



# Social Business Day

COUNTRY FORUM OF NEPAL

**No Going Back**



**Centre for Self-help Development (CSD)**

Maitighar Height, Kathmandu





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# Executive Summary

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This year's Social Business Day was focused on the theme "No Going Back". The Forum was held from June 28-July 2, 2021. Most of the sessions were taken place virtually and some in-person programs were also held in Kampala, Uganda. This annual international event, organized by the Yunus Centre, Bangladesh was a family gathering of all social business practitioners, microfinance officials, media personnel, young entrepreneurs, academics, promoters and friends. It created a platform to bring all stakeholders to engage in dialogue, exchange ideas and gain energy from one another by inspiring each other.

An eight-member Social Business Day Conference Country Forum of Nepal Organizing Committee was formed under the chair of Mr. Shankar Man Shrestha, Chairman of the Centre for Self-help Development (CSD), to organize the Nepal Forum.

The Country Forum of Nepal was held online under the chair of Mr. Shankar Man Shrestha. Prof. Yunus also made a keynote address. On the occasion, discussions were held on three topics and 10 sub-topics, in line with creating an environment for achieving zero poverty, zero unemployment, and zero net carbon (green gas) emissions. There were 10 thematic experts in the panel who shared their views and expert opinions on their designated sub-topics.

The objective of the Forum was to provide platform to bring all of the relevant stakeholders together to mobilize energy to create a world of three zeros - zero net carbon emission, zero wealth concentration to end poverty and zero unemployment by unleashing the powers of entrepreneurship. Mr. Shankar Man Shrestha, Chairman of the Centre for Self-help Development and Chair of the Forum Organizing Committee formally opened the forum and welcomed all the participants. He said, "The main theme is 'No Going Back' with new perspective to reach the unreached poor and create self-employment opportunities specially for the unemployed youth who are the victims of our socio economic system."

Prof. Mohammed Yunus, who along with the Grameen Bank won Noble Peace Prize "for their effort to create economic and social development from below" in the year 2006, was also present in the Forum for short period of time. In a keynote address he said, "Covid-19 situation has created tremendous problems and difficulties for humanity but we don't want to go back but want to create new world with 3 zeros, but the question is how to get there." Prof. Yunus's campaign is to change the world to 3 'zeros' of carbon emission, unemployment, and poverty. He also said, "If we have determination we can achieve the three zeros."

The topics for the sessions in the Country Forum of Nepal were: Social Business and Entrepreneurship Development, Poverty Situation in Nepal and the Alleviation through Microfinance Institutions, and Carbon Emission Problems and Reduction Strategy in General in Nepal. The panelists spoke on their thematic areas based on their work experience and expertise in line with the topics provided to them.

A two year action plan was formulated for those 3 thematic areas. Regarding the topic on “Promotion of Social Business and Self-employment Creation among the Youth”, there was an agreement to collaborate with rural high schools for establishing 20 enterprise incubation centers for students to build entrepreneurship from bottom. Prof. Yunus in his earlier keynote address had extensively focused and given leverage on youths for promoting, developing and grooming youths as well as involving them in the mainstay of social business for counteracting social-ills that have been encroaching our world.

The second group focused on “Improving the Lives of the Poorest and Marginalized Families”. There was general consensus that the missions of MFIs should have been to improve the economic status of the poor, but they have not extensively focused on the hard core poor and have been guilty of providing loans to the middle class and even to the well-off members of the society.

Similarly, the third group focused on “Reducing Carbon Emission and Reduction Strategy in General in Nepal” through sustainable development practices. There were unanimous agreement that in order to work for holistic development of rural communities, MFIs will establish a number of Eco Villages in collaboration with local

governments. There was consensus to work on sustainable agriculture practices like promotion and production of vermin-culture, irrigation intervention through clean energy and renewable energy solutions like improved cook stove and improved water mills through the concept of eco-village as well as other interventions like promotion of 3 zero clubs, introduction of rural energy technology education and launching of fruit trees plantations.

In the closing remark, Mr. Shankar Man Shrestha, Chairperson of the 11<sup>th</sup> Social Business Day, 2021, Country Forum of Nepal thanked Prof. Yunus and the entire team of Yunus Centre for their invaluable support and technical assistance in organizing this forum. He also thanked organizing committee members, resource person, staff of the CSD as well as all the participants and stakeholders for their contribution and making this Forum a grand success. In the end he added, “We have problems like unemployment and rampant poverty but we should have dedication and commitment to solve them by ourselves.”





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## FOREWORD

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The Yunus Centre, Dhaka, Bangladesh is a think tank for issues related to social business, poverty alleviation and sustainable development. It has aimed primarily at promoting and disseminating Professor Yunus' philosophy, with a special focus on social business. Prof. Yunus's concept of social business is created and designed to address social problems with the establishment of a non-loss making, non-dividend companies which are financially self-sustainable. Yunus Centre also organizes Social Business Day annually as a family gathering of all social business practitioners, microfinance officials, media personnel, young entrepreneurs, academics, promoters and friends. It provides a platform to bring all stakeholders to engage in dialogue, exchange ideas and gain energy from one another by inspiring each other. This year's Social Business Day was focused on the theme "No Going Back" aiming at creating the situation of zero poverty, zero unemployment, and zero net carbon (green gas) emissions.

As a collaborative partner organization, CSD's current mission is to strengthen the microfinance sector in Nepal, serving the sector as the apex level organization focusing specially on national level training and research and also campaign for clean microfinance for alleviating poverty and creating self-employment for the youth. It vows to work with microfinance and cooperative institutions and government and non-government national and international agencies. It assists in operating self-sustainability of microfinance and responsible practices through intervention in poverty, unemployment and sustainable environment solutions.

The "11<sup>th</sup> Social Business Day, 2021, Country Forum of Nepal" was part of our approach to provide platform to bring all of the relevant stakeholders together to involve in sharing of individual endeavors and develop synergic effect by inspiring each other. It also acts as a mechanism to mobilize energy to create a world of three zeros - zero net carbon emission, zero wealth concentration to end poverty and zero unemployment through unleashing entrepreneurial potentials.

I would like to thank everyone who worked for making this event, 'Country Forum of Nepal', a success. My heartiest thanks goes to Nobel Laureate Prof. Muhammad Yunus, for inspiring and guiding us in organizing the Nepal Forum for the first time and Lamiya Morshed, Executive Director, Yunus Centre and the entire team of Yunus Centre for their invaluable support and technical assistance. I would also like to thank eight-member Organizing Committee of the Country Forum of Nepal, the moderators, action plan coordinator and moderators, plenary session panelists, the staff of CSD, participants from various sectors such as microfinance, media, young entrepreneurs, academia and promoters for their contribution and making this Forum a grand success. I also take the opportunity to extend my sincere appreciation to Mr. Sopan Bista for his excellent effort to bring out this report in this form.

Thank you,

**Mr. Shankar Man Shrestha**

Chair

Organizing Committee  
Country Forum of Nepal



## ABBREVIATIONS

AEPC	: Alternative Energy Promotion Centre
CEO	: Chief Executive Officer
COVID-19	: Corona Virus Disease (also SARS-CoV-2)
CRT/N	: Centre for Rural Technology/Nepal
CSD	: Centre for Self-help Development
CSR	: Corporate Social Responsibility
FINGO	: Financial Intermediary Non-governmental Organization
ICS	: Improved Cook Stove
MFI	: Microfinance Institutions
MIS	: Management Information System
NDC	: Nationally Determined Contributors
NGO	: Non-Government Organization
NRB	: Nepal Rastra Bank
NSB	: Nepal Social Business
NST	: Nepal Standard Time
SMN	: Shakti Milan Nepal
UNFCCC	: United Nations Framework Convention on Climate Change
ZOOM	: Zenith Optimization Of Media

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# Social Business Day

## COUNTRY FORUM OF NEPAL

# No Going Back

June 28 – July 2, 2021  
Kathmandu

## 1. Nepal Country Profile

### 1.1 Country Overview

Nepal is a landlocked country surrounded by China and India that has a population of about 28.7 million (CBS projection 2020) and covers a total area of 1,47,181 square km. The Terai makes up about 50% of the total population, with 43% residing in the Hills and 7% in the mountain regions (CCS, 2018, pp. 03). Nepal occupies 0.03 % and 0.3% land area of the World and Asia respectively. It has a diverse topography and climate. It stretches from east to west with an average length of 885 kilometers and widens from north to south with an average breadth of 193 kilometers. Bordered by China in the North and East, West and South by India, its latitude ranges from 26°22' North to 30°27' North and longitude from 80°04' East to 88°12' East. (Nepal in Figures, 2013, pp.2).

Its territory extends roughly 500 miles from east to west and 90 to 150 miles from north to south. The capital is Kathmandu. The landscape of Nepal is composed of three main physiographic regions. In the south, the plains of the Terai Region cover approximately 23 percent of Nepal's total area. In the middle, the Hill Region covers approximately 42 percent of the total area and consists of mountains, hills, flatlands, and valleys. In the north, the Himalayan Region covers nearly 35 percent of the total area and contains 200 peaks more than 6,000 meters in elevation including Sagarmatha (Mount Everest), the world's highest mountain (8,850 meters).

The Constitution of Nepal, 2015 has defined Nepal as an "independent, indivisible, sovereign, secular, inclusive, democratic, socialism-oriented, federal democratic republican state as well as a multi-ethnic, multi-lingual, multi-religious and multi-cultural country."

## 1.2 Economy

Nepal is among the least developed countries in the world, with about one-quarter of its population living below the poverty line. Nepal's GDP is \$36 billion (nominal, 2021), source- "World Economic Outlook Database, April 2021" - IMF.org/International Monetary Fund. (Retrieved 10 April 2021). Similarly, estimated GDP is \$123 billion (PPP, 2021). Source-"World Economic Outlook Database, April 2021"-IMF.org/International Monetary Fund. (Retrieved 10 April 2021).

Agriculture remains Nepal's principal economic activity, employing about 65% of the population and providing 31.7% of GDP. Only about 20% of the total area is cultivable; another 40.7% is forested (i.e., covered by shrubs, pastureland and forest); most of the rest is mountainous. Fruits and vegetables (apples, pears, tomatoes, various salads, peach, nectarine, potatoes), as well as rice and wheat are the main food crops. The lowland Terai region produces an agricultural surplus, part of which supplies the food-deficient hill areas. GDP is heavily dependent on remittances (9.1%) of foreign workers.

## 1.3 Poverty

The poverty headcount, calculated at the national poverty line was 42 percent in 1995, which gradually declined to 31 percent in 2003 and 12.5 percent in 2010. The significant reduction in poverty accompanied by an increase in mean per capita expenditures reflected in the Nepal Living Standard Surveys resulted in the revision of the national poverty line to reflect these improved living standards in 2010. The revised poverty line increased the real value of the poverty threshold by 35 percent, and the poverty rate in 2010 was estimated to be 25 percent. At the

international poverty line (PPP \$1.9/day), the poverty rate was 15 percent in the same year. In 2018, the Multidimensional Poverty Index (MPI) also reported that about 29 percent of Nepal's population was multi-dimensionally poor. The fourth Nepal Living Standards Survey that was designed to be representative of Nepal's new provinces was launched in March 2020 but had to be recalled due to the COVID- 19 pandemic.

A significant share of vulnerable households in Nepal face the risk of falling back into poverty due to COVID-19. Specifically, this pandemic is likely to have direct impacts on remittances, which have been a key driver of past poverty reduction; weaken labor markets in an economy dominated by agriculture and informal services; and impact non-monetary outcomes given the high share of private spending on health and education (Shrestha, 2017; World Bank, 2018). In this context, especially with the absence of recent poverty and micro-data, there is also an urgent need to understand how socio-economic indicators that proxy welfare are evolving with this crisis.

Source- [https://databank.worldbank.org/data/download/poverty/987B9C90-CB9F-4D93-AE8C-750588BF00QA/SM2020/Global\\_POVEQ\\_NPL.pdf](https://databank.worldbank.org/data/download/poverty/987B9C90-CB9F-4D93-AE8C-750588BF00QA/SM2020/Global_POVEQ_NPL.pdf), retrieved June 29, 2021

Poverty in Nepal is complex and multidimensional, with approximately a fifth of the population living below the poverty line and earning less than USD 1.90 per day. According to the National Planning Commission, five capabilities are important aspects of poverty reduction in a sustainable and effective manner. They are: (1) human capabilities (education, health, nutrition); (2) economic capabilities

(consumption, income, assets); (3) political capabilities (rights, influence, freedom); (4) socio-cultural capabilities (status, dignity); and (5) protective capabilities (security, environment). The major factors of poverty in Nepal are its geographic, demographic and social conditions. More than 90% of the population lives in rural areas. About 65% of the total population depends on agriculture, mostly subsistence farming. This occupation is rather challenging due to the difficult geographic conditions. The provision of mechanized transportation is minimal and difficult to sustain. Food production in the hills and mountains is inadequate to fulfill the year-round needs of the people. Consequently, seasonal and in many cases long-term, migration for labor has become a necessity for many people. The issue of poverty is especially acute in the case of disadvantaged and poor communities. Education, training and employment opportunities are far from the reach of people in these communities and they fall into a vicious cycle of on-going poverty.

## 1.4 Employment

Agriculture remains Nepal's principal economic activity, employing about 65% of the population and providing 31.7% of GDP. Only about 20% of the total area is cultivable; another 40.7% is forested (i.e., covered by shrubs, pastureland and forest); most of the rest is mountainous. Fruits and vegetables (apples, pears, tomatoes, various salads, peach, nectarine, potatoes), as well as rice and wheat are the main food crops. The lowland Terai region produces an agricultural surplus, part of which supplies the food-deficient hill areas.

GDP is heavily dependent on remittances (9.1%) of foreign workers. The Economic Survey of the Ministry of Finance was

quoted to have reported the addition of a minimum 512,000 youth population to the Nepali labor market, annually.

Basic employment-related challenges in Nepal are attributed to the predominance of employment in the informal segments of the Nepali economy with low productivity and earnings, and poor working conditions, resulting in underemployment in the country.

Remittance income from foreign employment has been contributing significantly to poverty alleviation and expansion of economic activities for a long time. Nepal is on the list of countries that receive the highest remittances in proportion to GDP. The average remittance inflow over the last 10 years has been 25 percent of GDP. In addition to remittance inflow, foreign employment is expected to develop entrepreneurship by acquiring knowledge, skills and experience as social and human capital.

As of mid-March of fiscal year 2019/20, the number labor permit holder for foreign employment is 5.041 million whereas number of workers that left for foreign employment is 4.792 million. Of the migrant workers, 4.555 million are men and 2.037 million are women. Of those who have gone for foreign employment, 1.5 percent are skilled, 24.0 percent are semi-skilled and 74.5 percent are unskilled.

Nepal's major destinations for foreign employment are: Qatar, Malaysia, Saudi Arabia, United Arab Emirates and Kuwait. In recent years, countries like Cyprus, Romania, Maldives, Malta, Jordan, Turkey seem to have become employment destinations for Nepali youth.

However, there is also a declining trend being observed over the last two fiscal year

with regard to overseas labor migration. This trend is encouraging the need for creation of more jobs, locally.

## 1.5 Environment

Nepal has numerous environmental problems. Sedimentation and discharge of industrial effluents are prominent sources of water pollution, and fuel wood burning is a significant source of indoor air pollution and respiratory problems. Vehicular and industrial emissions increasingly have contributed to air pollution in urban areas. Deforestation and land degradation appear to affect a far greater proportion of the population and have the worst consequences for economic growth and individuals' livelihoods. Forest loss has contributed to floods, soil erosion, and stagnant agricultural output. Estimates suggest that from 1966 to 2000 forest cover declined from 45 to 29 percent of the total land area. Often cited causes of deforestation include population growth, high fuel wood consumption, infrastructure projects, and conversion of forests into grazing- and cropland. According to government estimates, 1.5 million tons of soil nutrients are lost annually, and by 2002 approximately 5 percent of agricultural holdings had been rendered uncultivable as a result of soil erosion and flooding. Land degradation is attributed to population growth, improper use of agro-chemicals, and overly intensive use of landholdings that are too small to provide most households with sufficient food. Since the late 1980s, government policies have attempted to address these numerous and related problems, but policies often are hampered by lack of funding, insufficient understanding of Nepal's mountain ecosystems, bureaucratic inefficiency, and sometimes contentious relations between the central government and local communities.

Carbon Emission Reduction Programs is being implemented in districts participating in Carbon Trading in the forest sector which are: Rautahat, Bara, Parsa, Chitwan, Nawalpur, Parasi, Rupandehi, Kapilvastu, Dang, Banke, Bardiya, Kailali and Kanchanpur.

## 2. Rationale of the Country Forum

The 11<sup>th</sup> Social Business Day had focused on the theme "No Going Back". The Country Forums were held from June 28-July 2, 2021. Most of the sessions were taken place virtually and some in-person programs were also held in Kampala, Uganda.

This annual international event, organized by the Yunus Centre, Bangladesh is a family gathering of all social business practitioners, academics, promoters, and friends. It provides a platform to bring all the concerned party together to engage in dialogue, exchange ideas and gain energy from one another by inspiring each other.

The COVID-19 pandemic was raging around the world while the event was organized. This pandemic is all the more reason to mobilize all our energy to create a world of Three Zeros - zero net carbon emission, zero wealth concentration to end poverty, and zero unemployment by unleashing the powers of entrepreneurship. There is no going back to the suicidal path of creating global warming, extreme concentration of wealth and the threat of massive unemployment.

On June 29 and June 30, 2021, Country Forums were held. (Country Forum working time for each country was either 29th June night or the first half of 30 June, 2021 as per what was suitable to the timings of the region the members of the Country Forum Organizing Committee were located in). All sessions were held virtually.

The chair of the Country Forum worked closely with the Yunus Centre and guide the Country Forum Organizing Committee in organizing a country forum in a successful manner. The Organizing Committee under the leadership of the chairperson of Country Forum was responsible for organizing the country forum. Yunus Centre provided the chairperson of concerned Country Forum all the support through a Coordinator and Facilitator from the Yunus Centre who kept him/her connected with Yunus Centre.

The Country Forums had taken place in the following countries/regions:

1. Bangladesh, 2. Eastern and Southern Africa, 3. Thailand, 4. Malaysia, 5. Nepal, 6. India, 7. China, 8. Australia, 9. The Philippines, 10. Japan, 11. Europe, 12. Brazil, 13. North America, 14. Latin America and 15. Francophone countries.

An eight-member Country Forum of Nepal Organizing Committee had been formed under the chair of Mr. Shankar Man Shrestha, chairman of the Centre for Self-help Development, (Annex- 1). The moderators, coordinators and plenary session panelists are given in Annex-2. The Nepal Forum also prepared an action plan for the next two years and presented at the International Joint Forum held by Yunus Centre on July 2, 2021. The action plan is scheduled to be monitored and followed up through a new Action Plan Follow-up Committee to be formed by CSD. The group wise discussion is given in Annex-3. Two year action plan is given in Annex-4.

### 3. Objectives of the Forum

The main objectives were:

- to provide platform to bring all of the relevant stakeholders together to engage in dialogue, exchange ideas and gain

energy from one another by inspiring each other on social business goals,

- to mobilize all our energy to create a world of Three Zeros - zero net carbon emission, zero wealth concentration to end poverty, and zero unemployment by unleashing the powers of entrepreneurship and
- to promote the theme 'No Going Back' through massive sensitization of all stakeholders and partners of development.

### 4. Registration

The customized registration template of virtual platform ZOOM was used for the registration of this panel discussion webinar program including name, organization, designation, email address and contact details of participant potential for MIS of CSD. In total 256 participants completed registration process for the program.

The customized brochure for the program (Annex-1 and Annex-2) and invitation letter were sent via email on June 24, 2021. Program event was created in CSD face book on same date with the aim of spreading about this program among participants.

### 5. Participants

This panel discussion program was attended by 256 participants including Chairmen, CEOs, General Managers, Department Heads of banks and microfinance organizations, social business practitioners, academics, promoters, youth entrepreneurs and social leaders.

### 6. Methodology

This panel discussion was conducted online via ZOOM Video Conferencing using ZOOM Pro Plan Version 5.0.0.0. The actual



event started at 09:00 AM (NST) and ended at 01:00 PM (NST). The program schedule is given in Annex-5.

## 7. Moderators, Coordinators and Panelists

Mr. Shankar Man Shrestha, Chairman of the CSD, Chairperson of the Forum Organizing Committee of Country Forum of Nepal was the chair of the opening session. Dr. Bhesh Prasad Dhamala, Chairman of the Nerude Laghubitta Bittiya Sanstha Ltd, moderated the plenary sessions. Mr. Jyoti Chandra Ojha, CEO of RMDC Laghubita Bittiya Sanstha Ltd coordinated the groups in the formulation of action plan. Mr. Sushant Rijal, Program Officer of King's College, Mr. Sanjay Mandal, CEO of Jeevan Bikas Laghubitta Bittiya Sanstha Ltd and Dr. Indira Shakya, freelance consultant, moderated each of the three groups in preparation of Two Year Action Plan.

In the Plenary Session the panelists were Mr. Narottam Aryal, President of King's College, Ms Prakriti Mainali, Co-founder of SMN, Ms Bimala Yogi, CEO of Jalpa Samudayik Laghubitta Bittiya Sanstha Ltd, Mr. Bharat Raj Dhakal, Chairman of Muktinath Bikas Bank Ltd, Ms. Merina Ranjit, Deputy General Manager of Chaudhary Group, Dr. Gopal Dahit, CEO of Unique Nepal Laghubitta Bittiya Sanstha Ltd, Mr. Mahendra Kumar Giri, CEO of Sahara Nepal SACCOS, Dr. Sumitra Manandhar Gurung, CEO of Mahila Sahayatra Laghubitta Bittiya Sanstha Ltd, Mr. Nawa Raj Dhakal, Deputy Executive Director of Alternative Energy Promotion Centre and Dr. Purushottam Shrestha, Executive Director of Centre for Rural Technology/Nepal.

## 8. Proceedings of the Forum

### 8.1 Opening Session



*Mr. Shankar Man Shrestha, Chairperson of the Organizing Committee making his opening remarks*

Mr. Shankar Man Shrestha, Chairman of the Centre for Self-help Development and Chairperson of organizing committee of 11<sup>th</sup> Social Business Day, 2021, Country Forum of Nepal, formally opened the event and welcomed all the participants. He said, “The Social Business Day is celebrated to mark the Social Business Campaign started by Prof. Muhammad Yunus eleven years back. Social Business concept is the need of the hour to create a new world of social justice and economic equality. The ‘evils’ seen in our social, economic and environmental systems must be eliminated through new and creative endeavor. The theme of this year’s Social Business Day is ‘No going back’ with new perspective to reach the unreached poor and the unemployed youth. We vouch Prof. Yunus’s campaign to change the world to 3 ‘zeros’ of carbon emission, youth unemployment, and extreme poverty. Our National campaign of ‘khushi, sukhi, and samriddha’ Nepal can be achieved by creating self-

employment for the youth and reaching the poor and the marginalized through microfinance along with skills and knowledge building programs with the concerted efforts of all the concerned. Nepal will be a surplus electricity producer country soon like Bhutan and we will be able to distribute electricity to the poor for free/or at nominal cost to stop depletion of forest which will lead to landslides/floods like that of Melamchi. Bhutan is the only country in the world which has maintained negative emission in carbon. We have to learn from Bhutan. Therefore, a new roadmap is needed to be a pioneer country addressing 3 zeros by awaking, engaging, and dialoguing with the policy makers. Let us create new milestone with support of all stakeholders present in this forum today.”

## 8.2 Keynote Address by Professor Muhammad Yunus

Prof. Mohammed Yunus, who was jointly awarded the Noble Peace Prize with Grameen Bank, Bangladesh, “for their effort to create economic and social development from below” in the year 2006, was also present in the Forum. In his keynote address he said, “Covid-19 situation made it tough for humanity but we don’t want to go back but want to create



*Prof. Mohammed Yunus during his keynote address*

a new world with 3 zeros. We are working to create the new world where we wish to see zero emission, zero unemployment and zero poverty and we are handing over the leadership to the youths to implement this concept. We created messy problems so we need to hand over the responsibilities to the youth. Older people will facilitate the youth in implementing this concept. We will also develop 5-member 3-zero clubs around the world. The clubs will coordinate with other 3 zero clubs members and to develop synergy effect in implementing this noble cause and bring into fruition. The club members will not contribute to global warming, wealth concentration but will create entrepreneurship based on social business and not be employed in other organizations or by other people.”

## 8.3 Plenary Session on Different Thematic Topics

Dr. Bhesh Prasad Dhamala, Chairman of Nerude Laghubitta Bittiya Sanstha Ltd., moderated the plenary session. The topics for the sessions were Social Business and Entrepreneurship Development, Poverty Situation in Nepal and the Alleviation through Microfinance Institutions and Carbon Emission Problems in Nepal and Reduction Strategy. The panelists spoke



*Dr. Bhesh Prasad Dhamala, moderator of plenary session, during the Forum*

on their respective thematic areas based on their work experience and expertise.

### 8.3.1 Social Business and Entrepreneurship Development

#### 8.3.1.1 Role of Academia in Promoting Social Entrepreneurship and Way Ahead



*Mr. Narottam Aryal, speaking as the panelist in the Forum*

Mr. Narottam Aryal, President of the King's College, Kathmandu as a panelist, spoke on the Role of Academia in Promoting Social Entrepreneurship. He said, "There is abundance of natural and human resource in Nepal but we have not been able to harness them properly. Businesses prioritize profit without social orientation and touch. Similarly, education sector is detached from community and promoted theoretical education. Community's need and aspiration are not prioritized. Similarly our education system is not skilled based." He recommended, "We need to link education with the aspiration and demand of local communities. Similarly, we need to promote incubators which include mentors, investors, MFIs and other stakeholders who nurture and groom entrepreneurship." He also gave an example of 'lakhamari' of Newars which are used as gift to people residing in other countries but they are not well packed and do not look attractive. They have export

market as well but they need to be attractively packed to lure the domestic and foreign buyers."

#### 8.3.1.2 Challenges of Social Entrepreneurs and Way Ahead



*Ms Prakriti Mainali, speaking as the panelist in the Forum*

Ms Prakriti Mainali, Co-founder of SMN, spoke on Challenges of Social Entrepreneurs and Way Ahead. She said, "Social business should develop self-employment but some social businesses are getting grants which will hurt other social businesses and strangle free competition. As with other businesses, social business is also marred by cheap imports from neighboring countries. We will have to develop a lobbying mechanism with our joint effort to influence the government to formulate favorable policy and environment if we want social business sector to grow."

#### 8.3.1.3 Entrepreneurship Promotion through Microfinance and Way Forward

Ms Bimala Yogi, CEO of Jalpa Samudayik Laghubitta Bittiya Sanstha Ltd, spoke on Entrepreneurship Promotion through Microfinance. She said, "MFIs have promoted entrepreneurship training to microfinance members and many have taken incremental loan to increase the size

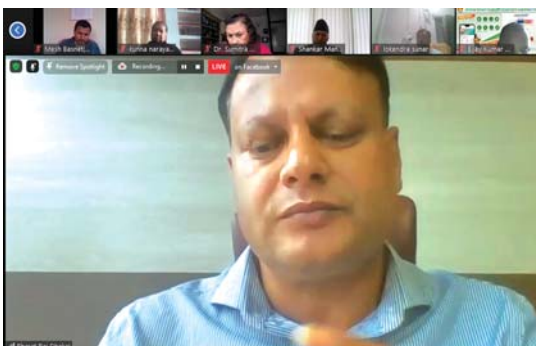




*Ms Bimala Yogi, speaking as the panelist in the Forum*

of their businesses. Social business should also prioritize gender equality and provide loans to poor and marginalized people and promote entrepreneurship among those who do not have access to microfinance.” She said that Nobin Program as envisioned by Prof. Yunus and promoted by CSD in Nepal under the guidance of Mr. Shankar Man Shrestha, Chairman of CSD, has also helped her organization to develop social entrepreneurship in areas like bee keeping and banana farming. She also said that she has also promoted larger entrepreneurs who have initiated dairy farms.”

#### **8.3.1.4 Developing Marketing Mechanism with Social Mission**



*Mr. Bharat Raj Dhakal, speaking as the panelist in the Forum*

Mr. Bharat Raj Dhakal, Chairman of Muktinath Bikas Bank Ltd, spoke on Developing Marketing Mechanism with Social Mission. He said, “There is sustainability issue in agriculture because of lack of market access. My company is supporting entrepreneurs in generating market access, developing quality control and assuring them to get fair price in agriculture and livestock related products. We also support entrepreneurs in developing saving habits which is essential for self-development of the producers.” He said that youth entrepreneurship development should have one stop solution on access to finance, collaboration with partners, timely availability of information on market price and facilitation on product marketing. He further added, “Entrepreneurs will have negative feeling and lose interest in their enterprise if they do not get fair price.”

#### **8.3.1.5 Rural Entrepreneur Incubation: Opportunity and Challenges and Way Ahead**

Ms. Merina Ranjit, Deputy General Manager of Chaudhary Group, spoke on Rural Entrepreneur: Incubation and Opportunity and Challenges and Way



*Ms. Merina Ranjit, speaking as the panelist in the Forum*

Ahead. She said, “We initiated Nepal Social Business (NSB) in partnership with Yunus Centre in 2014. We promoted 20 social businesses. As part of rural incubation, we supported Jumla Karnali Miteri Udhyog. The company manufactured cookies and porridge as khaja (tiffin food) program. We also conducted a year long training as well as conducted exposure visit to Kathmandu for the concerned employees of Jumla Karnali Miteri Udhyog. In 2021, the company has become non-operation. The challenges were, among others, lack of collaboration, insufficient skilled manpower in the market, lack of dedication and portraying social entrepreneurship as hobby and not as a core business.” Similarly, she added, “If upfront capital contribution and debt financing made by entrepreneur is lacking and there is high proportion of subsidy from government or donors, it will be difficult to create ownership of business among the entrepreneurs.”

Dr. Bhesha Prasad Dhamala, Chairman of the Nerude Laghubitta Bittiya Sanstha Ltd said that in order to develop, groom and guide social entrepreneurship towards the path of sustainability there should be a strategic alliance between microfinance institutions/cooperatives, private sector, non-governmental organizations and academic institutions. We should clearly draw a demarcation line between the roles and responsibilities between each sector so that there will not be a conflict of interest between them.

### 8.3.2 Poverty Situation in Nepal and the Alleviation through Microfinance Institutions

#### 8.3.2.1 Mechanism of Reaching the Poorest, Marginalized and Vulnerable through Microfinance Institutions



*Dr. Gopal Dahit, speaking as the panelist in the Forum*

The second topic was Poverty Situation in Nepal and the Alleviation through Microfinance Institutions. Dr. Gopal Dahit, CEO of Unique Nepal Laghubitta Bittiya Sanstha Ltd, spoke on the Mechanism of Reaching the Poorest, Marginalized and Vulnerable through Microfinance Institutions. He said, “Poor households should be identified and provide access to microfinance service. In the meantime issues such as multiple financing, over-indebtedness and rampant expansion of branches and providing loans haphazardly without credit appraisal should be halted as these practices will further indulge the members into quagmire of poverty.” He further added, “Subsidy should be replaced by credit access if we want to promote entrepreneurs because it will develop ownership among members. Similarly, 20% of total members should be promoted as entrepreneurs and there should be a five to ten year plan to promote, groom and develop them as entrepreneurs. Similarly, each branch of MFI should develop 5 entrepreneurs. MFIs should also promote youth employment, women empowerment and credit access to poor and ultra-poor.”

Regarding eco-village development he said, “MFIs should promote service centers for technical support, access to raw materials and marketing of finished goods. Similarly, MFIs should facilitate the members in developing access to finance and help in developing knowledge on digital finance.”

Dr. Pursottam Shrestha, Executive Director of the Centre for Rural Technology/ Nepal said, “Microfinance Institutions have been guilty of prioritizing terai and hilly regions having clustered households and bypassing scattered communities and therefore their service area is skewed geographically.” To this Dr. Dahit said, “Unique Nepal Laghubitta Bittiya Sanstha Ltd has focused on market penetration in rural areas and prioritized deprived communities as market segments. We have given market penetration precedence over market diversification. The districts that Unique has covered have high degree of market penetration. Lately we have also forayed into urban communities and towns. Being a public limited company, while selecting rural communities we also have to focus on breakeven point for sustainable business practice.

### 8.3.2.2 Mechanism of Reaching the Poorest, Marginalized and Vulnerable through Microfinance Cooperatives

Mr. Mahendra Kumar Giri, CEO of Sahara Nepal SACCOS, spoke on Mechanism of Reaching the Poorest, Marginalized and Vulnerable through Microfinance Cooperatives. He said, “There are currently 29,886 cooperatives in Nepal and more than 500 cooperatives operating



*Mr. Mahendra Kumar Giri, speaking as the panelist in the Forum*

microfinance programs. In cooperatives shares are issued to all members so that they have the feeling of ownership. In comparison to MFIs cooperatives have good saving collection. Cooperatives are also carrying out social business because of leeway given to us in comparison to MFIs by the regulatory authority. Local government is positive to cooperatives in comparison to MFIs.” Regarding the challenges he said, “Cooperatives have to serve poor, marginalized and socially excluded from mainstream of development and have to be updated with latest technological developments in order to develop competitive edge. COVID-19 has affected our entrepreneurship program, access to finance program as well as integrated development program for the economically and socially marginalized communities.” With regard to future course of action he said, “We should focus on entrepreneurship development, access to skill enhancement, networking and collaboration with different stakeholders, creating access to market, employment for foreign migrant workers and further develop and implement integrated development programs for the marginalized communities. We should also help members so they have access to improved cook stove, biogas and food security.”



### 8.3.2.3 Improving Policy Arrangement for Reaching the Poorest, Marginalized and Vulnerable



*Dr. Sumitra Manandhar Gurung, speaking as the panelist in the Forum*

Dr. Sumitra Manandhar Gurung, CEO of Mahila Sahayatra Laghubitta Bittiya Sanstha Ltd, spoke of Improving Policy Arrangements for Reaching the Poorest, Marginalized and Vulnerable People. She said, “First we need to orient our thoughts on how to improve the policies to reach the poorest, marginalized and vulnerable people. We should recognize poverty is a structural problem and we are in a position to change the structure that makes people poor- the structures are social, economic, physical and accessibility. As a mountainous country with its diversity of people, disparities are created by terrain, ethnicity, language, patriarchy and financial policies. First step to zero poverty is to fully understand the definition of poverty and map out the distribution of poor people across the country and within the communities. Standard policies will not help, therefore positively discriminatory policies to compensate the operational cost in reaching the marginalized groups are necessary to be in place. This is the social business for Nepal. The profit making policy and reaching the marginalized people are juxtaposed. The more there is competition to make profits/dividends, the more marginalized and vulnerable people

will be left out. Social Business policies need to be in place to allocate percentage of profits to invest on the poor, marginalized and vulnerable.”

Dr. Gopal Dahit, CEO of Unique Nepal Laghubitta Bittiya Sanstha Ltd commented, “When my organization was operating under Financial Intermediaries Societies Act 2055, it has no issues on dividend and shareholder’s profit but after incorporating under Bank and Financial Institution Act 2073 (2017) and operating as a public limited company, issues such as profit maximization also brought social ills such as multiple financing, create over-indebtedness and proxy borrowing.

### 8.3.3 Carbon Emission Problem in Nepal and Reduction Strategy

#### 8.3.3.1 Carbon Emission Problem and Reduction in General in Nepal

The third topic was Carbon Emission Problem and Reduction Strategy. Mr. Nawa Raj Dhakal, Deputy Executive Director of Alternative Energy Promotion Centre (AEPAC), spoke on Carbon Emission Problem and Reduction in General in Nepal. He said, “Nepal is committed to



*Mr. Nawa Raj Dhakal, speaking as the panelist in the Forum*

acting on climate change in line with the Paris Agreement. Government of Nepal has approved Second Nationally Determined Contribution (NDC) on 8th December 2020 and submitted to UNFCCC Secretariat. It envisions formulating ‘a long-term low greenhouse gas emission development strategy by 2021’ aiming to ‘achieve net-zero greenhouse gas emission by 2050’. Nepal’s second NDC, also called enhanced NDC, puts forward activity-based and policy targets for emissions reduction in priority sectors. By 2030, we have plan to expand clean energy generation from approximately 1,400 MW to 15,000 MW, of which 5-10% will be generated from mini and micro-hydro power, solar, wind and bio-energy. Of this, 5,000 MW is an unconditional target. The remainder is dependent upon the provision of funding by the international community. By 2030, it is ensured that 15% of the total energy demand is supplied from clean energy sources. Sales of electric vehicles in 2025 will be 25% of all private passenger vehicles sales, including two-wheelers and 20% of all four-wheeler public passenger vehicle sales. By 2030, ensure 25% of households use electric stoves as their primary mode of cooking. By 2025, we have plan to install an additional 200,000 household biogas plants and 500 large scale biogas plants (institutional/industrial/municipal/community). By 2025, 380 million liters/day of wastewater will be treated before being discharged, and 60,000 cubic meters/year of faecal sludge will be managed.”

### 8.3.3.2 Mechanism to Reduce Carbon Emission in Rural Context of Nepal

Dr. Purushottam Shrestha, Executive Director of Centre for Rural Technology/ Nepal, spoke of Mechanism to Reduce Carbon Emission in Rural Context of Nepal.



*Dr. Purushottam Shrestha, speaking as the panelist in the Forum*

He said, “We are focusing on Environment Friendly Village Development Program which is an integrated and holistic program for livelihood promotion with focus on vermin culture, rainwater harvesting as well as focus on renewable energy technology like mud/metallic cook stove and bio-briquette. Through vermin culture promotion and rainwater harvesting, we are promoting food security, entrepreneurship development and sustainable environment solution for social business. Bio-briquette and ICS protects forest which will also minimize environment induced hazards like forest fire, landslides and promote overall sustainable living solution.” ICS emits less smoke and has positive correlation, one of the recent research has shown, with decrease in chronic obstructive pulmonary disease (COPD) especially among women who indulge in cooking in kitchen for long hours.

## 8.4 Preparation of Two Year Action Plan and Way Forward

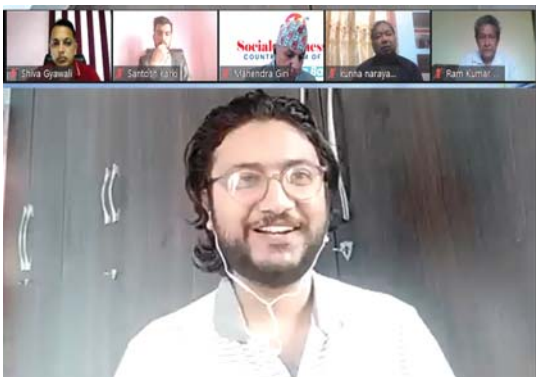
A two year action plan was formulated for 3 thematic areas which includes Promotion of Social Business and Self-employment Creation Among the Youth, Improving the Lives of the Poorest and Marginalized and Reducing Carbon Emission. The 3 groups



*Mr. Jyoti Chandra Ojha, coordinator of the session, while speaking about two year action plan*

were coordinated by Mr. Jyoti Chandra Ojha, CEO of the RMDC Laghubita Bittiya Sanstha Ltd.

#### 8.4.1 Promotion of Social Business and Self-employment Creation among the Youth



*Mr. Sushant Rijal, moderator of session*

Regarding the topic on Promotion of Social Business and Self-employment Creation among the Youth, which was one of the three thematic areas focused and coordinated by Mr. Sushant Rijal, Program Officer of King's College, there was an agreement to collaborate with rural high

schools for establishing 20 enterprise incubation centers for students. Prof. Yunus in this earlier keynote address had extensively focused and given leverage on youths for promoting, developing and grooming other youths as well as involving them in the mainstay of social business for counteracting social-ills that has been encroaching our world.

The 20 enterprise incubation centers for students will promote youth entrepreneurship from school age and help them initiate self-employment enterprises. It also agreed to prepare 20 stories of successful micro-entrepreneurs to educate potential micro-entrepreneurs and youth entrepreneurs. The focus was also on to organize a total of 25 exchange visit programs for potential micro-entrepreneurs so that they will be able to replicate some of the success cases in their local area. It also emphasized on to promote one thousand high school graduate children of MFIs members for entrepreneurship development. These high school graduates are the children of the members of microfinance institutions and cooperatives and MFIs will impart necessary technical and managerial skills, mentoring facility, timely guidance and provide access to credit so that high school graduates will be able to initiate and carry out entrepreneurship activities. As the participants in the forum shared that the academic course in Nepal running social entrepreneurship business is not based on practical approach, it was agreed that the higher secondary schools and colleges will incorporate practical courses that is attuned to the ground realities of the country and not directly replicated from foreign countries that align with their environment or courses incorporating working mechanism of multinational companies. For this, MFIs and academic institutions will jointly



create skill development fund for entrepreneurship development. The forum also focused on conducting study and developing database on the status of returnee migrants so that potential migrants can be tapped for the promotion and development of entrepreneurship. Similarly, inventory of returnee migrants and their skills will also be prepared for encouraging them to undertake micro-entrepreneurship for self-employment based on their capacities and needs.

#### 8.4.2 Improving the Lives of the Poorest and Marginalized



*Mr. Sanjay Mandal, moderator of session*

The second group focused on Improving the Lives of the Poorest and Marginalized Families. The group was moderated by Mr. Sanjay Mandal, CEO of Jeevan Bikas Laghubitta Bittiya Sanstha Ltd. There was general consensus that the missions of MFIs should have been to improve the economic status of the poor, but they have not extensively focused on the hard core poor and have been guilty of providing loans to the middle class and even to the well-off members of the society. To this effect, each MFI will conduct survey to identify the most deprived families under their jurisdiction within six months. The concerned MFI will depute its staff to outreach the target group to conduct

required training and organize them into groups and provide required services within one year in order to make them eligible for taking loans. Similarly, actions will be initiated to involve in their own product marketing by creating their own cooperative organization. Additionally, MFIs will initiate 20 green shops under the ownership of their members to support the marketing of members' products.

#### 8.4.3 Reducing Carbon Emission

The third group moderated by Dr. Indira Shakya focused on Reducing Carbon



*Dr. Indira Shakya, moderator of session*

Emission through sustainable development practices. There was unanimous agreement that in order to work for holistic development of rural communities, MFIs will establish 20 Eco Villages in collaboration with local governments. The strategy is to work for environment practices that imbed on sustainable agriculture practice like promotion and production of vermin-culture, irrigation intervention through clean energy and renewable energy solutions like improved cook stove, improved water mills, micro-hydro/mini-hydro and promotion of individual and community based biogas plants as well as promotion of clean water and sanitation. These will be entry level

intervention for holistic development of villages. In the meantime rural energy technology education will be also promoted at 10 rural schools in collaboration with Centre for Rural Technology/Nepal. As part of initiative on promotion and protection of environment as well as diversify the avenue of income generating activities each client of MFIs will also launch a campaign of fruit trees plantation through its rural members who own some land. At the same time MFIs will motivate local youths to form a total number of 100 Three Zero Clubs and connect them with national and international networks. The concept behind Three Zero Clubs is Prof. Yunus's vision to create 5 member Three Zero Club where they will endorse, promote and propagate message which includes - not to be employed but to contribute in developing entrepreneurship, lobbying and advocacy for economic equality and not an instrument for wealth concentration and also not contribute to global warming. As part of this initiative, the Centre for Self-help Development and RMDC Laghubitta Bittiya Sanstha Ltd will collaborate with a total of 4 rural municipalities for promoting the concept of Three Zeros in their Annual Policy and Program Guideline.

## 8.5 Closing Session

The action plan formulation process was coordinated by Mr. Jyoti Chandra Ojha. The two year action plan was also forwarded to Yunus Centre, Bangladesh, is shown in Annex 4. The closing session

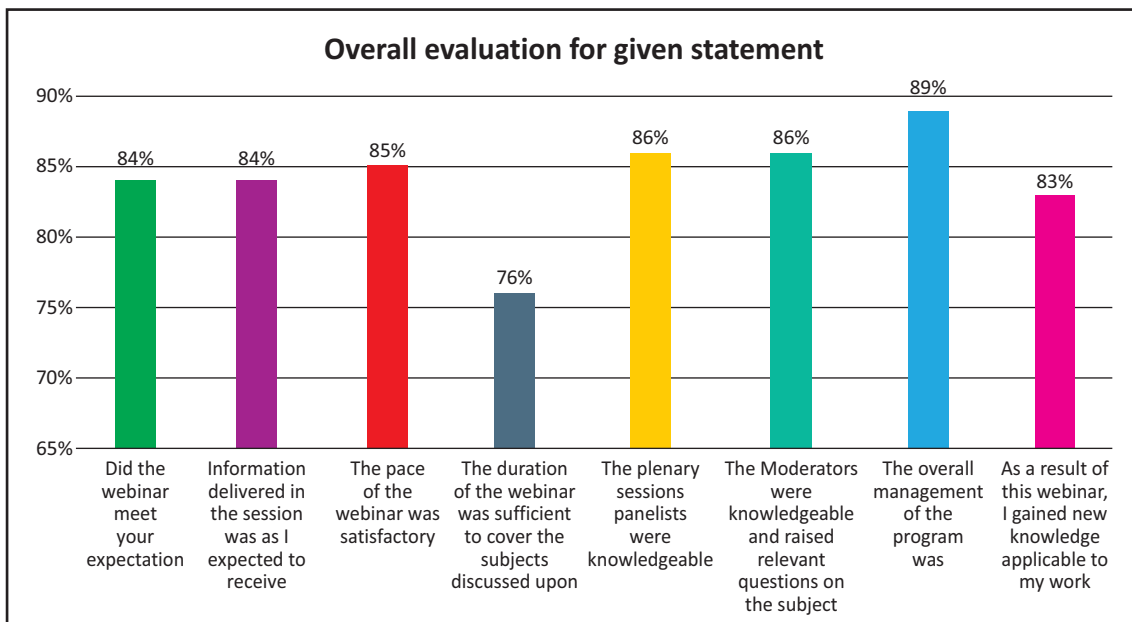
was chaired by Mr. Shankar Man Shrestha, Chairperson of 11<sup>th</sup> Social Business Day, Country Forum of Nepal. In the closing remarks, Mr. Shrestha, said, "We have to manage problems around us. Poverty and unemployment are two pressing problems that we have to address urgently. They are created by our socio-economic system. We have to change it. If we have will power and have the 'we can do' attitude and conviction to do, we can do away with them. We have no constraint of resources and should channelize our resources towards the needy people for the necessary tasks." At the end, he thanked Prof. Yunus and the entire team of Yunus Centre for their invaluable support and technical assistance in organizing the Forum. He also thanked organizing committee members, resource persons, staff of CSD as well as all the stakeholders for their contribution and making this Forum a grand success.

## 8.6 Program Evaluation

The feedback and evaluation of the Forum by the participants were carried out through online Google form. The participants were asked 8 different Likert-scale questions ranking 1 to 5, 1 being extremely poor and 5 being very good. The open-ended statements to collect feedback and conduct such program lived up-to their expectations. Among 256 participants, the feedback forms were submitted virtually by 138 participants. From the Likert-scale the overall result is as shown below.

Indicators	Rating	Percentage
Overall management of the program was	Highest Approval Rating	89%
The plenary sessions panelists were knowledgeable and The Moderator were knowledgeable	Second Highest Approval Rating	86%
As a result of the webinar, I gained new knowledge applicable to my work	One of the Lowest Approval Rating	83%





## 8.7 Conclusion

It was unanimously agreed that the eight-member Organizing Committee of the 11<sup>th</sup> Social Business Day, 2021, Country Forum of Nepal in consultation with stakeholders will upgrade the action plan and tune it to suit the need of the country. The Forum fully endorsed to work for attaining goals based on zero carbon emission, zero unemployment and zero poverty. It was also anticipated that all the stakeholders will devote their time and effort to try their best to achieve the overarching goals formulated in this Forum in the span of two years and will also formulate relevant committees to execute the tasks. The Forum extensively focused on youth employment and poverty reduction strategy using sustainable energy and environment practices for achieving



*Glimpse of participants at the 11<sup>th</sup> Social Business Day, Country Forum of Nepal*

three zero goals with the incorporation of social business objectives as envisioned by the theme of 'No Going Back'. CSD will form an Action Plan Follow up Committee which will oversee the implementation, monitoring and evaluation of Action Plan within the stipulated timeframe. The Action Plan, as shown in Annex-4, has also been forwarded to the Yunus Centre, Bangladesh.

# Annex-1

## 11<sup>th</sup> Social Business Day COUNTRY FORUM OF NEPAL

### Organizing Committee



## 11<sup>th</sup> Social Business Day COUNTRY FORUM OF NEPAL *No Going Back*

### PROGRAM DATE & TIME

June 30, 2021, (Ashadh 16, 2078)  
9:00 am to 1:00 pm

### ORGANIZING COMMITTEE



**Mr. Shankar Man Shrestha**  
Chair



**Mr. Bisheswor Acharya**  
Member



**Mr. Jyoti Chandra Ojha**  
Member



**Dr. Sumitra Manandhar (Gurung)**  
Member



**Mr. Mahendra Kumar Giri**  
Member



**Dr. Gopal Dahit**  
Member



**Mr. Sushant Rijal**  
Member



**Mr. Bechan Giri**  
Member Secretary

# Annex-2

## 11<sup>th</sup> Social Business Day COUNTRY FORUM OF NEPAL

### Moderators, Coordinators and Plenary Session Panelists



Coordinated by  
**Centre for Self-help Development (CSD)**  
Nepal

11<sup>th</sup>

## Social Business Day COUNTRY FORUM OF NEPAL *No Going Back*



On the Chair

**Mr. Shankar Man Shrestha**  
Chairman  
Centre for Self-help Development (CSD)

PROGRAM DATE & TIME

**June 30, 2021, (Ashadh 16, 2078)**  
**9:00 am to 1:00 pm**



Keynote Speaker

**Nobel Laureate  
Professor Muhammad Yunus**  
Chairman  
Yunus Centre, Bangladesh

PLENARY SESSION MODERATOR



**Dr. Bhesha P. Dhamala**  
Chairman, NIBSL

ACTION PLAN MODERATORS



**Mr. Sushant Rijal**  
P. Officer, Kings College



**Mr. Sanjay K. Mandal**  
CEO, JILBSL



**Dr. Indira Shapit Shukya**  
Freelancer

ACTION PLAN COORDINATOR



**Mr. Jyoti C. Ojha**  
CEO, RMDG LBSL

PLENARY SESSION PANELISTS



**Mr. Narottam Aryal**  
President, Kings College



**Ms. Prakriti Mainali**  
Co-founder, SMN



**Ms. Bimala Yogi**  
CEO, JILBSL



**Mr. Bharat Raj Dhakal**  
Chairman, MBSL



**Ms. Merina Ranjit**  
DGM, CG



**Dr. Gopal Dahit**  
ED, UNIBSL



**Mr. Mahendra K. Giri**  
CEO, Sahara Nepal SACCOS



**Dr. Sumitra M Gurung**  
CEO, MSLSL



**Mr. Navraj Dhakal**  
Deputy ED, AEPC



**Dr. Purushottam Shrestha**  
ED, CRT/N

For Further Information Contact:  
**Mr. Bechan Giri**  
Tel.: 9851012857, 01-4265635, 4256786  
E-mail: csd@mos.com.np  
Web: www.csdnepal.org.np

Language Registration  
**NEPALI FREE**

Register here to Join us:

<https://zoom.us/j/98962004034>

Meeting ID: 989 6200 4034

<https://fb.watch/6eOUBddJxz/>

OR  
Scan this  
QR code to  
join directly.



# Annex-3

## Group-wise Discussion

### What are the key problems that your Country Forum chose to address?

Some of the overarching problems that need to be addressed for achieving zero poverty, zero unemployment and zero greenhouse gas emissions as envisioned by 11<sup>th</sup> Social Business Day, 2021 are mentioned below

- No significant achievement in poverty reduction due to low productivity of agriculture
- Lack of integrated service of agriculture inputs, technology, finance, marketing and pricing.
- Increasing youth unemployment, lack of skill manpower
- Foreign employment mostly in gulf countries and Malaysia is the major areas of youth employment where approximately 75% are unskilled labor force
- Nepal is one of the most vulnerable countries to climate change, water induced disasters and hydro-meteorological extreme events such as droughts, storms, floods, inundation, landslides, debris flow, soil erosion and avalanches

### Thematic issue on Social Business and Self-employment Creation among the Youth

- Very little collaboration between relevant stakeholders for social business promotion

- Less access to skilled manpower for rural and women led entrepreneurs
- Gap between Academia (with knowledge and skill of business) and Community (with problems- resources and unemployment)
- Policy level issues in Social Business
- Cheap imports from India and China makes our local products uncompetitive
- Lack of expertise, skills and government initiative for promotion and development of value added products

### Thematic issue on Poverty Situation in Nepal and the Alleviation through Microfinance Institutions

- Unable to reach the poorest and marginalized
- Lack of appropriate financial services for poor and marginalized families
- Lack of access to health and education services for poor and marginalized families
- Lack of skills and entrepreneurial opportunities for the poor
- Lack of precise information on the level of poverty

### Thematic issue on Reducing Carbon Emission

- High carbon emission at the domestic, enterprise and transport section and huge amount of resources is needed to cut carbon emission even at marginal level

- Excess burden to the poor for initiating entrepreneurship development linked to environment protection through cost sharing approach

### Have there been any positive developments in these problems? What can you do to approach these problems?

Government, academic institutions and private sector have implemented different programs to address these issues in their plan and programs. Microfinance programs have shown their effectiveness to reach target group

### Positive Development on Social Business and Self-employment Creation among the Youth

- Microfinance involved in entrepreneurship development, poverty reduction, women empowerment and other social and economic issues
- Academia and Incubators trying to reach out to rural areas as well. King's College and Novel College has also reached out to rural communities with the programs
- Government positive initiative on Social Entrepreneurship Fund

### Positive Development on Poverty Situation in Nepal and the Alleviation through Microfinance Institutions:

- Achievements in entrepreneurship development and other cross cutting issues on women empowerment and poverty reduction
- Access to finance
- Environment protection through promotion of renewable energy technology and linked with creation of entrepreneurship

### Positive Development on Reducing Carbon Emission:

- Nepal is committed to acting on climate change in line with the Paris Agreement. **Government of Nepal has approved Second Nationally Determined Contribution (NDC) on 8<sup>th</sup> December 2020** and submitted to UNFCCC Secretariat.
- It envisions formulating **“a long-term low greenhouse gas emission development strategy by 2021” aiming to “achieve net-zero greenhouse gas emission by 2050”**.
- Nepal's 2<sup>nd</sup> NDC, also called enhanced NDC puts forward **activity-based and policy targets** for emissions reduction in priority sectors.
- It has **Quantified Mitigation targets (up to 2025 and 2030):**

#### ► Energy:

- By 2030, expand clean energy generation from approximately 1,400 MW to 15,000 MW, of which 5-10 % will be generated from mini and micro-hydro power, solar, wind and bio-energy. Of this, 5,000 MW is an unconditional target. The remainder is dependent upon the provision of funding by the international community.
- By 2030, ensure 15% of the total energy demand is supplied from clean energy sources.

#### ► Transport:

- Sales of electric vehicles in 2025 will be 25% of all private passenger vehicles sales, including two-wheelers and 20% of all four-wheeler public passenger vehicle sales

- By 2030, increase sales of electric vehicles to cover 90% of all private passenger vehicle sales, including two-wheelers and 60% of all four wheeler public passenger vehicle sales
- By 2030, develop 200 km of the electric rail network to support public commuting and mass transportation of goods

#### ❖ **Residential cooking/heating:**

- By 2030, ensure 25% of households use electric stoves as their primary mode of cooking
- By 2025, install 500,000 improved cook-stoves
- By 2025, install an additional 200,000 household biogas plants and 500 large scale biogas plants (institutional/industrial/municipal/community)

#### ❖ **Agriculture, Land Use and Forestry (AFOLU):**

- By 2030, maintain 45% of the total area of the country under forest cover (including other wooded land limited to less than 4%)
- By 2030, manage 50% of Terai and Inner Terai forests and 25% of middle hills and mountain forests sustainably, including through the use of funding from REDD+ initiatives.

#### ► **Waste:**

- By 2025, 380 million litres/day of wastewater will be treated before being discharged, and 60,000 cubic meters/year of faecal sludge will be managed.

## **What are some future actions that need to be taken?**

### **Future actions on Social Business and Self-employment Creation among the Youth:**

- Collaborative Research in identifying social problem and then design the intervention
- Initiate projects for developing database of school students and dropouts and introduce programs for their entrepreneurship development
- Academia and microfinance institutions' collaboration
- Work on value addition to the raw materials so that we produce valuable products, which are both competitive and valuable against foreign products
- Creation of skill development fund
- Data base on migrant workers, skills and gaps to initiate capacity development programs for youth employments

### **Future actions on Poverty Situation in Nepal and the Alleviation through Microfinance Institutions:**

- Enrollment in Microfinance, Enhance the Financial Access among the poor
- Entrepreneurship Development and Employment Creation
- Create linkage with academic sector and aware local people on importance of education.
- Access for Health Service
- Reduce the landless family and create opportunity to get own land with safe and affordable house
- Benchmark for members' progress (e.g. Progress out of Poverty Index)



## **Future action on Reducing Carbon Emission**

- Need for Poor-sensitive policies and putting these into practice
- Maintaining disaggregated data by gender, caste and economy
- Promote/link income based activities with any development interventions
- Uptake measures for the following services:
  - ▶ Knowledge building
  - ▶ Skill development at the local level
  - ▶ Financing

## **What are the Areas of Research that are required?**

### **Research on Social Business and Self-employment Creation among the Youth**

- Creation of skill development fund by microfinance institutions to be used together with academia for entrepreneurship development
- Collaboration with community by Academia and micro-finance institutions along with other organizations for entrepreneurship development (both rural people, students or they can even start a collective venture)

### **Research on Poverty Situation in Nepal and the Alleviation through Microfinance Institutions:**

- Identify marginalized families below the poverty line
- Identify the potential sector for the development of entrepreneurship
- Identification and collaboration with stakeholders in the entrepreneurship development sector

## **Research on Reducing Carbon Emission:**

- Potentials of mobilizing community based women's groups (Amaa Samuha, Self Help Groups and Health Workers) in promoting clean/modern energy for cooking (domestic and commercial)
- Technologies, Skill and Access Issues in Rural Areas by economic segments
- Roles and Potentials of MFIs in promoting low carbon systems in rural areas
- Policy and skill gaps related to forward and backward linkages in terms of financing institutions in Nepal

## **Any interesting Ideas/topics?**

- Collaboration with community by Academia and microfinance institutions along with other organizations for entrepreneurship development (both rural people, students or they can even start a collective venture)
- Mechanisms of Reaching out to the poor and marginalized for livelihood enhancement through innovative financing and marketing mechanisms with renewable energy promotion and installment

## **What topics require the most attention?**

- Coordination, collaboration and partnership between relevant stakeholders to achieve desired results

## **What did you most enjoy about this Country Forum format?**

- Commitment shown to work together among all partners for Social Business promotion

- Improving Policy Arrangement for Reaching the Poorest, Marginalized and Vulnerable
- Mechanism to Reduce carbon Emission in Rural Context at the local level, Nepal
- Challenges of Social Entrepreneurs and Way Ahead

### **What are some suggestions for the future?**

- Follow-up meeting on progress and future work plan including areas of partnership
- Coordination, partnership and extensive tie up with government line agencies, national and international

donor agencies, academic institutions, microfinance institutions, support organizations (including national and international non-government organizations) and private sectors

- After initial incubation focus on market approach and replace subsidy with credit to stop crowding out effect for renewable energy promotion which discourages private sector growth
- Agricultural tools, machineries and infrastructures for carrying out/operating entrepreneurship activities should also be tied up to credit and subsidy should be strictly discouraged in order to create ownership and to prohibit crowding out effect similar to renewable energy promotion



# Annex-4

## Two Year Action Plan

### Social Business and Entrepreneurship Development Program

1. MFIs will collaborate with rural high schools for establishing 20 enterprise incubation centers for students
2. Prepare 20 stories of successful micro-entrepreneurs to educate potential micro-entrepreneurs.
3. Organize 25 exchange visit programs for potential micro-entrepreneurs to successful enterprises.
4. Promote one thousand high school graduate children of MFIs members for entrepreneurship development.
5. MFIs and Academic institutions will jointly create skill development fund for entrepreneurship development.
6. Prepare inventory of returnee migrants and their skills for encouraging them to undertake micro-enterprises for self-employment.

### Poverty Alleviation through Microfinance Institutions Program

7. Each MFI will create a hardcore poor cell to oversee the inclusion of the hardcore poor and marginalized families under its service.
8. Each MFI will conduct survey to identify the most deprived families under their jurisdiction within six months and conduct training and organize them into groups and provide package of required services.

9. MFIs will initiate 20 green shops under the ownership of the members as social business to support the marketing of members' products.

### Carbon (Green Gas) Reduction Program

10. MFIs will establish 20 Eco Villages in rural areas in collaboration with local governments.
11. MFIs will motivate local youths to form 100 Three Zero Clubs and connect them with national and international networks.
12. CSD and RMDC will collaborate with 4 local municipalities for promoting the concept of Three Zeroes in their program planning and implementation.
13. Introduce Rural Energy Technology Education at 10 rural schools in collaboration with Centre for Rural Technology/Nepal.
14. Each MFI will launch campaign of fruit trees plantations through its rural members who own some land.

# Annex-5

## 11<sup>th</sup> Social Business Day

COUNTRY FORUM OF NEPAL

(June 30, 2021)

Theme of the 11<sup>th</sup> Social Business Day: **No Going Back**

### Program Schedule

Time	Program Details
09:00 – 09:15	Opening of the Forum
09:00 – 09:15	Opening Remarks: Chairperson of the Forum Organizing Committee Mr. Shankar Man Shrestha
09:15 – 10:10	Plenary Session
	Session Moderator: Dr. Bhesh Prasad Dhamala Topic (1): Social Business and Entrepreneurship Development (40 minute)
	Subtopics and Panelists: Subtopic (1): Role of Academia in Promoting Social Entrepreneurship and Way Ahead, (7 minute) Panelist: Mr. Narottam Aryal
	Subtopic (2): Challenges of Social Entrepreneurs and Way Ahead, (7 minute) Panelist: Ms. Prakriti Mainali
	Subtopic (3): Entrepreneurship Promotion through Microfinance and Way Forward, (7 minute) Panelist: Ms. Bimala Yogi
	Subtopic (4): Developing Marketing Mechanism with Social Mission, (7 minute) Panelist: Mr. Bharat Raj Dhakal
	Subtopic (5): Rural Incubation: Opportunity and Challenges and Way Ahead, (7 minute) Panelist: Ms. Merina Ranjit

<b>Time</b>	<b>Program Details</b>
10:10 – 10:30	Keynote Address: Professor Muhammad Yunus, Dhaka, Bangladesh
10:30 – 11:30	<p>Plenary Session (Continued)</p> <p>Session Moderator: Dr. Bhesh Prasad Dhamala</p> <p>Topic (2): Poverty Situation in Nepal and the Alleviation through Microfinance Institutions (30 minute)</p> <p>Subtopics and Panelists:</p> <p>Subtopic (1): Mechanism of Reaching the Poorest, Marginalized and Vulnerable through Microfinance Institutions (7 minute) Panelist: Dr. Gopal Dahit</p> <p>Subtopic (2): Mechanism of Reaching the Poorest, Marginalized and Vulnerable through Microfinance Cooperatives (7 minute) Panelist: Mr. Mahendra Kumar Giri</p> <p>Subtopic (3): Improving Policy Arrangement for Reaching the Poorest, Marginalized and Vulnerable, (7 minute) Panelist: Dr. Sumitra Manandhar Gurung</p> <p>Topic (3): Carbon Emission Problem in Nepal and Reduction Strategy (20 minute)</p> <p>Subtopics and Panelists:</p> <p>Subtopic (1): Carbon Emission Problem and Reduction Strategy in General in Nepal, (7 minute) Panelist: Mr. Nawa Raj Dhakal</p> <p>Subtopic (2): Mechanism to Reduce carbon Emission in Rural Context of Nepal, (7 minute) Panelist: Dr. Purushottam Shrestha</p>
11:30 – 11:40	<b>Break</b>
11:40 – 12:10	<p>Preparation of Two Year Action Plan</p> <p>Coordinator: Mr. Jyoti Chandra Ojha</p> <p>Group 1 Topic for Action Plan: Promotion of Social Business and Self-employment Creation among the Youth, (7 minute) Moderator: Mr. Sushant Rijal</p>

Time	Program Details	
	Group 2	Topic for Action Plan: Improving the lives of the Poorest and Marginalized (7 minute) Moderator: Mr. Sanjay Mandal
	Group 3	Topic for Action Plan: Reducing Carbon Emission. (7 minute) Moderator, Dr. Indira Shakya
<b>12:10 – 13:00</b>	<b>Closing Session</b>	
	<ul style="list-style-type: none"> <li>Rationale and Process of Action Plan Formulation Coordinator, Mr. Jyoti Chandra Ojha</li> </ul>	
	<ul style="list-style-type: none"> <li>Presentation of Action Plan: Group 1 Moderator, Mr. Sushant Rijal (7 minute) Group 2 Moderator, Mr. Sanjay Mandal (7 minute) Group 3 Moderator, Dr. Indira Shakya (7 minute)</li> </ul>	

Closing Remarks and End of the Forum: Chairperson of the Organizing Committee  
Mr. Shankar Man Shrestha

## Annex-6

### Support Team

S.N.	Name	Organization
1.	Mr. Bechan Giri	Centre for Self-help Development
2.	Mr. Satish Shrestha	Centre for Self-help Development
3.	Mr. Sopan Bista	Centre for Self-help Development
4.	Ms. Renu Prajapati	Centre for Self-help Development
5.	Mr. Chandrakanta Pandit	Centre for Self-help Development
6.	Mr. Dipendra Joshi	Centre for Self-help Development
7.	Ms. Shraddha Joshi	Centre for Self-help Development
8.	Ms. Suchita Maharjan	Centre for Self-help Development
9.	Ms. Tashi Lhamu Sherpa	Centre for Self-help Development
10.	Ms. Laxmi Parajuli	Centre for Self-help Development

## Maitighar, Height

**N** ←



- Microfinance Institution
- Cooperative
- NGO



# *No Going Back*



**Centre for Self-help Development (CSD)**

-Institute of Microfinance & Cooperative Development

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