and undertaking of research, supporting international, national and local projects;</td>
</tr>
<tr>
<td></td>
<td>providing grants to relieve the needs of individuals, funding voluntary work, health and elderly care</td>
</tr>
<tr>
<td>Social enterprises</td>
<td>no universally accepted definition</td>
</tr>
<tr>
<td></td>
<td>social and societal purposes combine with the entrepreneurial spirit of the private sector</td>
</tr>
<tr>
<td></td>
<td>surpluses reinvested to achieve a wider social or community objective</td>
</tr>
<tr>
<td></td>
<td>registered as private companies, cooperatives, associations, voluntary organizations, charities or mutual; some are unincorporated</td>
</tr>
</tbody>
</table>

Source: European Commission, Enterprise and Industry Directorate-General, Unit E3 Craft, Small Businesses, Cooperative and Mutual’s (http://www.caledonia.org.uk/eu-see.htm)
1.2 **Goal of social solidarity economy**

Social solidarity economy is recognized as:

- an objective to serve its members or the community, instead of simply striving for financial profit;
- the economic enterprises are autonomous subjects of the State;
- a democratic decision-making process that implies necessary participation of users and workers in its statute and code of conduct,
- it gives priority to people and work over capital in the distribution of revenue and surplus;
- a forum based on principles of participation, empowerment, and individual and collective responsibility.

1.3 **Justification of study**

The necessity of strengthening partnerships between social and solidarity economy actors, civil society movements and government is largely recognized as a pace for social and solidarity economy to reach its potential. The enable policy and programming framework is requisite to develop in best capacity of the stakeholders. It is from this consensus that the idea of the International center for reference and networking on public policy for the social and solidarity economy (RELIESS) commenced to study. It even documents and shares practical observations, implementations of public policies and the experiences of public/community partnerships have been able to promote the emergence of social and solidarity economy enterprises to achieve sustainable economic and social development. The study was earlier carried out in six countries and planned to replicate in Burkina Faso, South Korea, Cuba, Ecuador and Nepal by developing national case studies. The cases will enrich and share knowledge of construction and implementation of partnerships by presenting different experiences highlighting the state of relationships between public authorities, civil societies and private institutions.

1.4 **Objective of study**

This present study was carried out to document the experiences on developing social and solidarity economy and partnership approaches of sustainable development of different entities in Nepalese context.

Specific objectives were to:

i) assess and review public policies pertinent to Social and Solidarity Economy,

ii) find out the conditions contributing to effective dialogue between governments and community groups and the collaborative development and implementation of policies in support to the social economy,

iii) evaluate the results of public policies that is put in place to encourage and support the development of the social economy, and

iv) appraise lessons learned (success, failure and weaknesses) with respect to public policies, and social and solidarity economy in relation to job creation, financing, achievement of local objectives, impact on marginalized populations, and overall sectoral expansion and find out the contribution of the social economy in achievement of public policy objectives of government.
1.5 Methodology
1.5.1 Approaches

1.5.1.1 Inclusive, Participatory, Consultative and Multi-Perspective (Poly-vocal)
Inclusive, participatory, consultative and poly-vocal approach was adopted to include concerns of socially disadvantaged groups (women, ethnic groups, marginalized communities), local and community based institutions and their collaborations.

1.5.1.2 Building on current experience—experiential learning as a building block
The study focused on current experiences of various local organizations and approaches, to work towards a sustainable social solidarity economy. This involved intensive consultations with the stakeholders to understand the detailed procedures and methods of work and their effectiveness. Available experiences were explored to the complete detail possible, and this forms the basis of case for selection and study.

1.5.1.3 Stakeholder engagement and communication
A key aspect of this study is to use of engagement approach—rather than working in isolation. The main objective of the study is to support crafting a new structure in Nepal. It is therefore important to that those involved with the programs related to social solidarity economy in past and at present are continuously consulted in the process of review, study and reporting.

1.5.2 Study methods
This study conducted a number of discussions and presented views and activities of civil societies that reflect current practices of social and solidarity economy in the country and facilitate a state-civil society dialogue to connect state to the civil society for sustainable development. This paper converged on work and employment opportunities within social economy which has played a crucial role in the national economic development in the country by reviewing public policies and experiences of public/community partnerships that have been able to persuade the escalating of social and solidarity economy enterprises to achieve goal of social and economic development.

1.5.2.1 Literature review
An extensive literature review was carried out before and after commencing the fieldwork and during data analysis and report writing. During the process of writing, further exploration was drawn to review previous studies, relevant sector, relevant laws and acts, and necessary information was extracted. Information incorporated in this report was drawn mainly through qualitative analysis of gathered information through interviews with sample institutions’ representatives, field verification and review of available literatures. Thus, the study entails precise information relating to initiatives, context, content, cover, circumstances, critics, cross-cuttings and conclusions (7Cs). Extrapolation of findings, conclusion and recommendations was based on the context of 7Cs model. The review assessed identification of policies for public well-being, role of social and solidarity economy to the country, identification of existing organizations and their networks, and their work and impacts. It attempted to find out the status, scopes, strategies of policies, their impacts, conditions for better working, and the synergy of public/community and private partnerships. In industry and service sector, micro and small enterprise promotion were formed. In this policy context, SSE can flourish but what one has to do is to identify opportunities in their sector and initiate the programs. SSE is an effective tool to reach these policy interventions to grassroots. Organizations working in the field of SSE, be it cooperative or fair trade or micro credit can play a vital role in taking this policy interventions to implement.
1.5.2.2 Sample case and selection criteria
Social and economic organizations that are active in diverse economic sectors were emphasized to survey in study and such diversity helped enrich the quality of information. Again, the sample case selection procedure tried to cover diverse geographical area of the country with diverse social, cultural and economic stakeholders/organizations. More than 20 sample cases were catalogued from different social and solidarity organizations by study team following consultations and literature review. The cases were presented in national workshop held on 9th October, 2012 for case finalization.

Altogether 16 participants representing from 12 organizations including CECI, UniTERRA, etc. participated in the workshop (Annex 1). The workshop contributed to precise the study methodology and helped to select the potential cases for study. The criteria used for selection were (i) Innovativeness, (ii) Policy inference, (iii) Collective actions, (iv) Local pertinent, (v) Broader applicability, (vi) Employment/entrepreneurship potential, (vii) Solidarity economy, (viii) Market/finance/opportunity access, (ix) Pro-poorness, and (x) Gender, social, and equity concerns. With applying the criteria as stated and to make the study national and comprehensive, the cases were sorted out from various sub-sectors such as youth, home-based women workers, bamboo workers, vegetable markets and seed cooperative, leasehold forestry, national government funded poverty alleviation program, goat give back project and institutions run by ethnic groups such as Chepang cooperative, Sonaha groups, Everest gateway of Jirel groups (Table 2).

### Table 2: Free listed sample cases and their selection criteria

<table>
<thead>
<tr>
<th>SN</th>
<th>Proposed cases</th>
<th>Criteria referred</th>
<th>SSEOs represented</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bamboo workers, Lalitpur district</td>
<td>Social and equity concerns, local pertinent, employment, collective actions</td>
<td>Social enterprise, Mutual society</td>
</tr>
<tr>
<td>2</td>
<td>Chepang cooperative in Shaktikhor, Chitwan district</td>
<td>Collective actions, local pertinent, solidarity economy, pro-poorness, social concerns, market/finance access</td>
<td>Cooperative</td>
</tr>
<tr>
<td>3</td>
<td>Everest Gateway, Dolakha district</td>
<td>Pro-poorness, collective actions, solidarity economy, employment /entrepreneurship potential, gender and pro-poorness</td>
<td>Social enterprise</td>
</tr>
<tr>
<td>4</td>
<td>Home-based women workers’ cooperative, Kathmandu district</td>
<td>Gender, social and equity concerns, decent jobs, market/finance access, collective actions, innovativeness</td>
<td>Mutual society, Cooperative</td>
</tr>
<tr>
<td>5</td>
<td>Sonaha groups, Bardia district</td>
<td>Collective actions, social and equity concerns, pro-poorness</td>
<td>Community based organization</td>
</tr>
<tr>
<td>6</td>
<td>Youth and Small Entrepreneurs Self-Employment Fund, Kathmandu district</td>
<td>Policy inferences, broader applicability, decent jobs, employment/entrepreneurship potential</td>
<td>Mutual society</td>
</tr>
<tr>
<td>7</td>
<td>Kalimati vegetable market and seed cooperative, Kathmandu district</td>
<td>Employment/entrepreneurship potential</td>
<td>Cooperative</td>
</tr>
<tr>
<td>8</td>
<td>Goat give back project, Sindhuli district</td>
<td>Pro-poorness, access to capital, solidarity economy, innovativeness</td>
<td>Mutual society</td>
</tr>
<tr>
<td>9</td>
<td>Leasehold forestry, Tanahu district</td>
<td>Pro-poorness, policy inferences, broader applicability, employment</td>
<td>Community based organization</td>
</tr>
<tr>
<td>10</td>
<td>Poverty alleviation fund, Kathmandu district</td>
<td>Policy inferences, solidarity economy, access, pro-poorness</td>
<td>Mutual society</td>
</tr>
</tbody>
</table>
The sample cases were studied and pretested at field for their applicability, multiplications, replications, social and solidarity concerns, pro-poorness and accessibility. Of the 10 cases, the best six cases were sorted out by peer ranking following verification, validation and consensus building approach (Table 3) and representation of different SSEO. The selection process was eased by selection criteria, findings of pretesting, field situation and local community concerns. The sample cases represented mutual society, cooperative, scial enterprise and community-based organization. The cases were studied at field and their issues were assessed participatorily.

Table 3: Final cases and their analysts

<table>
<thead>
<tr>
<th>SN</th>
<th>Cases</th>
<th>Analyst</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bamboo workers, Lalitpur</td>
<td>Mr. Bhola Bhattarai and Mr. Suman Dhakal</td>
</tr>
<tr>
<td>2</td>
<td>Chepang cooperative in Shaktikhor, Chitwan</td>
<td>Mr. Bishnu H. Paudyal and Mr. Sunil Pariyar</td>
</tr>
<tr>
<td>3</td>
<td>Everest gateway, Dolakha</td>
<td>Mr. Ram P. Acharya</td>
</tr>
<tr>
<td>4</td>
<td>Home-based women workers’ cooperative, Kathmandu</td>
<td>Mrs. Geeta Khadka</td>
</tr>
<tr>
<td>5</td>
<td>Sonaha groups, Bardia</td>
<td>Mr. Ripu M. Kunwar</td>
</tr>
<tr>
<td>6</td>
<td>Youth and small entrepreneurs self-employment fund, Kathmandu</td>
<td>Mrs. Sita Shahi</td>
</tr>
</tbody>
</table>

1.5.2.3 Study area and sites
The selected six cases were studied and their field level situation and broader range of applicability was assessed. The sample six cases represented the five districts across the country. Of the six cases, four cases (Sonaha groups, Everest gateway, Bamboo workers, Chepang cooperative) were run by women, ethnic and marginalized groups of Nepal and each case respectively represent Bardia, Dolakha, Lalitpur and Chitwan districts. Home-based women workers cooperative, Kathmandu was selected for assessment of women’s’ role in social and solidarity economy. Youth employment case from Kathmandu district was selected for study of role and relationship of youth to central government and vice versa in social solidarity economy (Figure 1).
1.5.2.4 Consultations
Consultations were made at multiple scales, ranged from central level to site level. Central level consultations were made as workshop and informal meetings with policy makers, government staffs, donors, peer institutions and experts. At site level, local institutions and other organizations related to particular cases were mapped and scoped to their potentiality of networking to Case Study Organization (CSO) (Annex 2).

Assets, capitals, networks, governance, access, resource leverage, etc. of each CSO were assessed through focused group discussions. At least two focus group discussions (FGDs) were held in each CSO accompanied with key informant survey. The chairpersons of each CSO were consulted as key informant and another two respondents from village were taken as key informants.

![Figure 2: Consultations for study](image1)

The key informants were either VDC representatives or representatives of institutions. Project partners: Dalit alliance for natural resources (DANAR), Federation for community forestry users Nepal (FECOFUN), National Forum for Advocacy Nepal (NAFAN), facilitated the consultation process by helping in finding out and managing local assistants for field visits, consultations and information analysis.

![Figure 3: Field area, Badikhel Lalitpur and women participants for discussion](image2)
1.5.2.5 Field visits
Participatory field visits and study were made to consolidate the data and information following questionnaire and checklist (Annex 3, 4) survey. The visits were used to verify the field situations and applicability of each proposed cases by employing the checklist. Field visits were carried out in September-November 2012. The local assistants were deployed to get prior consent to access the site, locate the sites, consult the discussants and key informants, organize the local discussions and translate the vernacular dialects.

1.5.2.6 Information and data analysis
Both primary data and information were generated through participatory methods and tools. Survey questionnaire and checklists were prepared in vernacular language for data collection and collation. Detail about history, context, networking and linkages, programs, processes, policies, institutions, etc. of each sample case/CSO were scrutinized. A total of fifteen individuals were asked as key informants for data and information verification (Annex 5).

1.5.2.7 Case study analysis
The case study analysis followed a 7Cs (Challenge, Context, Content, Cover, Crosscutting, Critic and Conclusion) module. The idea behind this interpretation was that the cases evolve under certain challenges and they strive over a period with their earnest strategies. The analysis is followed with epilogue of conclusion derived from best practices for up-scaling and better institutionalization and weaknesses for overcome in future.

The lessons learned and critical assessment with scopes of sustainability with forward-looking approach was adopted in the case study. Thus, the case study is a documentation process involving systematic interpretation that should be examined at all stages of an institution including its concept, intervention, outcomes, monitoring and evaluation, and decision for the next phase (Figure 4).

**Figure 4: Concept and contents in best practice approach analysis**

- **Challenge:** why for discussion
- **Context:** circumstances or issues
- **Content:** approach adopted
- **Cover:** results achieved
- **Crosscutting:** result across
- **Critic:** analysis and emerging issues
- **Conclusion:** up or down scale/drop
Each case was analyzed to deal on account of historical background /structure of the organization, collaboration/scope of collaborative process, conceptual link with social solidarity economy to the country, and policies related to case. The analysis was further elaborated with impact of and/or gaps in existing public policies, responsibilities at all levels of government (local, regional and national), identification of necessary interventions to be developed and finance and access (procurement condition & responsible investment), etc.

1.5.3 Limitation of the study
Social solidarity economy is emerging in Nepal and its related documents are limited because of the parsimony on its research and study. The limited availability of related documents and literatures constrained elaborated discussion. Again, strike (Bandh) and blockade posed complicated situations on follow up and on time movement for collecting information from the concerned authorities and carrying out consultations with stakeholders. Intermittent electricity compounded by load shedding further compounded the schedule.
CHAPTER 2. STATE OF THE FIELD

2.1 Nepal: the country
The history of Nepal dated back to thousand years with early dynasties of Ahirs, Gopals and Kirants. They are said to have ruled the country about 2,500 years ago. Nepal is a landlocked country in South Asia, sandwiched between India and China. It is situated in the lap of the beautiful snow-capped Himalayas and is home to the world’s highest peak – Mount Everest (8,848 m). In addition to the Himalayas, the topography of Nepal also houses the ‘Hills’ and the ‘Terai’ or the plains. While the Himalayas cover approximately 15% of Nepal, the Hills and the Terai make up for 65% and 18% of Nepal respectively.

Total area of Nepal is 147,181 square kilometer with 2.84% water body and 97.15% land area within 26° 22’ to 30° 27’ north latitude, 80° 04’ to 88° 12’ east longitude and 80 m to 8,848 masl altitude. Out of the total land area, agricultural land occupies approximately 27 percent. All the agricultural land is not used under crop cultivation, it is estimated that about 20 percent of the total land is under cropping. Approx. 11.5 percent total land area is occupied by rangelands. Most of the rangelands are located in northern belt. About 38.1 percent of the land is under forests and about 4.7 under shrub and burn plantation. The land use pattern is rapidly changing; increasing pressure of human as well as livestock is the major factor for its manipulation. The forest area of Nepal is estimated to be about 5.83 million hectares or 39.6% of the total geographical area of the country (Figure 5).

Figure 5: Map of Nepal

Table 4: Facts about Nepal
| Total population  | 26,494,504 |
| Population growth rate | 1.35/yr |
| Male              | 12,849,041 |
| Female            | 13,645,463 |
| Total households  | 5,427,302  |
| Average household size | 4.88 |
| Literacy rate     | 65.9%     |
| Ethnic groups     | 125       |
| Language          | 123       |
| Religion          | 10        |
| GDP               | US $ 735  |
| HDI               | 0.458     |
| HDI Rank          | 157       |
| Population density| 180/km²   |
2.2 Context
Solidarity based economic practices is not an absolute new economic model rather, it is the archaic economic model that was under-estimated over the years. Widespread economic reforms were initiated during the early 90s to integrate global economy into local and regional scales. All macro-economic policies attempted to provide a shift from protectionist to free market or export oriented policies. For some years, the policy yielded some positive outcome in terms of export growth, growth in GDP, foreign direct investment, privatization etc. However, it didn’t sustain as the country underwent a 12 year civil war, which virtually crashed the economy as well as social order.

The interim constitution Nepal, article 33 states the responsibilities of the state to pursue a policy of providing economic and social security including lands to economically and socially backward classes including the landless bonded laborers, tillers and shepherds. Again article 35 states a policy of making special provision based on positive discrimination to the minorities, landless, squatters, bonded labors, disabled, backward communities and sections, and the victims of conflict, including women, Dalits, Indigenous tribes, Madhesis and Muslims. The interim government of Nepal has come up with three year interim development plan (2010-2013), which aimed at creating a base for socio-economic transition towards a prosperous, equitable and modern Nepal. The TYIP also aims at creating employment and ensuring high economic growth by reducing the number of people living under the poverty line (GoN 2010). However, the country GDP remained 4.4% in 2009, 4.6% in 2010, 3.8% in 2011 and 4.6% in 2012 (ADB 2012). Private sector is taken as the development partner in development. Commercialization of agriculture, promotion of cooperatives, agro-credit, etc. are given priority (GoN 2010).

2.3 Devolution of Social Solidarity Economy
For decades, Nepal's central economy has been heavily dominated by the neo-liberalization, its elements and related actors. Despite the fact that central governments are gripped with the influence and domination of neo-liberal economic actors, particularly global financial institutions to fill the fiscal deficits, vast majority of the Nepalese population is struggling to find strategies to protect their livelihoods, dignity and fair justice on their own. In this course, several informal arrangements have been sprouted among relatives, friends, coworkers, fellow farmers and mothers and other allied groups.

Some basics of SSE were widely incorporated by trade union. The history of trade union movement in Nepal goes back to 1940's. There were no trade unions in Nepal before 1945. Nepal had followed closed-door economy having almost no relations with the outside world. In 1946, All Nepal Trade Union Congress (ANTUC) was instituted. In 1951, the first trade union federation in Nepal was established. After the democratic change of 1950, workers felt the need to be united under one umbrella to combat against the exploitation of management and the government. The cooperatives emerged in Nepal in 1954 after a Department of Cooperatives (DeOC) was established within Ministry of Agriculture to promote and assist development of cooperatives. The first cooperatives formed in Nepal were cooperative credit societies with unlimited liability created in the Chitwan district as part of a flood relief and resettlement program. They had to be provisionally registered under an executive order of the government and were legally recognized after the first Cooperative Societies Act 1959. The history of cooperatives in Nepal is closely related to Government's initiatives to use cooperatives as part of its development program.
The Nepalese political history took a new turn in 1960 when political parties and trade unions were banned. Later six different class organizations including Nepal Labor organization were established. Other noticeable achievements were made and a separate Labor Ministry was established department and some labor offices and registration of Nepal into International Labor Organization (ILO) as a member was also registered. Since 1970’s inherent characteristics of SSE existed as formal or semi-formal forms in various forms of community development, local and grass root level initiatives encompassing the fields of social safety nets, income generation, micro-enterprise; savings and credit schemes, among others.

Rotating Savings and Credit Associations (ROSCA), popularly known as ‘‘Dhukuti’’ in Nepal, Mothers Groups, Community Forest Users Groups and their associations, informal/semi-formal social safety net (mainly to off-set the health care obligations), farmers groups, various kinds of cooperative societies and range of users groups are examples of folk initiatives circumscribed with SSE. Multi-party democracy was restored in 1990 and granted the freedom of expression and association, which inspired the formation of several trade unions www.fesnepal.org/reports/2001/tu_report01.htm).

The number of civil society organizations (CSOs) is now rapidly increasing with the emergence of a more favorable environment. So far, the fundamentals of SSE are strongly integrated in the trade union where the freedom of association, collective bargaining, minimum wage, social safety net, and various other aspects of protecting human dignity of workers are vehemently promoted. Likewise, the long history of cooperative movement in Nepal intrinsically embraces the fundamental elements of social and solidarity economy. The transactions at SSE are now able to be innovative due to their succession, nature of mosaic and traditional knowledge base. They offer many advantages to address social, economic, political and environmental challenges, including social cohesion, empowerment, income generation, institutionalization, etc. The social and solidarity economy can then become an engine for development and play an increasingly important role in meeting the needs that are not adequately addressed by the public or private economy. Therefore the effective enabling environments over a period of SSE development are as follows (Table 5).

**Table 5: Enabling environment for SSE development in Nepal**

<table>
<thead>
<tr>
<th>SN</th>
<th>Enabling instruments</th>
<th>Promulgation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>All Nepal Trade Union Congress</td>
<td>1949</td>
</tr>
<tr>
<td>2</td>
<td>Trade Union Federation</td>
<td>1951</td>
</tr>
<tr>
<td>3</td>
<td>Department of Cooperative</td>
<td>1954</td>
</tr>
<tr>
<td>4</td>
<td>Cooperative Societies Act</td>
<td>1959</td>
</tr>
<tr>
<td>5</td>
<td>Cooperative act (Sajha Santha)</td>
<td>1963</td>
</tr>
<tr>
<td>6</td>
<td>Corporation Act</td>
<td>1964</td>
</tr>
<tr>
<td>7</td>
<td>Labor Act</td>
<td>1992</td>
</tr>
<tr>
<td>8</td>
<td>Cooperative act (amendment)</td>
<td>1992</td>
</tr>
<tr>
<td>9</td>
<td>Trade Union Act</td>
<td>1993</td>
</tr>
<tr>
<td>10</td>
<td>The National Cooperative Federation</td>
<td>1993</td>
</tr>
<tr>
<td>11</td>
<td>Labor Court Regulation Act</td>
<td>1995</td>
</tr>
</tbody>
</table>
2.4 Social Solidarity Economy in Nepal

Even though the social solidarity economy is emerging in Nepal, its aged long salient features are pre-dominant since time immemorial. Informal ways of exchanging goods and services (barter system), extending unconditional help to helpless, free-of-interest borrowings among kith and kin. The collective responsibility of performing rituals such as marriage, funerals and some unavoidable cultural and religious functions still exists in various parts and among various ethnic and tribal groups of Nepal.

Collective saving (Dhukuti) for feeding pro-poor of the villages in Thakali ethnic groups of Mustang district, Northern Nepal, employee lending (Parma) among the farmers, collective saving for usage of any kind of feast (veja) in Magar communities and Guthi in Newar communities are prevalent in Nepal. The transactions have been institutionalized and saving and cooperatives, fair trade groups, user groups, etc. have been established, however some local transactions are persisting following local customs. In Nepalese context, people coming together in an organized form working to serve common vision and interests (development and meeting needs) and form the foundation of various initiatives to institutionalize and sustain their initiatives is termed as social and solidarity economy.

SSE is therefore a collective approach of groups to sustainable development by establishing a link between economy and society, local and global, labor and investment, production and consumption, etc. It is the collective strategy that ranges from micro-credit schemes through income generation groups, local exchange systems, barter groups to collective families and others. It encompasses a variety of organizations and enterprises that all share social and economic objectives, values and operating principles.

Fair trade, self-help organizations, user groups, worker cooperatives, trade unions, social centers, and local exchange trade system are some examples of social solidarity economy organizations. The main actors and players of SSE organizations are farmers, women, youths, trade unions, unemployed, scheduled caste, tribal groups, and marginalized people. The SSE is therefore more adapted to organise the economy, maintain the sustainability and integrate the socio-cultural harmony and intertwine the ethnic groups and communities with tenet of putting people first.

2.5 Social Solidarity Economy Organizations

In Nepal, the SSE refers to specific forms of organizations and enterprises, particularly the cooperatives, mutual benefit societies, associations, federations, community-based organizations, social enterprises, foundations and fair trade groups. As elsewhere, these organizations have a heightened awareness of needs (and new markets), principally because of their success in cohesive actions and results and inseparable nature from local livelihood. The success is entrenched with social movements (community action, women’s groups, labor and youth groups) and social economy enterprises. Among the SSE organizations, trade union and cooperatives have decade’s long experiences. Community based organizations, mutual benefit societies, social enterprises, NGOs and alliances and networks, less mature than trade unions and cooperatives, were instituted over a regime of equity concerns, right based approaches and collective actions for broader applicability.
2.5.1 Cooperatives
A cooperative is an autonomous organization of persons united voluntarily to meet their common economic, social, cultural needs and aspirations through a jointly owned and democratically controlled enterprise (ILO 2002). It is found in virtually all branches of activity, such as agricultural cooperatives, insurance cooperatives, savings and credit cooperatives, distribution cooperatives, workers cooperatives, housing cooperatives, health cooperatives and consumers’ cooperatives. The cooperative structures can unite the economic and commercial concerns of workers in the informal sector and can also strengthen workers’ actions and support their common demands to their economic actors and public authorities.

Nepal has a long cultural tradition of informal cooperatives for financial transaction, grain saving, labor exchange and resuming socio-cultural practices. Some of these cooperatives have mainstreamed through Cooperative Act and some are still extant in rural areas, however, they are informal and illegal in nature. A cooperative is jointly owned and democratically controlled by its members and users alike, by implementing participatory decision-making processes. It is based on the value of mutual help, democracy, equality, and solidarity. Honesty, responsibility and collective actions are basic entities of success of cooperatives.

In 1954, Cooperative Department was established under the Planning Development and Agriculture Ministry. Then, the government facilitated to establish the first cooperative "Bakhanpur Credit Cooperative Ltd." in Chitwan District and it was formally registered in 1959 under Cooperative Societies Act. A government led cooperative “Sajha Sanstha” was established in 1963 under Cooperative Act. This cooperative has been involved in transportation, publication and supply of necessary items to public and government. In 1980, community based saving and credit groups began to emerge and in 1988 their federation (Nepal Federation of Saving and Credit cooperative Unions - NEFSCUN) was instituted to coordinate all the cooperatives.

After the restoration of multiparty democracy in 1990, a new Cooperative Act (1991) brought the substantial growth in the cooperative movement in Nepal and contributed good enough support to flourish cooperatives. Nearly 5 million members cooperate in nearly 25 thousand cooperatives of Nepal (Bhardwaj 2012, ISRC 2013). The major cooperatives are: saving and credit, multipurpose, dairy, agriculture, fruits, vegetables, bee keeping, tea, coffee, science and technology, and energy. Of which, over 600 are exclusively women cooperatives and over a dozen are home based women cooperatives. About 1.7 million individual members are involved in 11,392 saving and credit cooperatives spread over 53 districts (www.nefscun.org.np).

At the governmental level, Department of Cooperative under Ministry of Agriculture and Cooperatives is in place for support of cooperatives. In recognition of the potential of cooperatives to reduce poverty and to provide employment opportunities, the United Nations has declared the year 2012 as International Year of the Cooperatives in order to promote cooperatives and raise awareness of their contribution to social and economic development (UN Resolution A/RES/64/136, Operational Paragraph 3).
2.5.2 Community-based organizations (CBOs)

Social solidarity economy is admired and appreciated because of its capacity to mobilize resources from community and within the marketplace to achieve public benefit. Nepal is one of the pioneer countries in the world in promoting forest resources through community based organizations. Community forestry (CF) program was specifically formulated with the objectives of meeting subsistence forestry needs of local people and abate environmental degradation by transferring user rights and letting the use of benefits accrued from forest resources (Gautam 2009).

To date, more than 17,808 community forestry user groups (CFUGs) have been formed to manage about 1,700,000 hectares of national forest and generate local economy with basic tenets of equitable benefit sharing and sustainable management of forest strategies (GoN 2013). A total of about 2,194,350 households (10 million people) have been benefited from community forestry (GoN 2013). The CF program has met with some notable successes in terms of enhancing forest services and products, improving livelihoods opportunities for forest dependent people (Acharya 2002), strengthening social and economic capital and promoting collective actions (Ojha et al. 2009). Because of these successes, Nepal’s CF has moved beyond to its original goal of fulfilling basic forest needs of the people including, and it is now a pioneer in terms of community-based natural resource management (Kanel and Dahal 2008). There are 0.4 million leasehold forest users accommodating in 7,230 leasehold forestry groups.

Dairy development activities began in Nepal in an organized way in 1952 with an experimental production of Cheese of Yak in Langtang of Rasuwa district under Food and Agriculture Organization (FAO) assistance in 1953. Later, a dairy development section was established under the Department of Agriculture (DOA), Government of Nepal in 1954 and Dairy Development Corporation (DaDC) was instituted in July 1969 under the Corporation Act (1964). The dairy sector in Nepal provides a beacon of hope to millions of rural poor livestock crop integrated farmers. Annually, more than 10% additional farmers are engaged in dairy production and marketing. Approximately 2-3 million farmers and their families are involved in the dairy sector directly and therefore, the contribution of dairy sector to national employment rate is considerable (Practical Action 2010).

2.5.3 Mutual benefit societies

Organizations for mutual relation have existed for a variety of reasons. Mutual benefit societies are kinds of organizations whose objective is essentially to provide social services for their individual members and their dependants. These societies – whether formal or informal – meet the need of communities to organize collective social relief themselves by sharing a wide variety of risks and resources. Mutual benefit societies provide services through a mechanism where risks are shared and resources are pooled.

Mahaguthi (Craft with a Conscience) is a fair trade organization which produces, markets and exports Nepalese crafts (Fonteneau et al. 2011). Fair trade groups have proved to be an alternative model of doing business that provides benefit to marginalized producers and farmers in developing countries. Its movement was in place in Nepal as an income generating program for women and marginalized producers in early 1980. Later in 1993, Fair Trade Group Nepal was strengthened to coordinate various NGOs working in crafts and to promote Nepalese products, tradition, and culture to the global market. About 40,000 beneficiaries from 43 out of 75 districts of Nepal are involved in fair trade groups.
2.5.4 Social enterprises

Social enterprises are an emerging institutions promoted by many networks and organizations for seeking business solutions to social problems through collective approaches. They are often characterized by a multi-stakeholder governance and ownership. And it is even considered as hybrid organizations since they are doing business while promoting social values. There are 187,778 small and cottage industries (social enterprise) (ISRC 2013) employing more than 2 million individuals (GoN 2012).

2.5.5 NGOs and federations

Capitalizing the available legal instruments, only option for the institutionalization of community organizations is to either register themselves as cooperatives or non-governmental organizations (NGOs). Non-governmental organizations are those organizations that belong to neither the private for-profit sector nor the public sector. It excludes any organizations that practice the redistribution of surpluses. NGO Federation of Nepal (NFN) emerged as an umbrella organization of NGOs in Nepal for promoting human rights, social justice and pro-poor development. It coordinates the network of over 40,000 NGOs to attain to complement national strategies (http://www.ngofederation.org/index.php?option=com_content&view=article&id=14).

Networks are non-hierarchical structures that bring together organizations or people with common interests or needs. They are often horizontal structures that link SSE actors and partners in a given territory. Federations are umbrella and formal structures of SSEs with clear lines of authority and decision-making. Networks and federations within the SSE are very diverse and exist at local, regional, national, continental, intercontinental and international levels.

Federation of Community Forest User Groups Nepal (FECOFUN) is a formal network of forest user groups (FUGs) from all over Nepal. Since its inception in July 1995, FECOFUN has grown up into a social movement organization with about 10 million people represented all of whom are forest users (RRI 2012). It is a national federation of forest users across Nepal dedicated in promoting and protecting users' rights, socio economy of users and forest health. Association of Collaborative Forest Users of Nepal (ACOFUN) advocates for rights of forest users of terai lowland tropical forests of Nepal. So far about 1.5 million people of 0.34 million households are getting benefits from ACOFUN. Community-based Forestry Supports Network Nepal (COFSUN) is a national NGO of community forestry facilitators. The structure of COFSUN is comprised of two tiers: District COFSUN and Central COFSUN work in favor of CF facilitators. More than 500 members are affiliated with COFSUN till date.

Dalit Alliance for Natural Resources (DANAR) is active in networking organizations working on dalit (discriminated and marginalized ethnic groups or so called untouchable castes) issues. Nepal Federation of Indigenous Nationalities (NEFIN) was formed in 1991 as an autonomous and politically non-partisan, national level umbrella organization of indigenous peoples/nationalities. It consists of 48 indigenous member organizations widely distributed across Nepal (www.nefin.org.np).
CHAPTER 3. CASE STUDY ORGANIZATION (CSO)

3.1 Bamboo Workers Union, Badikhel, Lalitpur

Background
Bamboo Workers' Union (BWU) was established in September 2007, under the registration of Department of Labor Nepal. This is a group of 667 (as of 2011) home based bamboo workers of Badikhel VDC involved in production, processing and product development of bamboo. The union is affiliated to Home Net Nepal, a network of home based labor organizations. It is governed by a thirteen membered executive committee consisting of all thirteen Pahari communities, one of the ethnic and marginalized communities of Nepal. There are only 13,615 Pahari individual in Nepal (CBS 2011), distributed in Kathmandu, Lalitpur, Bhaktapur, Sindhupalchok, Kavre, Makanwanpur and Ramechap districts of Nepal and Badikhel VDC, Lalitpur comprises their largest population (NPDO 2005). The Pahari communities are living in rural settings and their agriculture production is hardly enough for three months. They primarily depend upon bamboo works as off-farm occupation for their livelihoods. Home Net deserves in organizing the home based bamboo workers including Pahari communities of Badikhel, Lalitpur.

The union was instituted to organize home based bamboo workers so that traditional occupations and livelihood are secured and improved through advocacy, capacity building, and empowerment programs. Specifically, the union has dealt on updating knowledge and skills of home based workers in newer tools and technologies, developing a common understanding among workers on the availability and management of raw materials for their businesses, and capacitating them to transform the traditional skills and knowledge of Pahari community on home based enterprises to the next generation. Livelihoods and food security of home based labor and welfare of home based labor and their rights through institutional development are also subjected to address.

Organizational nature and dynamics
This union is of paramount importance in organizing and empowering home based individual bamboo workers into a group to conserve and upgrade their traditional occupation as well as to improve their livelihoods. Although the objectives of the union seem broader, the nature of union is more focused on sustainable use and conservation of raw materials and building socio-economic concerns and solidarity. The union helps members and non-members (users) empower on advocating home based eco-friendly enterprises. Ultimately, the concept of unionizing them has promoted economic solidarity of the people who are dependent on same resource base. This union has played an exemplary role to demonstrate how the local resource users of the private land can join hands and may work for economic solidarity contributing to the state and the society in a collaborative way.

Governance
The union is governed by an executive committee elected/selected by the general assembly of all members. The contemporary issues about planning and implementation and strategy development are discussed monthly. Both men and women are adequately aware and encouraged in participatory and equity concerns. Voices of all members and
even subordinate groups are heard and they are tried to address in general assembly. The decisions are uncovered and dispatched to all members. Opportunities/incentives offered to the union for their empowerment were equitably distributed through consensus and round basis. Executive committee members are accountable to the overall progress of the union and effective and efficient governance. Rewarding and penalty system is in place, accounting good governance and deterred malpractice of fund mobilization.

In fact, one of the major objectives of organizing the members in this union is to develop the importance of socio-economically important traditional occupation (home based work) for community development. Women have been empowered through trainings and capacity building programs on off-farm activities as well as savings and credit programs. The representation of women in a committee and their participation is credential, i.e. there are seven women in executive committee out of 12.

**Peer institutions /Collective actions**
Home Net is the major institution supporting and working in collaboration with the union. It is working to enhance the capacity of home based unions through trainings and exposure in promoting home based enterprises. In order to run the initiatives and sustain and institutionalize the best practices for a long time, several collaborative initiatives were implemented (Table 6).

<table>
<thead>
<tr>
<th>SN</th>
<th>Institutions</th>
<th>Type</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Educate the Children (ETC)</td>
<td>NGO</td>
<td>Education</td>
</tr>
<tr>
<td>2</td>
<td>Chandol Women Savings and Credit Cooperative Ltd</td>
<td>CBO</td>
<td>Saving and credit</td>
</tr>
<tr>
<td>3</td>
<td>Chandol CFUG</td>
<td>CBO</td>
<td>Resource management</td>
</tr>
<tr>
<td>4</td>
<td>Badikhel Youth Club</td>
<td>CBO</td>
<td>Community development</td>
</tr>
<tr>
<td>5</td>
<td>Swagat Naya Biswa Club</td>
<td>CBO</td>
<td>Community development</td>
</tr>
<tr>
<td>6</td>
<td>Class Nepal</td>
<td>NGO</td>
<td>Education</td>
</tr>
<tr>
<td>7</td>
<td>Forest and Environment Labor Association</td>
<td>Alliance</td>
<td>Rights and access</td>
</tr>
<tr>
<td>8</td>
<td>Nepal Pahari Development Association</td>
<td>Alliance</td>
<td>Institutional development</td>
</tr>
<tr>
<td>9</td>
<td>Badikhel Village Development Committee</td>
<td>GoN</td>
<td>Solidarity and economy</td>
</tr>
<tr>
<td>10</td>
<td>Home Net</td>
<td>NGO</td>
<td>Networking</td>
</tr>
<tr>
<td>11</td>
<td>Khokana women society</td>
<td>Alliance</td>
<td>Awareness building</td>
</tr>
<tr>
<td>12</td>
<td>Hamro Chinari</td>
<td>CBO</td>
<td>Product development and processing and marketing</td>
</tr>
</tbody>
</table>

The major programs of collaboration and partnerships are based on rights based advocacy of Pahari marginalized community, sustainable use of local resources particularly Bamboo, and increasing socio-economy and solidarity in community.

**Networks/linkages and collaboration**
The union is reputable as an empowering agency of home based workers at both local and district level and even sometimes the story is covered at national level. The Union has established close relations with unions, groups and institutions which have similar objectives regarding socio-economic empowerment. Further, this has extended the relationships of the Pahari community to various other institutions and broadened the scope of their socio-economic contributions, widening the markets of their traditional occupation. The collaboration with various institutions was feasible for range of activities particularly saving and credit, education and awareness development.
community development, resource management and product development and marketing. Collective actions, strong network, awareness and capacities of resource management and product development led development of new institutions at local level. Chandol women saving and credit cooperative limited, a sister organization of BWU, Badikhel, is made up of exclusively of Pahari women. About NRs 2 million is transacted by the cooperative for bamboo product development, marketing, resource management and socio-economic development. BWU also works with Forest and Environment Labor Association in resource conservation, Class Nepal in advocacy and partnership issues and Home Net for socio-economic empowerment, networking and collaboration.

**Solidarity economy**

Yet the various collaborative and partnership programs are in place, the BWU of Pahari communities has been an example of local initiatives for building synergy that may contribute to socio-economic empowerment of the communities, traditional knowledge management and resource conservation through collective actions. It has adopted basic tenets of sustainable development: participation, empowerment, collective responses and social services instead of focusing much on individual profit. As a result, socio-economic conditions of the communities have been transformed and sustainable use of locally available bamboo resources has been attained. Improved socio-economy and ecology conferred better livelihood and rural financial transactions at the community level. ILO (1972) defined the home based enterprises with features of ease of entry, reliance on indigenous resources, family ownership of enterprise, small scale of operation, labor intensive and adapted technology, skills acquired outside the formal school system, and lastly, unregulated and competitive markets and lack of legal or government recognition (http://escholarship.org/uc/item/8857741x#page-6). Therefore the Bamboo workers Union are typical home based enterprises contributing on solidarity and socio-economy of local communities.

**Access to finance and capital/ Benefit sharing**

Home Net has facilitated union members to join the cooperatives. In Nepal, cooperatives are allowed to transact micro credits. Therefore, each and every members and even rural farmers have easy access to finance through micro credit and timely savings. Since the union is just a network of individual members, benefit of his or her efforts goes to the person or family. Most directly, they have increased their income at the individual level. Some portion of the benefits generated from cooperatives and other social institutions are also provided for the Unions’ initiatives.

Rabina Pahari, 27 lives in Badikhel – 4, Lalitpur in a joint family. She has father in law, mother in law, husband, brother and sister in law, their children and own two children. Altogether she has 14 family members. She is illiterate and so are other family members except children. Children go to school but they also support family for bamboo works as apprentice in holiday. All family members are involved in weaving and carpeting bamboo as learned from their generation; however they were trained to pursue product processing, development and marketing. Traditional knowledge of bamboo weaving has been complemented by trainings and capacity building programs run by BWU. With intensive dedication on Bamboo product development, the family is successful in earning additional NRs 6,000/week. The earning is used for teaching children. Family is well aware about the importance of education for future.
**Policy implications**
As a signatory member of the International Labor Organization (ILO), Nepal has more obligations to work on rights and welfare of the workers of the informal sectors. The BWU has empowered the workers of the informal sector where the government attention was trivial. As the work is primarily related with Bamboo and its management, Ministry of Forests and Soil Conservation is supposed to be an authentic government agency to take care of these resources. However, the pertinent acts and policies: Cooperative, Labor, Trade Union, and Forest Acts, etc. are inadequate to recognize and address the issues relating to social enterprises run by marginalized communities. Recognizing the contribution of these types of informal unions and groups in socio economic and environmental sustainability of the society, the government has to have special policies to empower such communities and their eco-friendly initiatives. Again the complementarity of such initiatives is to be duly recognized.

**Applicability and scope of replication and multiplication**
The integrity of resource conservation, knowledge preservation, socio-economic development, social enterprise development, gender, equity, social inclusion, collective action and cooperative and application for community development is full potential of replication. Despite the initiative is limited to village level and by a marginalized community, its replication is potential in the sense that the resource bamboo is found throughout the country, acquainted frequently with marginalized communities, and multipurpose products (fast growing rendering enough fodder and forage to local, sequestering huge CO₂, useful as bioengineering elements for soil erosion and landslide control, etc). Solidarity of occupational caste in promotion of their traditional knowledge and natural resources with assemblage of scientific techniques and back up by institutions is high potential in replication.
3.2 Chepang/Praja Multipurpose Cooperative Limited, Chitwan

Chepang

There are more than 125 caste/ethnic groups in Nepal (CBS 2011). Chepang/Praja is one of them. There are approximately 68,399 Chepang in 2011 (CBS 2011), and their habitats are quite identical and found along the Trisuli, Narayani and Rapti Rivers and in the major catchments of their tributaries covering the adjoining frontiers of Dhading, Makwanpur, Chitwan and Gorkha districts of central Nepal (Bhattarai 1995). Being hunter-gatherers until about 80 years ago (Chettri et al. 1997), the Chepang are considered among the most primitive indigenous peoples of Nepal. They practice shifting cultivation (Slash and burn cultivation) and the evidence suggests that they are highly forest-dependent (Manandhar 19898) as well as among the poorest in Nepal (Bhattarai 1995) and besides their own use of forest resources such as timber, herbs and wild food, they barter and sometimes sell forest products (Chettri et al. 1997). The forest is used as an important source of food, fibre, medicine, housing materials, fuel and fodder. They are generally considered to be shy and easily dominated by other ethnic groups (Bista 2004), who have been migrating from the mountains to the lowlands for the last 40–50 years (Rijal 2008).

Chepang live a semi-nomadic life, more dependent on the forests. They have generated enormous knowledge on a large number of plants species on which they have depended for centuries. Due to this, forests were most important resources for them in terms of food, fibre, medicine, housing materials, fodder and various other needs (Gurung 1995). The loss of knowledge could also threat the existing balance between these people and natural environment.

Chepang Multipurpose Cooperative Limited (CMCL)

Chepang multipurpose cooperative ltd was registered in 1998 at Department of Cooperatives, Government of Nepal under the Cooperative Act to empower Chepang community in socio-economy and resource conservation. The other objectives behind its establishment were to inform and empower the Chepang communities on their rights, responsibilities and resource conservation. Overall goal of the cooperative was empower Chepang community to aware about their rights and manage local resources, particularly Non-Timber Forest Products (NTFPs), in a sustainable manner so as to balance the resource use and their livelihoods. The organization covers the Chepang communities of Shaktikhor, Kaule, Sippi, Orak and Lothar VDCs of Chitwan district. It has 375 shareholders and an executive board of eleven members.

Organizational nature and dynamics

As per organizational objectives, it works and collaborates with other organization for multiple objectives. It collects savings from the members and invests money to them for resource-based enterprise promotion. It runs grocery as well as cooperative mills for service delivery to its members. As a cooperative of the marginalized and less educated community, it has faced several impediments and achieved success over the constraints. After showing the importance of cooperative movement for the socio-economic empowerment of the community, the Chepang were convinced in getting membership, however the membership was merely a meretricious. The due courses of motivations, social mobilization and awareness building led encouraging membership and shareholding in cooperative.
**Governance: Transparency and accountability**
CMCL is governed by an executive committee of eleven members elected by the General Assembly (GA) of the shareholders. Executive committee as per the direction of GA develops rules and regulations so as to run the cooperative effectively. Participation of all the members is encouraged and the credit activities are done as equitably as possible. Every member has right to participate in decision making process and their voices are heard through the annual general meeting. Some of the staffs are voluntarily working whereas some are less paid. Despite the CMCL is in loss, there is a provision of equitable sharing of benefits as per their investment/share. The CMCL is in developing phase and it has adopted all the processes and principles of a multipurpose cooperative and attempted its best to be accountable and successful.

**Peer institutions /Collective actions**
Both the governmental and non-governmental institutions are working with CMCL. Since this cooperative has broader socio-economic and resource conservation and savings and credit and financial transaction objectives, various local-level institutions such as Nepal Chepang Association, SIKAU, FORWARD (an NGO working in Chepang community) and international level such as SNV are supporting CMCL. Government level agencies such as VDC, DDC, National Cooperative Development Board and District Forest Office (DFO) are also supporting CMCL for improving the social and economic situation of Chepang. However, none of the peer institutions is working on similar theme and sites.

**Networks/linkages and collaboration**
Ample institutional and financial supports from SINAU, FORWARD Nepal, SNV etc. was gained during inception, establishment and institutional development. Their support was meant to establish and institutionalize the organization, and now they are no longer supporting CMCL. However networking with them is still existing. As a member of District Cooperative and registered under the Cooperative Act, it has a network with district and national level cooperative organizations. Further, as a community level social development institution of Chepang, they are working in close collaboration with Nepal Chepang Association and government line agencies such as VDC, DDC and DFO.

**Solidarity economy**
Establishment of cooperative from a marginalized and minority group in their native niche is itself encouraging. Again the initiative for their socio-economic development and sustainability of resources is worth, because their initiatives complement the government processes. The organizational structure and working modality of CMCL follows the schools of thought of social solidarity economy. Participation, empowerment and collective responsibility are taken as major drivers for social solidarity economy. However, trifling economic gain from NTFP management is accrued and its commercial exploitation is under progress. Inadequate management capacities and the initiatives from the marginalized communities sometimes constrain the full access of resources resulting in handicapped success. The limitation of the access only for Chepang has restricted investments from other communities thus compounding the situation. A need of strong solidarity within the communities and increasing awareness offset the existing hurdles and spurs the organization into success of socio-economy. Realization has been made by CMCL and its members in increasing investment, broadening membership and shareholders, and strengthening both horizontal and vertical linkages among stakeholders for economic and social solidarity.
**Access to finance and capital/ Benefit sharing**
CMCL has played a positive role in improving livelihoods of its members and promoting household economy. Behavioral change and positive attitude towards collective saving, lending for productive projects and sustainable harvesting of NTFPs are inklings of affirmative transformations. Members are habituated to maintain regular savings and also have access to lend loans as per their need in minimum interest rates. Collected savings is mobilized within the groups that have increased the access of the members in economic activities. Locally produced and collected goods are sold and processed locally. Processing and marketing of products are taken in place at subsidized rate for members. Trainings, capacity building programs and opportunities are equitable shared among members.

**Gender and social concerns**
Institutionalization of CMCL is consistent to the government priorities that has marginalized the communities are prioritized and strengthened for mainstreaming. Furthermore, they are supported to address the social and gender concerns. There are many women shareholders involved in savings and credit activities within the groups, however the reservation for women in cooperative was parsimoniously spelled out. Again the socio-cultural settings and geographical difficulties have impeded the participation and access of women in cooperative. As increasing activities of CMCL in the area, the access of Chepang women in financial activities and their participation is encouraging.

**Policy implications**
Although the Chepang are minority groups and are marginalized, the initiatives as cooperative establishment, saving and credit for financial transactions and management of NTFPs for sustainable supply embraced by them incur policy implication. Socio-cultural, political and economic contexts are to be relooked for promotion of cooperative like CMCL and its better management. The multifaceted role of CMCL is to be recognized as it contributes on awareness building, empowerment, socio-economic development, sustainable resource management and knowledge management. Contribution of such institutions in socio-economic and environmental sustainability of the society is invaluable and liable to be complemented. There are acts related to Partnership Business Promotion and Contract that needs to integrate such initiatives so that they can contribute to the social solidarity economy.

**Applicability and scope of replication and multiplication**
Cooperatives facilitate the economic activities of any society. Its importance in a marginalized community as this one is two-fold as it socio-economically empowers the community and contributes in bringing them within the mainstream development. This is providing support in promoting the solidarity economy with its high relevance in the country like Nepal where the number of marginalized communities with their traditional occupations based on the locally available natural resources is being underestimated. Household economy and community cooperatives are strategically planned to develop better access of subordinate groups in opportunities, capitals and benefits. However, the sustainability of such community initiated interventions remains a question until and unless the government provides them with a facilitating environment as well as special incentive packages.
3.3 Everest Gateway Herbs Private Limited, Dolakha

Everest Gateway Herbs Private Limited (EGHPL) is a paper production and processing company which sustainably yields local and organic products and generates decent jobs to local. It was established in November 2004 in ward no 7-Jiri of Dolakha district, Nepal. The major goal of the company is to change role of local and poor people particularly the women and local marginalized community Jirel from being merely raw material collectors to the proprietors/entrepreneurs through job holders.

Employment generation at local level, increase in sustainable production and quality products of NTFPs and improvement in livelihood status of local NTFP dependent communities are secondary objectives of the organization. The authorized capital of EGHPL is Rs. 5 million and Rs.2 million capitals have been issued for company operation. Up to now, Rs. 1.3 million has been collected from the shareholders. Company has own building with machines equivalent to NRs. 0.3 million and 0.3 ha land. At present, the company has running capital NRs 3.4 million and sixteen working employees. The individuals can become members of the organization and receive the company's benefits by purchasing the share. The institutional structure of company comprises of four types of shareholders.

1. Community Forestry User Groups (CFUG),
2. Poor household members of the CFUGs,
3. Local entrepreneurs (well-off households from CFUGs), and
4. Private entrepreneurs.

Jirel: a minority nationality

Jirel are the aboriginal inhabitants of Jiri and Jugu area of the Dolkha district. They are also live in the Sindhupalchok district. They are a minority nationality with a total of 5,770 population having unique manners and civilization (CBs 2011). They call themselves Jiripa (Gautam and Thapa Magar 1994). Their main form of subsistence is agro-pastoral production, combing the cultivation of wheat, barley, and maize, with the herding of goats and cattle and collection of NTFPs. Little is known about them, but their cultural affinities with Sunwars and Sherpas suggest that their culture is a form of the Bhoti culture.

Organizational nature and dynamics

EGHPL is an example of a collective approach of public-private partnership, including pro-poor, women and marginalized communities to develop a local forest based enterprise. It is a kind of social enterprise where local communities can invest and get benefited. The company is guided by the principle of ‘pro poor development approach’. According to the wealth being ranking and secondary reports, pro-poor household have been identified and they have been prioritized in mainstreaming into EGHPL. In this approach, poor households have been benefited by following four ways:

i. Premium price for their raw forest products in maximum price,
ii. Dividend based on their collector sub-group shareholding,
iii. Dividend based on their FUG shareholding,
iv. Productivity bonuses and wages if working in the processing factory.
Therefore, EGHPL has been successful in winning the trust of poor segment of the society through their direct involvement in company’s activities and distributing dividend to its shareholders. Beyond the dividend of their shares, member of the organization receives opportunity of exposure through trainings and visits to refine their skills in production, processing and management. Moreover, the EGHPL has adopted principles of good governance, sustainable forest management, equity and special reservation for pro-poor household and women. Since the main aim of company is production and processing of paper in sustainable way and share of benefits to members in equitable mechanism, it relies primarily on sustainably yield raw materials of species Lokta (Daphne bholua) and Argeli (Edgworthia gardneri) from nearby forests. The northern part of Jiri and its surrounding villages at elevation of 1700 to 3500 m asl is predominantly covered by these two species. Sometimes premature collections and over exploitations are happened at distant sites due to low level awareness.

Figure 6: Paper production process, Everest gateway herbs

**Governance**
The EGHPL is governed by an executive committee elected by the General Assembly. The executive committee consists of eleven members, of them five are women and five from poor and ethnic groups. Women are getting a priority in executive committee and employment, and now most of the workers of company are women. Participation of all shareholders in any activities is ensured through on-time and effective communication. Records are well kept and in easy access to all general members. Company has both permanent account number (PAN) and value added tax (VAT) number for more transparency and accountability in financial transactions. Every year, financial transactions are publicly audited and heard. Each and every transaction is maintained well through an accounting system and the executive board is accountable to shareholders for every activity and goal.
Gender and social concerns of community are well recognized in EGHPL. As the EGHPL has been working as a social enterprise, the gender, equity and social inclusion (GESI) concerns have been addressed through sustainable supply of the products or through business solutions. Women and pro-poor are getting equal benefits and sometimes reserved benefits. They are prioritized to be involved in company as an employment through various trainings and exposure visits.

**Peer institutions and linkages**
EGHPL was established as a private company and now it has been turned into a social enterprise. It has good and informal relations with other similar industries such as Nepali paper manufacturing industries, saw mills and NTFP promotion industries. EGHPL is maintaining its thrust of collaboration since its inception. The organization itself was an outcome of the collective efforts of public and private institutions such as government, NGO, INGOs, community based organizations etc.

District Forest Office, Federation of Community Forest Users Network, Nepal Swiss Community Forestry Project, ANSAB, HBTL and CFUGs are the major government and non-government partners and are being a stake of EGHPL's success for long run. EGHPL is joining hands with these institutions in management of the raw materials, operating the industry, marketing and capacitating the members and shareholders and enhancing their entrepreneurial skills. However, a collaborative and functional relation to them is to be instituted. Bhimeshwar non timber forest industry is an example at local level that is a case of replication of EGHPL. It also works on NTFPs and promotion of socio-economy of local communities.

**Solidarity economy**
EGHPL works particularly to improve the socio-economic conditions of pro-poor and women of Jiri area through sustainable use of locally available resources in partnership with government and non-government institutions. All the segments of a society i.e. poor, well-off, women, forest users, collectors, processors, marketers, government and non-government staffs, etc. are consolidated as public-private partnership model to generate additional income to local communities particularly to poor and women through value addition and sustainable resource management. The company acts as a social enterprise that seeks business solutions to address social problems through collective approaches.

**Access to finance and capital/Benefit sharing**
Community institutions and poor people can invest as share and can get returns as cash dividend. The company has a general rule that each shareholder receives at least 5% dividend annually. Earlier, NSCFP provided seed money to poor communities to access the company, mobilized the resources and processed the products. Now shares can be used as collateral to other financial institutions and access to finance in the form of loans. The collected fund is mobilized through cooperatives where all shareholders have additional access.

**Policy implications**
EGHPL is just a model of how the local and small scale business initiatives can contribute to address the gender, socio economic issues of marginalized communities and manage the local resources in a sustainable way through small social enterprises. In addition, this model exemplifies the potentials for Government of Nepal utilizing the local resources to
benefit both the local communities and the state through appropriate policy and legal provisions. Several community based forest enterprises are working at local level and their benefits and contributions can be amplified through poor, public and private partnership (4P) approach. The provision of seed money to pro-poor for accessing the enterprises motivates them to continue in enterprises and dedicate on business.

**Applicability and scope of replication and multiplication**
Nepal has been practicing community forestry for last four decades. Communities are managing the forests and associated resources thus harnessing the benefits in sustainable manner. However, majority of the non-timber forest products are underutilized. Best utilization of other NTFPs through the model adopted herein could generate complimentary to socio-economy. The processing industries like EGHPL would ensure value addition of the products and surplus benefits to the NTFP collectors and producers. As EGHPL a social enterprise, the gender, equity and social inclusion (GESI) concerns have been well addressed through sustainable supply of the products or through business solutions.
3.4 Home-based women workers cooperative, Kathmandu

After the enactment of Cooperative Act 1990, there are over a 600 women cooperatives and over a dozen home based women cooperatives. Home based workers typically have the least security and lowest earnings among informal workers. There are two types of home-based workers: industrial outworkers, who carry out work for firms or for their intermediaries, and own account or self-employed home-based workers, who independently produce and sell market oriented goods or services in their homes (Carr and Chen 2002, Horn 2009). About 82% of working women are self-employed and 12% are wage-employed in Nepal as compared to 69% and 27% in case of men. Women’s participation in the informal sectors has increased significantly in both urban and rural areas (CBS 1991). Home-based sector often has high risk and vulnerability in terms of their work place, which often stay out of mechanism of social security. At the same time, it should be noted that the informal sector is connected to the formal sector through subcontracting networks and production chains. As a result, there is a large increase of HBWs in Asian cities (www.wiego.org and www.sewa.org).

Due to lack of access to information, skills, and education most of the home based workers have established work in their own home. Local initiatives are in place to systematically organize the HBWs and support to transform them into formal institutions; however the initiatives are preemptive in getting institutionalized. Yet, the process is paramount in scopes of up-scaling the successes and overcome the weaknesses of the initiatives.

A global context

Globally, young boys are prepared for the world of productive work and decision-making, while girls are trained to be housewives, mothers and service-providers. From a very tender age, it is instilled into a girl’s mind that her duty lays in providing services to her family, first her parental and then her husband’s. A large part of women’s work goes unrecognized and unvalued. According to an estimate, $16 trillion of global output is invisible out of which $11 trillion is the non-monetized ‘invisible’ contribution of women. This estimate includes the value of unpaid work performed by women and the payments of women’s work in the market at prevailing wages (UNDP 1995). This is a clear manifestation of gender discrimination.

There are considerable differences in women’s and men’s access and opportunities to exert power over economic structures in their societies. In most parts of the world, women are virtually absent from or are poorly represented in economic decision-making, including the formulation of financial, monetary, commercial and other economic policies. Some division of labor exists between formal and informal sectors on the basis of gender. The extent to which the informal sector is a ‘female sector varies geographically and over time, especially as unemployment rises; nevertheless, in most countries women’s possibilities for entering the formal sector remain even more limited. Women in self-employment rely on skills and experience they already have, and so food processing and trading, sewing, domestic and personal services are all important. For many poor women around the world, the home is not only a place for dining, sleeping and enjoying a familial life, but also a key part in their working lives and their ability to earn a decent living for themselves and their families. Such type of workers is known as women home based worker (Women and Work by Susan Bullock).
Strassmann (1987) defined home based enterprise as one which occurs in or very close to the home rather than in a commercial or industrial building or area. Home-based work is fast emerging as an increasingly important source of employment worldwide. It is estimated that there are over 100 million home-based workers in the world and over 50 million home-based workers in South Asia, of whom around 80% are women. With the growing globalization and decentralization of production, home-based work has emerged as the final link in a global chain of subcontractors encompassing a wide range of industries and services (Presentation Paper of ISST and Home Net South Asia).

**A Nepalese context**

As in other parts of the world, women generally work longer hours than men in Nepal. According to a study, women work 11 hours compared to 7.5 hours by men (World Bank 1990), because of the natural and socio-cultural complexities. Home works in Nepal can be considered as an output of the tripartite relationship of cultural, ethnic and bio diversity of the country. It has been continuously adopted as an occupation by most of the rural people of Nepal since time immemorial. The ‘Radi’ a kind of woolen mat traditionally weaved by the handloom with raw hairs of mountain goat is one of the traditional products of Gurung, an ethnic community of Nepal. Handmade paper is one of the most popular home based products made by the rural people of Nepal which has been continuously covering the markets. Some of the oldest forms of work, such as weaving and spinning, were done at home; today some of the newest forms of work connected with computer technology and modern telecommunications are increasingly taking place outside central work site.

The contribution of home-based work in national economy is high and creating employment opportunities, however the sector is still invisible and unrecognized. It is estimated to be around 2.2 million out of which 78% are women at present. As reported by National Labor Academy, home based workers alone account for more than 3,20,000 in Kathmandu valley (NLA 2008). Outside Kathmandu Valley, there is a significant number of HBWs working in different value chain system contributing to the national economy.

Although the number of HBWs is significant they are scattered all over the urban and suburban areas for their subsistence. Informal economy includes agriculture, family based enterprises, hotel services, construction, street vendor, rag picker, transportation sectors and so on however home based work is not included. It is a major source of employment to a large number of home-based workers in Kathmandu Valley, which creates valuable employment opportunities for their livelihood. In urban areas, home based workers are basically characterized by irregular works, contractual basis or/ piece rate basis works, low wages and lack of access to resources. The working condition is highly vulnerable in terms of occupational health hazards and safety, social security and legal security. Basically, the HBWs are in need of regular work, fair wage or income to fulfill their family requirements in the cash economy and market transactions. Moreover, HBWs are diverse in nature and they are driven usually towards obtaining more income for survival and for this they often work for very long hours. However, the HBWs and their cooperatives have neither prepared any general plan nor have they in place any business plan thus far.
Peer institutions
Despite the existence of home-based work noted for a number of decades in Nepal, it came into an organized form along with the onset of trade union movement in late 1940’s. HBWs dominant in rural and agriculture sector were gradually superseded by the urban HBWs because of the decade long conflicts of the country. Later with institutionalization of home based workers concern Society Nepal (HBWCSN), home based workers have become more organized and they have been facilitated by various organizations, resulting in formation of a number of groups, which are transformed into autonomous institutions such as cooperatives, etc. over the years. The numbers of cooperatives instituted in Kathmandu district are as follows (Table 7).

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of cooperatives</th>
<th>Address</th>
<th>No. of members</th>
<th>Type of work</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Nil Barahi Home-based skill-based Women Cooperative</td>
<td>Mulpani VDC, Kathmandu</td>
<td>80</td>
<td>Agro-livestock products</td>
</tr>
<tr>
<td>2</td>
<td>Gokarneswor Home-based skill-based Women Cooperative</td>
<td>Gokarna VDC, Kathmandu</td>
<td>250</td>
<td>Carding, weaving</td>
</tr>
<tr>
<td>3</td>
<td>Parijaat Home-based skill-based Women Cooperative</td>
<td>Jorpati VDC, Kathmandu</td>
<td>180</td>
<td>Traditional painting /Buddhist religious item</td>
</tr>
<tr>
<td>4</td>
<td>Kageswori Home-based skill-based Women Cooperative</td>
<td>Aalapot VDC, Kathmandu</td>
<td>125</td>
<td>Metal /ornaments/ decorating item</td>
</tr>
<tr>
<td>5</td>
<td>Pashupati Home-based skill-based Women Cooperative</td>
<td>Ratopul VDC, Kathmandu</td>
<td>250</td>
<td>Bio-Brigitte, Pote(Bead)</td>
</tr>
<tr>
<td>6</td>
<td>Swasthani Home-based skill-based Women Cooperative</td>
<td>Sakhu VDC, Kathmandu</td>
<td>60</td>
<td>Handicraft item</td>
</tr>
<tr>
<td>7</td>
<td>Bajrayogini Home-based skill-based Women Cooperative</td>
<td>Sakhu VDC, Kathmandu</td>
<td>70</td>
<td>Pote candle</td>
</tr>
<tr>
<td>8</td>
<td>Kalidevi Home-based skill-based Women Cooperative</td>
<td>Balaju VDC, Kathmandu</td>
<td>230</td>
<td>Candle, Embroidery/Patch work</td>
</tr>
<tr>
<td>9</td>
<td>Barahi Home-based skill-based Women Cooperative</td>
<td>Chapagaun VDC, Kathmandu</td>
<td>150</td>
<td>Agro-livestock items</td>
</tr>
<tr>
<td>10</td>
<td>Panchakumari Home-based skill-based Women Cooperative</td>
<td>Sitapaela VDC, Kathmandu</td>
<td>130</td>
<td>Candle, pote (Bead), Sewing /knitting</td>
</tr>
<tr>
<td>11</td>
<td>Rato Machhindra Home-based skill-based Women Cooperative</td>
<td>Bungmati VDC, Kathmandu</td>
<td>70</td>
<td>Embroidery, Handicraft</td>
</tr>
<tr>
<td>12</td>
<td>Binayak Home-based skill-based Women Cooperative</td>
<td>Panauti VDC, Kathmandu</td>
<td>150</td>
<td>Incense making/ Doll making</td>
</tr>
</tbody>
</table>

There are also some HBW groups in Sunsari district, however they are yet to be institutionalized. Cooperatives play crucial role in providing overall support, training, guidance and exchange of resources for HBW groups and even for cooperative members. There are more than 2000 HBWs affiliated in these cooperatives. Albeit the cooperatives, thus formed, have their own goals and objectives by virtue of being legally autonomous from each other, very essence of such cooperatives remains the same.
Common objectives are highlighted below:

- Bringing scattered home-based workers into groups to pool resources and collective voices
- Through collective work, improve the working condition, wage rate, bargaining capacity and dignity of home-based workers
- Experience and skills sharing, exploration of market for the raw materials and produces, improvement quality and quantity of production
- Collectively persuade the right department of the government in garnering recognition and necessary support
- Enhance access to financial resources through collective savings fund (provision of savings and credit facility)
- Institutionalization of informal HBWs groups into registered cooperatives

**Collaborative initiatives**

The cooperatives of HBWs are legally autonomous and mutual to an extent of lending surplus fund to meet the regular loan requests of the members. They also have good contact with District Cooperative Organization (DCO). Department of Small and Cottage Industries (DoSCI) and Skill Development Training Department of Ministry of Labor (MoL), etc. are fundamental for providing some basic training to HBWs and HBWCSN. Some of the HBWs are also associated with various occupation-based trade unions. However, there is a need of strong collaboration between the cooperatives of HBWs and trade union federations. Limited collaboration was also compounded by lack of national policy on the HBWs.

**Existing policies related to SSE**

Neither a specific policy exists for Social and Solidarity Economy nor for HBWs in particular. In such context, National Urban Policy 2007 can be a subsidiary. The policy is supportive in promotion of enterprises through improvement in easy access of raw materials, demand of their products and marketing arrangement (Shrestha 2002). It also indirectly helps in improving the network and associations of scattered HBWs, groups, cooperatives with other relevant institutions. Cooperative Act 1992 supports to form cooperative, societies and unions for social and economic development of the country's farmers, artisans, people possessing inadequate capital and low-income groups, workers, landless and unemployed people or social workers or general consumers on the basis of mutual cooperation and cooperative principles. The Act empowers cooperative societies to collect share capital by selling these shares not only to members and persons eligible to become members, but also to other prescribed agencies. The National Cooperative Federation was established in 1993. Labor Act 1992, Trade Union Act 1993, and Labor Court Regulation Act 1995 have also been promulgated in support of HBWs. Moreover, Nepal has ratified some international conventions issued by ILO.

**Table 8: International conventions related to HBWs**

<table>
<thead>
<tr>
<th>SN</th>
<th>Convention</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Weekly Rest in Industrial Enterprise Convention</td>
<td>1921</td>
</tr>
<tr>
<td>2</td>
<td>Forced Labor Convention</td>
<td>1930</td>
</tr>
<tr>
<td>3</td>
<td>Right to Organize and Collective Bargaining Convention</td>
<td>1949</td>
</tr>
<tr>
<td>4</td>
<td>Equal Remuneration Convention</td>
<td>1951</td>
</tr>
<tr>
<td>5</td>
<td>Discrimination (Employment and Occupation) Convention</td>
<td>1958</td>
</tr>
<tr>
<td>6</td>
<td>Determination of Minimum Wage Convention</td>
<td>1970</td>
</tr>
<tr>
<td>7</td>
<td>Minimum Age Convention</td>
<td>1973</td>
</tr>
<tr>
<td>8</td>
<td>Tripartite Consultation (International Labor Standards) Convention</td>
<td>1976</td>
</tr>
<tr>
<td>9</td>
<td>Worst Forms of Child Labor Convention</td>
<td>1999</td>
</tr>
</tbody>
</table>
**Solidarity economy**
With the patriarchal nature of the neo-liberalism that tends to downplay women’s role in the economy by relegating them into low-paying jobs and long work hours, solidarity economy provides ways in which women can assert their economic independence (through micro-credit and income generation groups), exercise their creativity (through collective working with traditional crafts) and expand their horizons (through barter groups). Albeit, some of the HBWs are individually affiliated to local groups, trade unions and cooperatives, there are no concerted efforts in place until now to systematically embrace their potential by binding them into organized groups and bottom-up institutions.

**Gender, social and equity concerns**
All the HBWs cooperatives formed in Kathmandu consist mainly of women members. By virtue of being a cooperative member, all the members enjoy similar treatment and equal status in social and financial aspects of the cooperative affairs. Self-help, self-responsibility, democracy, equality, equity, solidarity, honesty, openness, social responsibility and caring for others are the important values of cooperatives, however very few are applicable to HBWs. Along with the economic independence, most of the social and gender roles are expected to evolve positively in HBWs through HBWCSN.

**Applicability**
Current model of transforming the home based workers into mutual groups and cooperative societies is replicable and can be applied in a similar context elsewhere. Thanks goes to HBWCS for its efforts in organizing HBWs into some groups and transition to formal cooperative societies. However, government support, willingness to strengthen and setting up of an appropriate policy are immediate to further strengthen home based workers and their initiatives. Home based work is a vital and growing part of economic modernization. Its growth is exponentially linked to the globalization of industry and the never-ending search for local sources of labor and more efficient means of production.
3.5 Sonaha Groups, Bardia

Context
Nepal is a multi-cultural, multi-lingual and multi-religious country with a considerable ethnic diversity, consisting more than 125 ethnic groups. It is a stark reality that most of the ethnic communities’ are struggling hard to retain their culture and traditions in the face of rapid economic growth and modernization. According to CBS (2011), there are only about 1000 individuals of Sonaha in Nepal. Sonaha is a minority indigenous group of specialist fisher folks who primarily depend upon adjoining rivers for fishing and gold mining as their major livelihood.

They are historically engaged in fishing and extracting gold ores from sediments of rivers. They are landless citizens and so far, none of the arrangements has been made by government for allocating land to them for their subsistence. Moreover there other ethnic groups dependent on fishing for livelihood are Tharu, Bote, Darai, Kumal, Majhi and Musahar. A study found that about 75% households of Tharu and Sonaha communities are heavily engaged in fishing because of their fishing skills, lifestyle and poor socioeconomic conditions (Malla 2008).

Sonaha are found only in Bardia, Kailali and Kanchanpur districts of Nepal but their dominance is at Bardia. Precisely, they are inhabited in river sides of Daulatpur, Patabhar and Manau VDCs of Bardia, Aamphat, Sukkhad of Kaillai and Dodhara of Kanchanpur district. They live near the Orai, Geruwa and Karnali Rivers and western premises of Bardia National Park. The Karnali river, a continuum from mountains to hills to Bardia National Park to India, is a major resource base for fishing and mining for Sonaha. The river course from Chisapani to India border has been allotted indigenously as different segments for each group of Sonaha for fishing and mining. Since the river is a major wetland of Bardia National Park, the park has implemented different wetland species conservation programs such as Dolphin breeding center, Crocodile breeding center, etc., resulting in constrained fishing and mining.

Access to rivers is now restricted, however they are indigenous fishers and gold miners for livelihood, resulting in erosion on traditional livelihoods and parsimony on implementing the ILO treaty. Erosion of traditional livelihoods of indigenous fishing communities residing on the course of river banks has been one of the critical impacts of conservation (Jana and Ghimire 2005). However, a provision to grant permission to indigenous fishing communities for fishing was made in Chitwan National Park Regulation in 1989, it was under-recognized in Bardia National Park.

Peer organizations
Sonaha themselves are minority in number and the institutions working in wellbeing of Sonaha are handful, therefore the solidarity and collective actions as well as collaborative efforts are most essential for overall development. There was Nepal Sonaha Association in Patabhar VDC, bardia in 2010 but it could not sustained over a time and now another institution Sonaha Development Society, Daulatpur, bardia has been emerged for socio-economic development and increasing access to opportunities and rights. The society has been enriched with 26 Sonaha members and executed by 9 board members along with two female.
**Linkages**

*Good Neighbors* and *Plan Nepal* are only non governmental institutions working for livelihood development of Sonaha. Besides them, government line agencies are looking after them but their nurture is trivial and gaudy in nature.

**Livelihood**

Sonaha are sustained throughout the year with folk fishing and gold mining at river banks. Gold mining and panning is best between February and June and fishing is common between June and September. They leave the sand as it is after sifting the gold particles and the sand heaps come to their previous form on the banks, causing no harm to the natural course of the river. The possessions of Sonaha are the tools they use for sifting sand to collect gold, fishing nets and wooden boats. However there was a competition among them for early exploitation. Sonaha are indigenous fishers and gold miners, despite this the access to rivers is further restricted. They are landless citizens and so far, none of the arrangements has been made by government for allocating land to them for their subsistence. All these prevalent impediments and grievances have been resolved in some extent by Sonaha Development Society. Early exploitation of rivers by Sonaha members has been managed by the society and controlled them by their local mores and customs. Networking of society was in progress with concerned district and national stakeholders. The society is closely tied with Plan Nepal and Good Neighbors Nepal for building synergy in developing solidarity and socio-economic conditions.

**Economy**

Since, they are indigenous, marginalized and minority group of Nepal, their culture and way of living are different from other segments of society in ways of making a living, language and customs (*ILO* 1991). At earlier Sonaha were supported by Western Terai Landscape Complex project (WTLC) to sustainably fishing and gold mining and panning at river bank and they were supported to introduce additional income generating to reduce the dependency on river systems and natural resources. Supports as solar lamps, improved cooking stoves and water pumps were complementary to their livelihood and community hygiene. Indigenous Sonaha communities traditionally have a high dependency on river systems for subsistence and livelihood and their traditional livelihoods of indigenous fishing and gold mining are at the brink of collapse. Settlements in the islands formed among the bifurcating river channels and seasonal settlements along the river banks during low water level by Sonaha community for gold mining and fishing with the use of traditional methods is also a constant nuisance for aquatic biodiversity (*Joshi* 2009). The activity of gold mining is a lengthy process and can disturb a locality for a few days to weeks.

**Access to finance and capital/Benefit sharing**

Sonaha groups are too small in functions. Identity and livelihood are major concerns to be maintained by Sonaha groups. Access to capital, financial transactions and benefit sharing mechanism are beyond primary concerns, though they merely acknowledge the sustainability and institutionalization. Despite the groups is in minority and their prime concerns are subsistence; equitable benefit sharing of opportunities and benefits is in place in groups and assurance of basic rights and better access to basic needs are approached. Opportunities are shared in round basis among the members and reward and penalty system is in progress.
Policy implications
Sonaha are sustained throughout the year with folk fishing and gold mining at river banks. Access to rivers is now restricted, however they are indigenous fishers and gold miners for basic livelihood, resulting in erosion on traditional livelihoods and parsimony on implementing the ILO treaty. Despite the subsistence and identity are primary goals of a minority groups; equity, rights and access are prioritized for their betterment through sustainable fishing and mining. Opportunities are shared in round basis among the members and reward and penalty system is in progress.

Applicability and scope of replication and multiplication
Sonaha groups, a minority groups, are folk fishers and gold miners and frequently inhabited in river banks for their livelihood, however because of the limited access to the rivers and their banks, there is erosion on traditional livelihoods and refutation on implementing the ILO treaty and jeopardy in sustenance. Most of them are struggling to secure their livelihood and retain their culture and traditions in the face of these constraining milieu, rapid economic growth and modernization. Sustainable exploitation of rivers has been managed by their society and controlled by their local mores and customs. Networking of society is in progress with concerned district and national stakeholders. Despite the prime concern of Sonaha groups is subsistence; equitable benefit sharing of opportunities and benefits is in place in groups and struggling to ensure rights and control over their resources are approached. An initiative from a minority and indigenous group for resource conservation, sustainable supply for resources and collective approach for consistent access to natural resources is likely to be acknowledged.

Figure 8: Sonaha groups heading for fishing and a woman panning gold at her home after collecting ore from Karnali River bank
3.6 Youth and Small Entrepreneurs Self-Employment Fund, Kathmandu

Unemployment and under-employment are one of the major problems in Nepal. The problem among youth is more serious than unemployment among other groups. It is estimated that more than 15 percent of the educated youths are unemployed and over 42 percent are under-employed. Young unemployed people have less access to business information and almost no access to resources including ownership over assets. Loan programs without guarantees or collateral are not issued to beginners for starting their own business. So, there is very less or no chance for youth to begin their own enterprises because they are only equipped with education and technologies. Since the initiation of youth and small entrepreneurs self employment fund (YSESEF) program, young entrepreneurs got the priority in obtaining loans from numerous cooperatives and banks.

**Organizational nature and dynamics**

YSESEF was established in 2009, by the Ministry of Finance (MoF) in collaboration with the Federation of Nepalese Chambers of Commerce and Industry (FNCCI) to generate mass scale self-employment opportunities and to alleviate prevalent poverty of the country through enterprises particularly for unemployed youths and local entrepreneurs. The 14-member high level governing board of YSESEF, chaired by the Hon. Minister of the MoF, is responsible for policy guidance and program approval. The YSESEF program primarily focuses to attain the best possible services of prolific labor, sustainable use of local resources, reduce rural unemployment and poverty, minimize the increasing trend of rural-urban migration and social discrimination and aid on peace building. So far, about NRs. 120 million of the funds have been invested in providing trainings.

**Collaboration and linkages**

The YSESEF program is based on the Public Private Partnership (PPP) approach and it is a consequence of the cooperation of MoF, FNCCI, banks and other financial institutions as well as other service providers who could contribute to the successful implementation of the program. The FNCCI through its subsidiaries has been supporting the YSESEF Program by collecting applications and providing basic training to them on small business entrepreneurship. Chapters of the Federation of Nepal Small and Cottage Industries (FNCSI) and Council for Technical Education and Vocational Training (CTEVT) are supporting the YESESEF program by providing vocational trainings to the applicants.

Similarly, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) through its Inclusive Development of the Economy (INCLUDE) Program, a collaborative project was run with the Government of Nepal to promote a socially balanced economic development and support the YSESEF program by providing technical assistance for entrepreneurship development and financial services for capacitating local chambers of commerce industries as trainers for entrepreneurship development. The YSESEF is in progress to receive supports from UNDP and World Bank to establish synergy in increasing self-employment efforts. Similarly, the program has joined its hands to Youth NGO Federation (YNF) Nepal and its subsidiaries to promote youth employment.
Moreover, the YSESEF has developed its partnership with more than 10 national banks of Nepal to issue the credit to the best projects. About NRs 790 million has been released to banks to issue credits and till the end of 2012, a total of NRs 430 million has been released. As it is envisaged in the Self-Employment Fund Regulation 2065 and the Directive on Loan and Insurance Provision 2065 BS to provide credit and project insurance, the insurance company issuing the insurance at the lowest premium to the applicant of YSESEF program was National Insurance Company (NIC). The Government of Nepal through MoF has built up coordination with UNDP, World Bank, GIZ, SDC and other national service providers in order to sustain the program.

**General criteria and process to obtain loan**
The YSESEF has set certain criteria to be eligible for it. One had to be an unemployed and not be a student. Proposed activities must be related to commercial farming, animal husbandry, agro-forestry-based industry, cottage industry and other trade related industries in rural areas. Similarly, the YSESEF also provides loans for rickshaw and push-cart services in the urban areas. Apart from above the special priority is given to the business plan based on traditional skills, self-employment, training development and other projects based on locally available raw materials and skills, the industry producing goods consumed in the same area, one village one product concept, businesses operated and managed by victims of conflict, woman, marginalised castes, indigenous people, dalits and people from remote areas. A basic process to acquire a loan has been formulated, which is based on submission of a business plan, copy of the citizenship certificate and other documents as demanded by the partner financial institution of the YSESEF that would provide the loan. After submission of the required document and receiving the certificate of orientation training the applicant could receive up to Rs. 200,000 without any collateral as the future business itself would serve as collateral until the loan is repaid. If the applicants paid off the loan on time, they could receive up to 60 percent of the interest back as a subsidy.

**Peer institutions/Collective action**
Poverty Alleviation Fund (PAF) and Employment Fund (EF) are peer institutions in consistent to the objectives of employment generation and socio-economic development of society, however the direct and functional partnership among them didn’t exist. The activities implemented by government of Nepal using funds such as Youth Self-employment Fund, Poverty Alleviation Fund, various incentives for cooperatives, international support as pooled fund for farmer groups and agro-based enterprises are poorly linked across different components, and seen as competing rather than complementary. The PAF was established in 2004 and it direct funds to community organizations of the poor. The EF was established in 2008 and is currently being operated the Government of Nepal and the Swiss Agency for Development & Cooperation (SDC). The purpose of EF is to provide gainful employment to unemployed, disadvantaged young women and men by imparting skills through private sector training and employment service providers.

**Organizational governance**
For the efficient implementation and governance, there have been two levels of monitoring and evaluation mechanisms, one at secretariat level and another at district level. There is a monitoring unit at central level that monitors overall program throughout the country. The district level monitoring is set up with close scrutiny of the Chief District Officer (CDO), representatives of CCIs and Cooperative Association and a volunteer appointed by the YSESEF in each district are responsible to assess the applications, recommend the client based on assessment and conduct monitoring and evaluation regularly.
Solidarity economy

Social solidarity economic development implies change leading to improvement or progress that brings socially positive economic development and experienced by the community at large scale. Today, the social and solidarity economy is a reality in many people’s lives because it promotes values and principles that focus on various dynamics of people’s participation and their easy access to the capitals. The YESEF is deliberate in supporting the movement of social and solidarity economy of local communities by providing basic awareness and facilitating easy access so as to develop self-reliant livelihood. The YESEF is successful in some extents to mainstream ground based economic interventions into national economic development through enterprises and organizations and creation of decent jobs and sustained livelihoods ensuring social protection. Within the initiatives, so far 5,235 individuals from 50 districts of the country are self employed and self reliant for socio-economy in the investment of about 250 million NRS (http://www.ysef.gov.np/admin/noticedoc/2976Total%20Lending.pdf).

Gender and social inclusion

According to the data of National employment service (2011) of the total number of unemployed registered in the end of 2010, 50.55% were women of which 14% were of age 25-29 (ILO 2012). Female entrepreneurship is an important, unused source of economic growth. In Nepal, mainly women have been affronted by poverty. Be acquainted with this, the YSESEF program has given equal emphasis on youth women and aims at making them entrepreneurs and ensured their participation in national economic development. The young women from the rural areas have been equally benefited from this program. Additionally, out of total volunteers appointed in 75 districts about 42 percent were women.

Challenges and Sustainability

The program remained dormant for period of time due to political instability and misunderstanding among the political parties which hindered the program from achieving its goal in time. As much as Rs. 5 billion fund pooled by various banks and financial institutions have remained inactive for years. Besides, lack of positive attitude, lack of entrepreneurial skills and vocational experience among the applicants, inability to develop a business plan to get the loan were some challenges. Similarly, there seems the lack of strong and reliable mechanism to ensure the investment and recovery supporting the genuine applicants.

Story within story

A bank manager of city development bank of Chitwan district explained that a woman forwarded a loan request to his bank to set up a beauty parlor (barber shop and training centre) in Chitwan district, central Nepal. Her loan request was NRs 0.15 million and the asked amount was issued after some consultations. She started her business in Pulchowk, Chitwan and paid her installments regularly in due time. Because of her perseverance on work and timely payments, she did well in her business and could able to extend her businesses in other three cities of Nepal; Butwal, Pokhara and Birgunj. She approximately earns more than 0.1 million NRS per month. This would be a good example for those who do not think that NRs 0.2 million would be enough to start a business. Running a successful business is based on the person’s dedication, attitude, perseverance, skill and proper management,” the manager concluded.
Notwithstanding its challenges, YSESEF is one of the priority programs of the Government of Nepal and it is based on, three-pillared economy-public, private and cooperatives, clasped by the state. It is decentralized to districts so very poor people of rural area can also access loan as proposed business itself considered as collateral.

**Policy implications**

As the youth have been recognized as driving force of the nation, their issues and concerns have been addressed in every sector through making wise policies and plans. The Three Year Interim Plan (2010-2013) has two major objectives that include poverty alleviation and establishment of sustainable peace through the employment centric inclusive and justifiable economic growth. To achieve the objectives, the plan has focused on generation of employment opportunities, including justifiable development, and good governance. Nepal being a signatory to the millennium development goals (MDGs) has shown commitments to youths through several goals and targets among which poverty reduction, education and empowerment are in higher priority. Similarly, the National Youth Policy 2010 has identified the employment of youth as one of the major issues and aims to develop rural and agro-industry focusing on and by providing entrepreneurship and other vocational training, in order to enhance employment. And for the development of professionalism and entrepreneurship and generation of employment of the youths, initiation shall be taken to establish and develop financial institutions, as required. In order to develop entrepreneurship on the youths who have technical knowledge and skills, programs shall be launched to provide youth friendly loans and seed money on the basis of certificate.
CHAPTER 4. KEY FINDINGS, CONCLUSION AND WAY FORWARD

4.1 Key findings
4.1.1 SSE organizations

The SSE is all around us and refers to familiar realities for everyone. We are all members of at least one association; the vegetables we buy are often produced or traded by cooperatives, member of cooperatives or mutual banks, etc (Fonteneau et al. 2011). Therefore, SSE refers to specific forms of organizations and enterprises particularly the cooperatives, mutual benefit societies, associations, community-based organizations, social enterprises, foundations, fair trade groups, etc. The SSE is indeed a dynamic and evolving group of organizations.

There are more than 300,000 SSE organizations in Nepal allowing strengthening the capacity of communities to adapt and adopt economic affairs privileges social solidarity economy through creating decent jobs or any kinds of facilities to about 20 million people. Cooperatives, mutual benefit societies, associations, social enterprises, federations are the most common types of social solidarity economy organizations (SSEOs) but they are not the only ones. There is an unprecedented boom in the establishment of new cooperatives and transactions of local goods and commodities (vegetables, livestock, poultry, etc.). A number of associations, voluntary organizations, community-based organizations, non-profit organizations and economic interest groups form a heterogeneous vibrant group that operate through collective strategies to generate the social economy. In addition, National government, local government and non-government organizations are also taking part in SSE. Micro credit and saving cooperatives particularly boosted individual and community level economy and earmark taxes for the government. Green jobs and fair trade groups emerged at the basic tenet of cooperatives.

The organizations need better access to capital, training, markets, and tools of research and development to attain the full-fledged benefits, and multi-strategic initiatives are required. Even the community-friendly sustainable economy approached government policies are substantial. Therefore, the social and solidarity economy cannot accept to remain marginal, with exclusively small-scale initiatives that are not necessarily connected to one another. It is essential that these movements have better access to more capital. Numbers of associations, voluntary organizations, community-based organizations, non-profit organizations and economic interest groups form a heterogeneous group and operate in every possible field (Develtere and Defourny 2009). Associations have many advantages; for example, their establishment and operating methods are relatively flexible and they provide a basis for new forms of sociability (Fonteneau et al. 2011).

Local governance institutions provide an important forum for consultation and discussion, in order to determine a model of economic development which corresponds with the quality of life of the community or communities concerned. They are dynamic and evolving group of actors that all promote and run economic organizations that are people-centered (Fonteneau and Develtere 2009). Therefore, the social and solidarity economy cannot accept to remain marginal, with exclusively small-scale initiatives that are not necessarily connected to one another. It is essential that these movements have better access to more capital.
Social entrepreneurship is a relatively recent concept and a strong emerging phenomenon. It is promoted by many networks and organizations. According to Thompson and Doherty (2006), social enterprises are organizations seeking business solutions to social problems. They differ from the other types because they are not necessarily collectively owned, they do not solely aim to make financial profits but also seek to generate social benefits. Social enterprises are often characterized by a multi-stakeholder governance and ownership (i.e. gathering users, founders, funders, local authorities, etc.) that somehow guarantee the social purpose of the enterprise. They are often considered as hybrid organizations since they are doing business while promoting social values.

4.1.2 SSE and Job creation
There are about 25,000 cooperatives in Nepal and they contribute the economic activities of about 5 million people. The major cooperatives are savings and credit, multipurpose, dairy, agriculture, fruits, vegetables, bee keeping, tea, coffee, science and technology, and energy. About 40,000 beneficiaries are involved in fair trade groups. There are 187,778 small and cottage industries (social enterprise) (ISRC 2013) employing more than 2 million individuals (GoN 2012). There are 0.4 million leasehold forest users accommodating in 7,230 leasehold forestry groups.

A total of about 2,194,350 households (10 million people) have been benefited from community forestry and oriented to manage about 1,652,654 hectares of national forest to generate local economy through right based and equitable benefit sharing approach of collective actions. They mobilize market, volunteer and public resources to achieve their goals. Principles of participation, empowerment and collective responsibility are the major factors of social solidarity economy which is attempted to practice through these SSE organizations.

4.1.3 Gender, equity, inclusiveness and environment concerns in SSE
The social and solidarity economy must rely more on the social movements which have adopted the values of solidarity and equity in their struggles. Each CSO is concerned with benefits, opportunities, gender and social concerns of community and have space for disadvantaged groups. Poor, women and ethnic groups were prioritized to access and benefit from the investment and production. They were empowered through trainings and skills especially through off-farm activities as well as savings and credit schemes. Participation of these groups was encouraging. Since the CSOs are in place to improve social and solidarity economy of local communities, precisely the awareness, access, participation, and equity entities are well nurtured.

4.1.4 Sustainability of SSE
Sustainability of the SSE depends on its capacity to root itself in community, to mobilize various stakeholders and to build strong alliances with social partners and public authorities. SSEOs have demonstrated a strong capacity to create constructive and lasting partnerships and networks. SSE to bottom –up collective initiatives has committed to collaboration rather than competition through which community needs are responded apart from financial gains.
4.1.5 **Scope of applicability**

Cooperatives facilitate the economic activities of any society. Its importance in the marginalized community outweighs as it socio-economically empowers the community and contribute to bring them in the mainstream development. This is contributing a lot in promoting solidarity economy with its high relevance in the country like Nepal where the number of marginalized communities with their traditional occupations based on nearby local resources, indigenous knowledge, collective approaches, and subsistence economy. Sustainability of these community initiated interventions is skeptical unless their board range of applicability, multiplication and replication is ensured. Current model of transforming CSO into mutual benefit societies is replicable and can be applied in a similar context elsewhere.

4.2 **Conclusion**

The social and solidarity economy cannot be an exempt of isolation. It is a collective approach to sustainable development by establishing a link between economy and society, local and global institutions, labor and investment entities and production, and consumption and environment ambience. It refers to organizations and enterprises that are based on principles of solidarity and participation produce goods and services while pursuing both economic and social aims and fostering solidarity economy.

The SSE has long been entrenched in traditional culture, ritual and customs as collective saving (*Dhikuti*) for feeding pro-poor of the villages in Thakali ethnic groups of Mustang district, employee lending (*Parma*) among the farmers in midhills and Terai, collective saving for usage of any kind of feast (*veja*) in Magar communities and *Guthi* in Newar communities. These practices have now transformed into saving and cooperatives, fair trade groups, user groups, federations and social enterprises whereas some are still extant in rural villages with their indigenous forms. There are now more than 50,000 SSE organizations in Nepal allowing strengthen capacity of communities to adapt and adopt economic affairs privileges social solidarity economy. More than 15 million people are engaged in SSE organizations however the role of cooperatives, user groups, federations, social enterprises and fair trade groups is more pertinent. SSE organizations mobilize market, volunteer and public resources to through principles of participation, empowerment, right based, equitable benefit sharing and collective actions to attain social solidarity economy. Social and solidarity economy is now able to be more productive in a sense of decent job creation, benefit sharing, social cohesion and sustainable development due to assemblage of traditional knowledge, modern technologies and social commitments.

Bamboo workers union of Pahari communities has been an example of solidarity at local level for building synergy that may contribute to socio economic empowerment of the communities, traditional knowledge management and resource conservation through collective actions. The establishment of cooperative from a marginalized and minority group in their native niche for their financial transaction is itself encouraging. Again the initiative for their socio-economic development and sustainability of resources is worth, because their initiatives aid government processes. Behavioral change and positive attitude towards collective saving, lending for productive projects and sustainable harvesting of NTFPs are inklings of affirmative transformations.
All the segments of a society i.e. poor, well-off, women, forest users, collectors, processors, marketers, government and non-government staffs, etc. are consolidated as public-private partnership model to own and mobilize their resources, deliver services to society, generate additional income and support livelihood particularly of poor and women through collective approaches of business solutions, sustainable resource management and value addition. Yet the public-private partnership strategy was equally engendered, social and solidarity economy was inevitably grown because of its inclusive and equitable concerns. However, as a common phenomenon of socio-economic institution in a diversified society, some problems are evidences at implementation and benefit sharing levels.

Solidarity economy in particular for autonomy and better access to capital provides the ways in which women can assert their economic independence (through micro-credit and income generation groups), exercise their creativity (through collective working with traditional crafts) and expand their horizons (through barter groups). Home based women work is a particular and growing in part of economic modernization because its growth exponentially linked to the globalization of industry and the never-ending search for local sources of labor and more efficient means of production. Sonaha groups, a minority groups, are folk fishers and gold miners and frequently inhabited in river banks for their livelihood, however because of the limited access to the rivers and their banks, there is erosion on traditional livelihoods and refutation on implementing the ILO treaty and jeopardy in sustenance. An initiative from a minority and indigenous group for resource conservation, sustainable supply for resources and collective approach for consistent access to natural resources is likely to be acknowledged.

YSESEF is one of the priority programs of the Government of Nepal and it is based on, three-pillared economy-public, private and cooperatives. It is deliberate in supporting the movement of social and solidarity economy of local communities by providing basic awareness and facilitating easy access to youths so as to develop decent jobs, self-reliant livelihood and socio-economic development. Therefore, the YSESEF is successful in developing social enterprises and organizations and creating decent jobs and sustained livelihoods ensuring social protection. Within the initiatives, at the end of 2012 AD, 5,235 individuals from 50 districts of the country are self-employed and self-reliant for socio-economy.

Preeminence of people with acknowledging full participatory and democratic mode, working over their capital as an autonomous institution when redistributing them, and sharing benefits to all members in equitable mechanisms are credentials of Nepalese SSE organizations. They all are dynamic and evolving group of actors that all promote and run economic organizations that are people-centered. Social enterprises are emerging phenomenon and promoted by many networks and organizations for seeking business solutions to social problems.
4.3 Way Forward
They offer many advantages to address social, economic, political and environmental challenges, including social cohesion, empowerment, income generation, institutionalization, etc. However, they are yet to be strengthened and empowered and equipped for full fledged production and supported by liable policy documents. Government policies easing user group formation, entrepreneurship, enterprise development and commercial economy and considering rights, equitable, inclusive, gender sensitive, collective and cooperative strategies invigorate social economy and solidarity. Along with liable policies, national level fund and trust are complementary to SSE and the empowerment of women and marginalized/disadvantaged communities. Even the community-friendly sustainable economy based government policies are substantial.

SSE recently has emerged in Nepal though its application dates back to ancient past entrenched with indigenous institutions/culture. Most of these practices have now been institutionalized into SSE organizations as cooperatives, fair trade groups, user groups, federations and social enterprises, however almost of them are in infancy stages and sought to be capacitated. Strengthening partnerships between social and solidarity economy actors, civil society movements and government has largely been recognized and urged globally as a smooth pace for social and solidarity economy to reach its potential. Institutionalization of SSE organizations is a must and they are to be leveraged. SSE organizations should be allowed to strengthen capacity of communities to adapt and adopt economic affairs privileges social solidarity economy.

The imperatives are related to achieving a comprehensive strategic framework for the whole economic sector where each and every pertinent sectors could be well addressed, with clear government leadership to accelerate the holistic socio-development.

There was a compliance with the basic wage, health and safety regulations in favor of workers and members and decency in jobs was maintained in civil society organizations. Particularly, awareness, understanding and knowledge about rights, living standards, safety precautions, sustainable development and solidarity economy were capacitated at local and non-government bodies. Collective actions, enterprise and entrepreneurship were promoted at community levels. However, they are yet to be strengthened, empowered and equipped for full fledged production and supported by liable policy documents. The CSOs need better access to capital, training, markets to attain complete benefits and tools of research and development and multi-strategic initiatives are required. Even the community-friendly sustainable economy approached government policies are substantial.

It is essential that social and solidarity economy movements have to source better access to capital. However, the activities implemented by government of Nepal using funds such as Youth Self-employment Fund, Poverty Alleviation Fund, various incentives for cooperatives, international support as pooled fund for farmer groups and agro-based enterprises are poorly linked across different components, and seen as competing rather than complementary.
CHAPTER 5. REFERENCES


Jana S, Ghimire S. 2005. Review of Implementation of the CBD Program of Work on Protected Areas (Element 2): the Case of Nepal. IUCN WCPA/CEESP Strategic Direction on Governance, Communities, Equity, and Livelihood Rights in Relation to Protected Areas, Nepal Chapter


HBWCSN. 2061-2062 BS. Voice of Home-Based Workers, Bulletin No 3-6, Kathmandu, Nepal.


[http://escholarship.org/uc/item/8857741x#page-6](http://escholarship.org/uc/item/8857741x#page-6)
[http://www.caledonia.org.uk/eu-see.htm](http://www.caledonia.org.uk/eu-see.htm)
[http://www.sewa.org](http://www.sewa.org)
[http://www.wiego.org](http://www.wiego.org)


Trade Union Situation in Nepal ([www.fesnepal.org/reports/2001/tu_report01.htm](http://www.fesnepal.org/reports/2001/tu_report01.htm))
### Annex 1. List of participants of National workshop (09 Nov 2012)

<table>
<thead>
<tr>
<th>SN</th>
<th>Name</th>
<th>Designation</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>YB Dhakal</td>
<td>Chairman</td>
<td>FEWUN</td>
</tr>
<tr>
<td>2</td>
<td>Kabindra Burlakoti</td>
<td>President</td>
<td>National Youth Federation Nepal</td>
</tr>
<tr>
<td>3</td>
<td>Krishna Ojha</td>
<td>President</td>
<td>FECOFUN, Tapleung</td>
</tr>
<tr>
<td>4</td>
<td>Pavan Adhikari</td>
<td>President</td>
<td>IRD</td>
</tr>
<tr>
<td>5</td>
<td>Babina Bajracharya</td>
<td>APO</td>
<td>CECI, UniTERRA</td>
</tr>
<tr>
<td>6</td>
<td>Marie Pier Pemice</td>
<td>NMA</td>
<td>UniTERRA, FTG</td>
</tr>
<tr>
<td>7</td>
<td>Bishnu P Gyawali</td>
<td>G. Secretary</td>
<td>FEPFOS</td>
</tr>
<tr>
<td>8</td>
<td>Lakshya Dhungana</td>
<td>Intern</td>
<td>CECI</td>
</tr>
<tr>
<td>9</td>
<td>Nirmala Shrawali</td>
<td>Representative</td>
<td>HIMAWANTI</td>
</tr>
<tr>
<td>10</td>
<td>Ram P Acharya</td>
<td>MD</td>
<td>PSPL</td>
</tr>
<tr>
<td>11</td>
<td>Ripu M Kunwar</td>
<td>PD</td>
<td>PSPL</td>
</tr>
<tr>
<td>12</td>
<td>Suman Dhakal</td>
<td>PO</td>
<td>PSPL</td>
</tr>
<tr>
<td>13</td>
<td>Prashant Poudel</td>
<td>PO</td>
<td>PSPL</td>
</tr>
<tr>
<td>14</td>
<td>Ramesh K Adhikari</td>
<td>MFPO</td>
<td>NEFSCUN</td>
</tr>
<tr>
<td>15</td>
<td>Sunil K Pariyar</td>
<td>Chairman</td>
<td>Dalit Association of Nepal</td>
</tr>
<tr>
<td>16</td>
<td>Buddha B Mizar</td>
<td>Coordinator</td>
<td>DANAR</td>
</tr>
</tbody>
</table>

### Annex 2. List of participants of local consultations

<table>
<thead>
<tr>
<th>SN</th>
<th>Name</th>
<th>Designation</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr. Shanty Sonaha</td>
<td>President</td>
<td>Sonaha Development Society, Daulatpur, Bardia</td>
</tr>
<tr>
<td>2</td>
<td>Mr. Krishna Sonaha</td>
<td>President</td>
<td>Nepal Sonaha Association in Patabhar VDC, Bardia</td>
</tr>
<tr>
<td>3</td>
<td>Mr. Alok Chaudhary</td>
<td>President</td>
<td>Patabhar UC, Patabhar, Bardia</td>
</tr>
<tr>
<td>4</td>
<td>Mr. Yam Ban</td>
<td>Social worker</td>
<td>Tikapur, Kailali</td>
</tr>
<tr>
<td>5</td>
<td>Mrs. Gayatri Acharya</td>
<td>Social worker</td>
<td>Dolakha district, Nepal</td>
</tr>
<tr>
<td>6</td>
<td>Mr. Mitra B Jirel</td>
<td>President</td>
<td>Everest Gateway, Dolakha</td>
</tr>
<tr>
<td>7</td>
<td>Mr. Chandra P Jirel</td>
<td>Member</td>
<td>Everest Gateway, Dolakha</td>
</tr>
<tr>
<td>8</td>
<td>Mr. Bir B Pahari</td>
<td>President</td>
<td>Bamboo groups, Badikhel, Lalitpur</td>
</tr>
<tr>
<td>9</td>
<td>Mr. Sanjaya Pahari</td>
<td>General Secretary</td>
<td>Bamboo groups, Badikhel, Lalitpur</td>
</tr>
<tr>
<td>10</td>
<td>Ms. Niru Pahari</td>
<td>Member</td>
<td>Bamboo groups, Badikhel, Lalitpur</td>
</tr>
<tr>
<td>11</td>
<td>Ms. Devi Pahari</td>
<td>Member</td>
<td>Bamboo groups, Badikhel, Lalitpur</td>
</tr>
<tr>
<td>12</td>
<td>Ms. Sarala Acharya</td>
<td>Member</td>
<td>HomeNet</td>
</tr>
<tr>
<td>13</td>
<td>Mrs. Samjana Tamang</td>
<td>Member</td>
<td>Homenet</td>
</tr>
<tr>
<td>14</td>
<td>Mr. Basanta Pahari</td>
<td>Bamboo groups, Badikhel, Lalitpur</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Ms. Pratima Pokhrel</td>
<td>Chairperson</td>
<td>HBWCSN, Kathmandu</td>
</tr>
<tr>
<td>16</td>
<td>Ms. Kamala Panta</td>
<td>Co-ordinator</td>
<td>HBWCSN, Kathmandu</td>
</tr>
<tr>
<td>17</td>
<td>Mrs. Kamala Karki</td>
<td>President</td>
<td>Pashupati HBW coop</td>
</tr>
<tr>
<td>18</td>
<td>Mrs. Laxmi Shrestha</td>
<td>President</td>
<td>Gokarneswor HBW coop</td>
</tr>
<tr>
<td>19</td>
<td>Mr. Nar Jung Praja</td>
<td>President</td>
<td>Chepang Coop, Chitwan</td>
</tr>
<tr>
<td>20</td>
<td>Mr. Ram K Shrestha</td>
<td>Member</td>
<td>Chepang Coop, Chitwan</td>
</tr>
<tr>
<td>21</td>
<td>Mr. Budhram Praja</td>
<td>Mill operator</td>
<td>Chepang Coop, Chitwan</td>
</tr>
<tr>
<td>22</td>
<td>Mr. Gyanendra Praja</td>
<td>Member</td>
<td>Chepang Coop, Chitwan</td>
</tr>
<tr>
<td>23</td>
<td>Dr. Punya Prasad Regmi</td>
<td>Vice-chairman</td>
<td>YSESEF, Kathmandu</td>
</tr>
<tr>
<td>24</td>
<td>Mr. Narayan Datta Devon</td>
<td>Fund Manager</td>
<td>YSESEF, Kathmandu</td>
</tr>
<tr>
<td>25</td>
<td>Mr. Hari Ghimire</td>
<td>Press Advisor</td>
<td>YSESEF, Kathmandu</td>
</tr>
</tbody>
</table>
Annex 3. Survey questionnaire and checklist used for consultation (both in Nepali and English)

(kZgfjnL)

Contact details:
1. ;yfsf gfd M Name of organization: ;Dks{} ufgf M Detail Contact Address:
2. ykfgf M Established Date:
3. Zfvf stf[nox? jf eft[ ;yfx?sf] gfd M Name of member institution, if any:
4. o; ;yfsf b:ox? M sfo[slf/L M ;fwf/0f M
5. o; ;yfsf cGo b:ox? / >dLsx? M
6. o; ;yfsf k|d'v / sfo[slf/L k|d'v M Name of Chairperson/CEO
7. o; ;yfsf sfo[slf/L dltldf slt hgf blntM hghtfLM dlxfM cGo M
8. o; ;yfsf ef)lts ;DklL M

Historical Background:
10. o; ;yf xfkgf x'g'sf] d'Vo sf/0f M What is the basis of establishment of this organization?
11. lsg o; ;yfsf yfkgf dxQjk'0f{ 5 M Why do you feel the need of establishment of this organization?
12. o; ;yf yfkgfufb[sf d:ofx? s] s] 5g What were the difficulties you faced while establishing this organization?
13. o; ;yfsf b:o aGg s] s] k|fawfgx? 5g M What are the basic criteria to be a member of this organization?
14. c? goF b:ox? afpg'kg]{ c]Zostf 5 eg] lsg / s;/L
15. o; ;yfsf nlo Vision/mission/Goal of the organization:
16. o; ;yfsf d'Vo p2]Zox? What is the main objective behind the establishment of this organization?

Gender and Social inclusion:
17. o; ;yfdf dlxf / ;dfjlztfsf jfnx?nfO{ s;/L dfwfg ug'{ ePsf} 5 M How do you address issues of gender or specific community based social service program in your organization?
18. Xfd[l] ;yfdf blnt, dlxf, cklÊ, cflbjf;L, cfbLnfO{ s]xL ljz]if sfo[qmdx? 5g ls Is there any gender or specific community based social service program in your organization?

Investment and benefit sharing:
19. ;b:ox?sf] lhjsf]kfh[g / cfly{s ;Da[lbdf o; ;yfsf} e'ldsf
20. o; ;yfsf b:o ag] kZrft b:ox?n] s] s] ca/ k|fKt ug{ ;Sb5g
21. o; ;yfsf b:o ag] kZrft b:ox?n] s] s] s]/df dfmO[bf kfpssf 5g ;dfdhls kfmO{bf M cfly{s kfmO{bf M
22. kmfO{bf jf ngef+; lat/0f k|lqmofof s:tf] 5 Are they equally involved in benefit sharing mechanism? ljzjif s]lx 5 ls

23. ;Dk'0f{ ;b:ox?g] kmfO{bf jf ngef+; lat/0f k|lqmoofdf ;fd]n 5g t, 5g eg] s;/L, ! gd'gf


25. o; ;:ydf ;b:o / >lds?sf] ;jf ;'lawf / sfd labfsf[ cj:yf s:tf] 5? How has the organizational law or bylaw addressed the right of workers such as allowances, leave, provident fund and etc. at your organization?

26. ;b:o / >lds?nfO{ o; ;:ydf nufgL ug{kfpg] jftfj/0f s:tf] 5, nufgL u/L kmfO{bf lnPsf] cj:yf 5 eg] How the workers of this organization have been benefited from investment and income scheme of the organization?

27. ;b:ox?nfO{ yk lfdf lafsf; / ;:yfsf] ca;/df kx'r a[lc ug[df s] s] sfo{qmdx? 5g?

Sustainability and replication:

29. tkfO{sf] ;:yfnfO{ afXo ;xof[u s] lx 5
   ;/sf/L ;xo[uf]u M
   u]X ;/sf/L ;xo[uf]u M
   ;fd'bflos ;xo[uf]u M

   / yk a[IB ug[ s] ug'{ k5{

31. cfly[s sf]if kl/rng ubf[sf kmfO{nx?, Eof6, Kofg, bt{, cl86 l/kf]6{ cflb k|df0fx? s] 5g ldl6Ê dfO{Go'6 M
   Eof6 g+ M
   Kofg g+ M
   cl86 l/kf]6{ (M@)^%/%% @)^^{/& ( )^&/@^* ( )^%/(&)

32. ;:yfsf] lbuf[ ;+rfngsf] nfuL canDag ul/Psf] cfly[s sf]if lafsf; /0flgtL

33. cfly[s sf]if kl/rng ubf{ b)vf k]/sf ;d:ofx?

34. cGo ;d:ofx? w/];h;fl s:tf ljfox?df b)vf kb{5g
   nfe lat/0f ;b:otf cj;/df kx'r n]ÌEs laeb
   k|fs[lt

35. It ;d:ofx?sf] ;dfwfg s;/L ul/G5
   !
   @

PSPL/FECOFUN/NAFAN/DANAR, Kathmandu and CECI/UNITERRA, Kathmandu
Conceptual connection with SSE:
36. Do you have any programs which are directly related to social solidarity economy?
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot M \]
   \[ \text{cGo} \cdot \text{yfn} \cdot M \]
   \[ ; : yf \]

37. Do you think that this organization has attempted to address social solidarity economy development through organization’s value, principle and practices?
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot u / s f] \cdot \text{cfly} \cdot s / \cdot \text{tdflhs} \cdot + a [i] c / \cdot \text{fem} / \cdot \text{bf} / \cdot \text{L cy[tGqsf]} \cdot nfuL \cdot \text{tkfO[sf]} \cdot \text{yfut} \cdot ; \text{lw}[0 fs / 0 f c f] Zos 5, 5 eg] \]
   \[ s / u g] \{
   \[ \text{Do you think that this organization has attempted to address social solidarity economy development through organization’s value, principle and practices?}
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot u / s f] \cdot \text{cfly} \cdot s / \cdot \text{tdflhs} \cdot + a [i] c / \cdot \text{fem} / \cdot \text{bf} / \cdot \text{L cy[tGqsf]} \cdot gsf/f Tds k / \text{afa s} / x 5 g l s?
   \]

38. Do you have any programs which are directly related to social solidarity economy?
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot u / s f] \cdot \text{cfly} \cdot s / \cdot \text{tdflhs} \cdot + a [i] c / \cdot \text{fem} / \cdot \text{bf} / \cdot \text{L cy[tGqsf]} \cdot nfuL \cdot \text{yf} s / \text{sd} / \text{uf} \cdot \text{go} \cdot \text{kmfO[bfx]}
   \]

39. Do you think that this organization has attempted to address social solidarity economy development through organization’s value, principle and practices?
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot u / s f] \cdot \text{cfly} \cdot s / \cdot \text{tdflhs} \cdot + a [i] c / \cdot \text{fem} / \cdot \text{bf} / \cdot \text{L cy[tGqsf]} \cdot nfuL \cdot \text{yf} s / \text{sd} / \text{uf} \cdot \text{go} \cdot \text{kmfO[bfx]}
   \]

40. Do you think that this organization has attempted to address social solidarity economy development through organization’s value, principle and practices?
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot u / s f] \cdot \text{cfly} \cdot s / \cdot \text{tdflhs} \cdot + a [i] c / \cdot \text{fem} / \cdot \text{bf} / \cdot \text{L cy[tGqsf]} \cdot gsf/f Tds k / \text{afa s} / x 5 g l s?
   \]

41. Do you think that this organization has attempted to address social solidarity economy development through organization’s value, principle and practices?
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot u / s f] \cdot \text{cfly} \cdot s / \cdot \text{tdflhs} \cdot + a [i] c / \cdot \text{fem} / \cdot \text{bf} / \cdot \text{L cy[tGqsf]} \cdot nfuL \cdot \text{yf} s / \text{sd} / \text{uf} \cdot \text{go} \cdot \text{kmfO[bfx]}
   \]

42. Do you think that this organization has attempted to address social solidarity economy development through organization’s value, principle and practices?
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot u / s f] \cdot \text{cfly} \cdot s / \cdot \text{tdflhs} \cdot + a [i] c / \cdot \text{fem} / \cdot \text{bf} / \cdot \text{L cy[tGqsf]} \cdot nfuL \cdot \text{yf} s / \text{sd} / \text{uf} \cdot \text{go} \cdot \text{kmfO[bfx]}
   \]

43. Do you think that this organization has attempted to address social solidarity economy development through organization’s value, principle and practices?
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot u / s f] \cdot \text{cfly} \cdot s / \cdot \text{tdflhs} \cdot + a [i] c / \cdot \text{fem} / \cdot \text{bf} / \cdot \text{L cy[tGqsf]} \cdot nfuL \cdot \text{yf} s / \text{sd} / \text{uf} \cdot \text{go} \cdot \text{kmfO[bfx]}
   \]

44. Do you think that this organization has attempted to address social solidarity economy development through organization’s value, principle and practices?
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot u / s f] \cdot \text{cfly} \cdot s / \cdot \text{tdflhs} \cdot + a [i] c / \cdot \text{fem} / \cdot \text{bf} / \cdot \text{L cy[tGqsf]} \cdot nfuL \cdot \text{yf} s / \text{sd} / \text{uf} \cdot \text{go} \cdot \text{kmfO[bfx]}
   \]

45. Do you think that this organization has attempted to address social solidarity economy development through organization’s value, principle and practices?
   \[ \text{tkfO[sf]} \cdot \text{yfn} \cdot u / s f] \cdot \text{cfly} \cdot s / \cdot \text{tdflhs} \cdot + a [i] c / \cdot \text{fem} / \cdot \text{bf} / \cdot \text{L cy[tGqsf]} \cdot nfuL \cdot \text{yf} s / \text{sd} / \text{uf} \cdot \text{go} \cdot \text{kmfO[bfx]}
   \]

46. Do you think that this organization has attempted to address social solidarity economy development through organization’s value, principle and practices?
51. b[zsfsf] cfly[s / :fdfsfsf hs ;+a[lč / ;fem]bf/L cy{tGqnsO( ug() kg)[ sfdx? s] s] xfnfs?
52. tkfO[sl] cGo ;'emfa M
Annex 4: Questionnaire for SWOT Analysis

**STRENGTHS:**
1. What is your greatest property?
2. What are the major factors that motivated you to start this organization?
3. What are the major sources of your organization’s revenue or profit?
4. What is the major focus of your organization?
5. What are your remarkable achievements?
6. What relevant sources such as human resources or intellectual properties do you have?
7. What other unique resources do you have?
8. Do you have outstanding or staff with great talent?
9. Is their moral or attention to work for your organization is high?
10. Is your organization has better debit that can be used for organizational development?
11. Do you have a fund for sustainability of your organization?
12. Do you have national or international network or linkages for sustainable cooperation?

**WEAKNESSES:**
1. What areas do you need to improve on?
2. What necessary resources do you currently lack?
3. What human resources do you currently lack?
4. What relevant resources do you need?
5. Do you have enough cash flow to sustain your organization?
6. Has your organization faced any conflict recently or in the past?
7. Is your organization is in credit?
8. What is the biggest expense of the organization?
9. Do your employees perform at their best?
10. Is your management unit effective?
11. Do you regularly held your board/staff meeting and implement the outcomes/minute of the meeting?
12. Do you reward your employee?
13. Is your marketing or advertising regarding your organization is effective?

**OPPORTUNITIES:**
1. Are there any new organizational development strategies?
2. What new network/coordination could be developed for the betterment of the organization?
3. Can quality of management be improved or envisaged without adding any operation cost and human resources?
4. Is there any new governmental or international support available as an incentive for the organization?
5. What new governmental policies or programs are available?
6. What new social patterns or events have been developed that could benefit your organization?
7. Is there any organization or expertise who is interested to work for your organization voluntarily?
8. Are there any new techniques or tools available that could be used for your organization’s development?

**THREATS:**
1. Is there a better equipped competitor organization in your area?
2. What other obstacle do you face?
3. Are there any new rules and regulations in your region or country making your organization’s work difficult?
4. What other changes in the area could damage the operation of your organization?
5. Do you have any problem with internal of external funding sources?
6. Are your staff adequately trained or motivated for better achievement?
7. Are there any other weaknesses that seriously threatening your organization?
8. Is your asset is safe enough?
9. What if there is a natural disaster?
## Annex 5. Key informants of study

<table>
<thead>
<tr>
<th>SN</th>
<th>Name</th>
<th>Designation</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Shanty Sonaha</td>
<td>President</td>
<td>Sonaha Bikas Samaj, Bardia</td>
</tr>
<tr>
<td>2</td>
<td>Yam Bam</td>
<td>Social worker</td>
<td>Tikapur, Kailali</td>
</tr>
<tr>
<td>3</td>
<td>Gayatri Acharya</td>
<td>Social worker</td>
<td>Dolakha district, Nepal</td>
</tr>
<tr>
<td>4</td>
<td>Mitra B Jirel</td>
<td>President</td>
<td>Everest Gateway</td>
</tr>
<tr>
<td>5</td>
<td>Bir B Pahari</td>
<td>President</td>
<td>Bamboo groups, Badikhe, Lalitpur</td>
</tr>
<tr>
<td>6</td>
<td>Sanjaya Pahari</td>
<td>General Secretary</td>
<td>Bamboo groups, Badikhe, Lalitpur</td>
</tr>
<tr>
<td>7</td>
<td>Pratima Pokhrel</td>
<td>Chairperson</td>
<td>HBWCSN</td>
</tr>
<tr>
<td>8</td>
<td>Kamala Panta</td>
<td>Co-ordinator</td>
<td>HBWCSN</td>
</tr>
<tr>
<td>9</td>
<td>Kamala Karki</td>
<td>President</td>
<td>Pashupati HBW coop</td>
</tr>
<tr>
<td>10</td>
<td>Laxmi Shrestha</td>
<td>President</td>
<td>Gokarneswor HBZ coop</td>
</tr>
<tr>
<td>11</td>
<td>Nar Jung Praja</td>
<td>President</td>
<td>Chepang Coop, Chitwan</td>
</tr>
<tr>
<td>12</td>
<td>Budhram Praja</td>
<td>Mill operator</td>
<td>Chepang Coop, Chitwan</td>
</tr>
<tr>
<td>13</td>
<td>Mani Pokhrel</td>
<td>President</td>
<td>Youth NGO Federation, Kathmandu</td>
</tr>
<tr>
<td>14</td>
<td>Dr. Punya Prasad Regmi</td>
<td>Vice-chairman</td>
<td>YSESEF</td>
</tr>
<tr>
<td>15</td>
<td>Narayan Datta Devkota</td>
<td>Fund Manager</td>
<td>YSESEF</td>
</tr>
</tbody>
</table>