



# Nepal

In recent decades, Nepal has made significant strides in [reducing poverty](#) and improving services such as water, [sanitation](#), and [electrification](#). It has also diversified agriculture and other livelihoods, while better conserving its [forests](#) and [wildlife](#). However, the country is navigating a complex transformation marked by growing climate vulnerabilities, youth outmigration, and political shifts. Amid these challenges, the country has the ambition to [transition](#) to developing country status, expected to occur in November 2026.

SNV has been a trusted development partner in Nepal since the early 1980s, operating across six of the seven provinces. It has supported the government in pioneering scalable programmes, such as the Improved Water Mills Programme and Biogas Support Programme—the latter has since been replicated in 27 countries. SNV has also implemented programmes strengthening local governance, community infrastructure, biodiversity, high-impact tourism, agriculture value chains, and water and sanitation.

Looking ahead, Nepal's ambition for sustainable, inclusive growth calls for bold and mission-aligned strategies from development partners. SNV answers this call by deepening partnerships, unlocking climate finance, advancing technical expertise, embracing digitalisation, and ensuring operational excellence to transform agriculture, water, and energy sectors. It supports the government's journey by strengthening governance, tackling climate change, and ensuring no one is left behind.



## 106 micro-enterprises

supplying energy products established, 40% led by women (2016-2023)



## Over 22.5K households

now prepare food using locally produced clean cookstoves (2022-2025)



## 93,750 people

gained access to safely managed sanitation services in four cities (2018-2024)



## 19 districts

supported in achieving Open Defecation Free status (2008-2019)



## Responding to the climate crisis

Nepal faces mounting climate-related challenges, including glacial melt, water scarcity, and frequent floods that threaten livelihoods and essential services. Reliance on firewood and fossil fuels in some areas exacerbate pressures on the environment, while weak institutional coordination and limited access to climate finance slow down the pace of inclusive development.

The government has prioritised climate resilience in its national agenda, with strong commitments relating to renewable energy, agriculture, and water sectors in its NDCs 3.0. With plans afoot for a 5G rollout and expansion of digital infrastructure, the country is well-positioned to support climate-smart agriculture and early warning systems. Nepal's engagement with development partners signals a growing commitment to green, inclusive development, enabling SNV to scale integrated, climate-resilient solutions that incorporate technological innovation, behavioural change, market strengthening, and access to financing.

### DFCD in Nepal | Nationwide | 2023-27 | €1.35M

In Nepal, the Dutch Fund for Climate and Development (DFCD) programme channels funds through two national banks to unlock commercial finance for smallholder farmers and SMEs (the aggregator model). SNV provided NMB Bank with a €350,000 grant and technical assistance to de-risk investments, complemented by a €20 million loan from FMO, a Dutch development bank. NMB, in turn, invested in two businesses that generated market security for 5,000 smallholder farmers and cold-storage facilities preventing approximately 12,000 tonnes of post-harvest losses. Similarly, through Muktinath Bikas Bank, DFCD supported 68 cooperatives with NPR 770.9 million (€5.37 million) in wholesale lending, benefiting 96,634 cooperative members and 22,657 active borrowers. By leveraging SNV's aggregator model, DFCD catalysed investments in climate-resilient agriculture, strengthening livelihoods and supporting Nepal's transition to a green economy.

**Partners:** The Ministry of Foreign Affairs of the Netherlands, SNV, Muktinath Krishi Company Ltd., NMB Bank, Muktinath Bank, and private sector companies

### EnDev III Nepal | Karnali, Sudurpaschim, and Lumbini Provinces | 2023-25 | €1M

The Energising Development III (EnDev III) project in Nepal supported clean energy access by promoting pico-hydro schemes and clean cooking technologies in three provinces. The initiative helped more than 17,500 households gain access to clean cooking technologies via 38 local retailers, creating 120 part-time jobs and equipping 50 entrepreneurs with business leadership skills. Behaviour Change Communication campaigns that promoted health, environmental benefits, and cost savings (about NPR 450 per month per household) raised people's awareness about the benefits of clean cooking and where these products may be purchased. EnDev contributed to mitigating deforestation and reducing community and small and medium-sized enterprise (SME) reliance on firewood and cow dung, thereby reducing indoor air pollution and greenhouse gas emissions.

**Partners:** EnDev, AEPC, SNV, and NGO partners

### WASH SDG | Multi-country | 2017-24 | €67M

In Nepal, the WASH SDG programme partnered with local authorities in Birendranagar, Nepalgunj, Chandannath, and Khadak to improve urban sanitation and hygiene. It pioneered a Climate Vulnerability and Resilience Assessment study that identified climate change risks to sanitation services, infrastructure, and water quality. The study further informed actions that contributed to Nepal's NDC targets for the safe management of faecal sludge. Professionalised sludge emptying mandated by city by-laws increased safety and affordability, while nature-based treatment plants helped reduce methane emissions. Simultaneously, zoning of flood-prone areas supported sanitation and hygiene campaigns for high-risk communities. As a result of the city-wide approach, 93,750 people gained access to safe sanitation and 99,436 to handwashing with soap facilities, with many more supported across eighteen cities in Africa and Asia.

**Partners:** The Ministry of Foreign Affairs of the Netherlands, Ministry of Water Supply, local governments, SNV, and NGO partners

## Accelerating inclusive development

Nepal's development remains uneven across ecological zones, with marginalised groups, including low-income households, Dalits, Indigenous Peoples, people with disabilities, and women, facing structural barriers to opportunity and services. These challenges are especially pronounced in rural areas, which experience outmigration, particularly of youth, in search of economic activity.

The government prioritises inclusive development, integrating it across most policy agendas and urging local governments to monitor progress on inclusion. Efforts include expanding vocational training, supporting youth entrepreneurship, promoting digital inclusion, and implementing social protection schemes across underserved areas. SNV programmes closely align with these national priorities, collaboratively fostering environments where people can actively participate in their own development, access services, and engage in decision-making, ultimately broadening opportunities for all.

### Beyond the Finish Line in Nepal | Dailekh and Sarlahi districts | 2018-22 | €7.6M

In Nepal, the Beyond the Finish Line (BFL) programme promoted gender equality, disability, and social inclusion in WASH services across eight rural municipalities in Dailekh and Sarlahi. The initiative strengthened local government capacity for inclusive water supply planning and investment, while tailoring WASH approaches for women and people with disabilities. It also established municipality-wide disability networks and helpdesks to provide targeted support. In addition, BFL trained 75 women entrepreneurs to diversify their income streams and improve the supply of WASH materials, which proved especially helpful during the COVID-19 pandemic. As a result, 36,128 women and 39,469 men, including over 6,500 individuals with disabilities, gained access to safely managed water, and 40,690 people started using handwashing facilities with soap.

**Partners:** Water for Women Fund of the Australian Government, Ministry of Water Supply, local governments, SNV, CBM Australia, UTS-ISF, and NGO partners

### Swachchhata | Five districts in Karnali and Lumbini Provinces | 2016-20 | €4.2M

Swachchhata, also known as the Health and Hygiene Activity, supported the government's ambition to enhance the quality of care and WASH services in health facilities for Nepal's most remote and marginalised communities. The programme supported the adoption of infection prevention standards across 142 health facilities, the installation of 24-hour solar-powered electricity at 61 sites, and the construction of disability-accessible WASH facilities and safe waste management systems in 80 centres. Today, women in isolated villages in the districts of Dolpa, East and West Rukum, Salyan, and Jajarkot give birth in safer and more hygienic settings. Swachchhata also introduced community members to good hygiene behaviours, helping prevent the spread of water-borne diseases.

**Partners:** United States Agency for International Development, Alternative Energy Promotion Centre, Ministry of Health, local governments and health facilities, SNV, and Population Services International

### HVAP | Seven districts in the Karnali Province | 2011-18 | €19M

The High Value Agriculture Project (HVAP) partnered with 15,965 smallholder households—91% categorised as poor—across seven districts to develop inclusive agricultural value chains built around co-investment, service market development, and collaborative platforms. Through the programme, more than a third of households experienced an annual income rise of at least €180. Women's involvement in leadership positions rose to 49%, while vulnerable households tapped into the programme's Poverty Inclusion Fund (n=1,134). Prioritising gender and social inclusion, HVAP ensured women comprised 63% of training participants, and Dalits and Indigenous Peoples accounted for 25%. By supporting equitable distribution of opportunities, increased incomes, and reduced malnutrition, the programme created a pathway towards more resilient food security for all.

**Partners:** International Fund for Agricultural Development, Ministry of Agricultural Development, SNV, and Agro-Enterprise Centre – FNCCI



## Strengthening governance and institutions

Nepal's federal governance structure delineates roles and responsibilities for investments, programmes, and services between the three autonomous tiers of government. However, coordination gaps between different government bodies lead to challenges in service delivery. Inefficiencies in public finance management and limited human resources have slowed progress in implementing infrastructure and programmes, especially in newer units at the provincial and local government levels.

Simultaneously, while private sector engagement is increasingly emphasised to accelerate development and access to services, the enabling environment to promote such investments is often lacking. The government is addressing these bottlenecks by updating its legal and policy framework at the federal level and encouraging provincial and local governments to adapt these to their contexts. SNV is actively supporting these pathways towards more responsive, transparent, and resilient governance and institutions.

### WS4H in Nepal | Madhesh and Koshi Provinces | 2024-27 | €2.6M

In Nepal, the WASH Systems for Health (WS4H) programme supports the provincial governments of Madhesh and Koshi in reinforcing decentralised WASH service delivery and accelerating progress towards safely managed sanitation and hygiene. The programme focuses on institutional strengthening and building local government capacity to develop evidence-based WASH strategic plans and mobilise resources for infrastructure investments.

Notable achievements so far, are the Koshi government's promulgation of the provincial Water Supply and Sanitation Act 2025 (2082 in Nepali year) to guide its WASH priorities, the mobilisation of Provincial Resource Persons across 71 municipalities to support WASH governance, and the development of active provincial coordination platforms to foster learning and collaboration. The same programme is active in Bangladesh, Tanzania, and Malawi.

**Partners:** The United Kingdom's Foreign, Commonwealth and Development Office, Ministry of Water Supply, Provincial governments of Madhesh and Koshi, local governments, National Association of Rural Municipalities in Nepal, SNV, and WaterAid

### SSH4A in Nepal | Karnali, Lumbini, and Madhesh Provinces | 2008-20 | €4.4M

The Sustainable Sanitation and Hygiene for All (SSH4A) programme operated in 19 districts across Nepal and helped in eradicating open defecation following the government's no-subsidy approach. Working with district and village authorities, SNV co-developed and rolled out Nepal's National Sanitation and Hygiene Master Plan 2011. SNV's efforts strengthened district-level governance capacities, supported villages in generating community demand for sanitation, improved local sanitation supply chains for appropriate technologies, and facilitated communities in building and maintaining systems, including for the most vulnerable.

Reaching diverse locations, from high-altitude villages in Humla's Limi Valley to Dalit settlements in the terai (plains), SSH4A ran contextualised sanitation behaviour change campaigns that were crucial in sustaining 98% household toilet use and maintenance.

**Partners:** The Governments of the Netherlands, United Kingdom, and Australia, Ministries responsible for WASH, SNV, local governments, and NGO partners



SNV is a global development partner deeply rooted in the African and Asian countries where we operate. With 60 years of experience and a team of approximately 1,600 people, we strengthen capacities and catalyse partnerships that transform agri-food, energy and water systems. Working on the core themes of gender equality and social inclusion, climate adaptation and mitigation, and strong institutions and effective governance, we tailor our approaches to different contexts to achieve large-scale impact and create sustainable and more equitable lives for all.

#### Contact SNV in Nepal

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